STATE BOARD OF HIGHER EDUCATION
MINUTES OF MEETING HELD AT
UNIVERSITY CLUB, PORTLAND, OREGON
May 27, 1935

MEETING #57

The State Board of Higher Education of the State of Oregon convened in special session at the University Club in the City of Portland, Oregon, on May 27, 1935, at ten o'clock A.M. The meeting was called to order by Mr. Willard L. Marks, President of the Board.

ROLL CALL

The Secretary of the Board called the roll. Those present and those absent were as follows:

Present:

Willard L. Marks       B. F. Irvine
C. A. Brand            Leif S. Pinseth
Beatrice Walton Sackett Herman Oliver
E. C. Sammons          E. C. Pease

Absent:

F. E. Callister

There were also present W. J. Kerr, Chancellor; Charles D. Byrne, Secretary of the Board; President C. V. Boyer of the University of Oregon; President George W. Peavy of Oregon State College; J. A. Churchill, Director of Elementary Teacher Training, and Estes Snedecor, counsel for the Board. Mr. Marks and Mr. Irvine were called from the meeting for short periods.

The Secretary read the call of the meeting, together with the proof of service of the notice thereof, both of which were ordered spread upon the minutes of the meeting:

CALL OF SPECIAL MEETING OF THE STATE BOARD OF HIGHER EDUCATION OF THE STATE OF OREGON

"Pursuant to the motion and resolution of the State Board of Higher Education of the State of Oregon, adopted at its regular meeting held in Portland, Oregon, on April 22, 1935, authorizing the President of the Board to call a special meeting of the Board during the latter part of May, 1935, I hereby call a special meeting of the State Board of Higher Education of the State of Oregon to be held at the University Club in the City of Portland, Oregon, at ten o'clock A.M. on the 27th day of May, 1935, for the purpose of considering and acting upon the following matters:

(1) Budgets for 1935-36."
(2) Resolution authorizing issuance of bonds for construction of a gymnasium at Southern Oregon Normal School, Ashland.

(3) Resolution authorizing issuance of bonds for construction of a gymnasium at Oregon Normal School, Monmouth.

(4) Amendatory agreement between the Public Works Administration of the United States of America and the State Board of Higher Education in connection with the construction of the Library Building, University of Oregon, Eugene.

(5) Certain routine business.

"I hereby authorize and direct Charles D. Byrne, Secretary of the Board forthwith to give notice by mail to all members of the Board of the calling of said meeting, designating the time and place thereof as hereinbefore set forth.

"DONE at Albany, Oregon, this 14th day of May, 1935.

Willard L. Marks
President, State Board of Higher Education"

NOTICE OF SPECIAL MEETING AND PROOF OF SERVICE

"Pursuant to action taken by the Board at the meeting of April 22, 1935, authorizing the President of the Board to call a special meeting, President Marks is hereby issuing a call for a special meeting of the Board at 10:00 a.m., May 27, at the University Club in Portland, Oregon.

"The following matters will be subjects for consideration at that meeting:

(1) Budgets for 1935-36.

(2) Resolution authorizing issuance of bonds for construction of a gymnasium at Southern Oregon Normal School, Ashland.

(3) Resolution authorizing issuance of bonds for construction of a gymnasium at Oregon Normal School, Monmouth.

(4) Amendatory agreement between the Public Works Administration of the United States of America and the State Board of Higher Education in connection with the construction of the Library Building, University of Oregon, Eugene."
(5) Certain routine business.

Very truly yours,

CHARLES D. BYRNE
Secretary, State Board of Higher Education

"A true copy of the foregoing notice was mailed by me on 15th day of May, 1935, to each of the nine members of the State Board of Higher Education of the State of Oregon, at their respective places of residence.

Charles D. Byrne
Secretary, State Board of Higher Education"

The Board voted to dispense with the reading of the minutes of the meeting of April 22, 1935, and approved the minutes as previously submitted to Board members.

Chancellor Kerr presented the report on the 1935-36 operating budgets at the request of the Finance Committee. He indicated that these budgets were prepared on the bases approved by the Board at the April 22d meeting, and that the budgets for each of the institutions had been balanced within the funds available under this approved plan. He pointed out that salary increases had been kept to a minimum and included only those cases where staff members had increased responsibility or where adjustments were necessary to prevent loss of staff members through acceptance of positions elsewhere at larger salaries. The Chancellor indicated that the budgets as submitted left a balance of approximately $50,000 with an item in the budget of $50,000 for emergencies, which would give the Board a total reserve for the six institutions of slightly more than $100,000 to cover emergencies and to act as a safeguard against a deficit in case the income fell below the estimates.

Upon motion by Mr. Irvine and second by Mr. Sammons, the budgets and personnel adjustments for the fiscal year 1935-36, as presented in the mimeographed documents sent to Board members, were approved. (Copies of these documents, entitled "Budget Summaries for the Fiscal Year Ending June 30, 1936" and "Personnel Adjustments for the Fiscal Year Ending June 30, 1936," are on file in the Board's office as an integral part of these minutes.)
Mr. Finseth, Acting Chairman of the Buildings, Grounds, and Capital Outlay Committee, reported that this committee had met and considered various problems in connection with the building program of the Board. Mr. Sammons, Chairman of the Finance Committee, was asked to sit in on the committee meeting because most of the problems before the committee involved finances.

Mr. Finseth indicated that the plans and specifications for the gymnasium at Southern Oregon Normal School were submitted to the committee by the architect, Mr. Bennes, and were gone over carefully by the committee and the Chancellor. President Redford met with the committee and indicated that the plans and specifications met with his approval and that of his faculty members concerned.

Upon recommendation of the Buildings, Grounds, and Capital Outlay Committee, the Board voted to approve the plans and specifications for the gymnasium at Southern Oregon Normal School, to authorize the Buildings, Grounds, and Capital Outlay Committee to advertise for bids when the plans had been approved by the Public Works Administration, and to award the contract to the successful bidder within the funds available; the Board also authorized the President and Secretary of the Board to sign the contract and other necessary documents in connection with the awarding of the contract.

Mr. Finseth, Acting Chairman of the Buildings, Grounds, and Capital Outlay Committee, reported that the bids for the Oregon Normal School gymnasium, for which plans and specifications had already been approved by the Board, were to be opened June 6. In order to avoid delay in the construction of this building and the necessity of a special Board meeting, the committee suggested that full authority be given the committee in awarding the contract for this building.

The Board voted to authorize the Buildings, Grounds, and Capital Outlay Committee to award the contract on the gymnasium at the Oregon Normal School to the lowest bidder within the funds available; and authorized the President and Secretary to execute the contract and other necessary documents.

Mr. Finseth, Acting Chairman of the Buildings, Grounds, and Capital Outlay Committee, reported that the plans and specifications for the University library building were expected to be completed and approved by the Public Works Administration within the next few weeks. The plans had already been approved by the Board. He suggested that the Buildings, Grounds, and Capital Outlay Committee be authorized to advertise for bids and award the contracts, in order to avoid delay.
The Board voted to authorize the Buildings, Grounds, and Capital Outlay Committee to advertise for bids on the University library and to award the contracts to the successful bidder within the funds available; and also authorized the President and Secretary of the Board to execute the contracts and other necessary documents.

Mr. Finseth, Acting Chairman of the Buildings, Grounds, and Capital Outlay Committee, reported that the Eastern Oregon Normal School, through its building fund, could finance a $100,000 dormitory over approximately a 28-year amortization period under the new 45 per cent grant provision of the Public Works Administration; and that this $100,000 estimate would cover the building itself, the necessary overhead in preparing plans, specifications, etc., and approximately $10,000 for fixed equipment such as furniture, etc. He indicated that Mr. Bennes, architect, had prepared preliminary sketches and estimates. The committee had given careful consideration to the project and recommended it to the Board.

The Board voted to make application to the federal Public Works Administration for a loan and grant of $100,000 to erect a dormitory at the Eastern Oregon Normal School at La Grande; to authorize Mr. Bennes as architect to prepare the necessary plans and estimates for this building with the provision that he be reimbursed for the actual cost of his work in case the building were not erected; and to authorize Mr. Estes Snedecor, legal counsel for the Board, to prepare the formal application to the federal government.

Mr. Finseth, Acting Chairman of the Buildings, Grounds, and Capital Outlay Committee, reported that the Board had agreed in its contract with the federal government to supply adequate insurance during the construction period on the training school at Eastern Oregon Normal School, and that the Public Works Administration officials had accepted the State Restoration Fund as insurance on this building during construction. He indicated, however, that the Public Works Administration officials had later questioned the adequacy of the Restoration Fund for coverage on this building during the construction period and were requesting private insurance. Mr. Finseth reported that insurance during the construction period on the other buildings would be included in the construction contracts, to be carried by the contractor.

The Board voted to instruct the secretary to see that the necessary insurance be secured to cover the training school at Eastern Oregon Normal School during the construction period, in accordance with the Board's contract with the Public Works administration.
Mr. Finseth, Acting Chairman of the Buildings, Grounds, and Capital Outlay Committee, reported that the Public Works Administration had approved the Board's application for an additional grant in connection with the training school at Eastern Oregon Normal School—which made possible the inclusion of the physical education facilities as contemplated and included in the contracts. He stated that the increase of the maximum loan and grant from $94,500 to $107,200 would make available sufficient funds for this project with a safe margin for contingencies. He reported that the school district had already deposited with the State Treasurer the $3,500 promised toward the gymnasium, and that the contractors were being notified to proceed with the gymnasium facilities.

President Marks made the following committee appointments:

Beatrice Walton Sackett, member of Curricula Committee
Edward C. Pease, member of Finance Committee.

Mr. Earle Wellington, President of the University of Oregon Dads, presented the resolution passed by this organization on May 9, 1935, calling for the abolishing of the office of the chancellor. The secretary of the Board read the resolution. (Copies of the resolution and a transcript of Mr. Wellington's presentation and the ensuing discussion are on file in the Board's office.)

Upon motion by Mrs. Sackett and second by Mr. Sammons, the Board voted to accept for consideration the resolution of the University of Oregon Dads requesting the abolishing of the office of chancellor.

Mrs. George F. Brice, President of the Oregon Mothers of the University of Oregon, presented the resolution passed by this organization on May 11, 1935, calling for the abolishing of the office of the chancellor. The secretary of the Board read the resolution. (Copies of the resolution and a transcript of Mrs. Brice's presentation are on file in the Board's office.)

Upon motion by Mr. Finseth and second by Mr. Sammons, the resolution of the Oregon Mothers of the University of Oregon requesting the abolishing of the office of chancellor, was received for consideration by the Board.

The following committee, representing the Oregon Conference of Social Workers, requested an opportunity to present to the Board the need of reestablishment at the University of the School of Social Work: G. H. Oberteuffer, Gladys Hall, and Mrs. Saidie Orr-Dunbar.
Miss Hall made the presentation for the committee. (Transcript of Miss Hall's presentation is on file in the Board's office.)

President Marks referred the matter of a School of Social Work to the Chancellor for study with the President of the University. He indicated that any further information should be forwarded direct to the secretary of the Board for transmittal to the Chancellor.

Estes Snedecor, legal adviser for the Board, informed the Board that it would be necessary to pass a Resolution authorizing the issuance of special obligation bonds to be known as "Oregon Normal School Gymnasium Bonds."

Thereupon Secretary Byrne read in full the following resolution numbered "1" and entitled "A Resolution Providing for the Issuance and Sale of $41,000 Special Obligation Bonds of the State of Oregon, Issued by the Department of Higher Education of the State of Oregon Acting through the State Board of Higher Education, Providing the Method of Payment for such Bonds, the Maturities Therefor and Other Related Matters, for the Purpose of Financing the Construction of a Gymnasium on the Campus of the Oregon Normal School at Monmouth, Oregon," as presented by Mr. Snedecor for adoption by the Board.

RESOLUTION NO. 1


WHEREAS, the Legislature of the State of Oregon has in Chapter 27 of the Laws of the Second Special Session of 1933, passed an Act creating special building funds for each of the higher educational institutions of the State of Oregon, defining terms, and authorizing the collection of student fees for building purposes, authorizing the State Board of Higher Education to construct buildings or to cause buildings to be constructed for said board, authorizing said board to accept loans from the federal Government under the provisions of the relevant federal statutes against the pledge of said student fees to finance building projects by the issuance of bonds of the State payable out of the said
special building funds provided for and created by the said Act; and authorizing said board to accept grants from the federal Government to defray the cost of such construction; and

WHEREAS, the Oregon Normal School, at Monmouth, being one of the higher educational institutions of the State of Oregon, is in need of a new gymnasium due to the fact that the health and recreational facilities for women students at said Normal School are entirely inadequate, that the present sanitary conditions of the existing gymnasium are deplorable, that the present gymnasium floor, because of no side alleys, is dangerous; and

WHEREAS, the State Board of Higher Education of the State of Oregon deems it advisable that a new gymnasium be built at said Normal School to supply adequate floor space for such regular education work as calisthenics, dancing and drill work, and to provide sufficient heat, proper shower facilities and proper dressing room facilities; and

WHEREAS, the State Board of Higher Education deems it advisable that such a gymnasium building be constructed, the approximate cost of such building to be $63,000, for which purpose the sum of $9,000 has been set aside by said Board, the amount of only $41,000 to be obtained by a loan from said federal Government inasmuch as the remainder of the cost of such construction is to be obtained by a grant from the said federal Government;

NOW, THEREFORE, BE IT RESOLVED BY THE DEPARTMENT OF HIGHER EDUCATION OF THE STATE OF OREGON ACTING THROUGH THE STATE BOARD OF HIGHER EDUCATION, AS FOLLOWS:

Section 1. For the purpose of providing funds with which to construct said gymnasium building on the campus of the Oregon Normal School, at Monmouth, Oregon, there is hereby directed to be issued and sold bonds of the State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education in the aggregate principal amount of $41,000.

Section 2. Said bonds shall be special obligation coupon bonds, shall be designated "Oregon Normal School Gymnasium Bonds", shall be dated as of April 1, 1935, shall be in the denomination of $1,000 each, shall be numbered consecutively from 1 to 41, both inclusive, shall mature serially in numerical order in the years and amounts as follows: $2,000 on April 1 in each of the years 1936 to 1939, both inclusive,
and $3,000 on April 1 in each of the years 1940 to 1950, both inclusive, shall bear interest at the rate of four per cent (4%) per annum, payable semi-annually on April 1 and October 1 of each year until maturity and shall be payable both as to principal and interest in lawful money of the United States of America at the office of the State Treasurer of the State of Oregon in Salem, Oregon. Said bonds shall express upon the face thereof the purpose for which the same are issued and the fact that said bonds are issued pursuant to the Constitution and laws of the State of Oregon, including Chapter 27 of the Oregon Laws of 1933, Second Special Session.

Section 3. For the punctual payment of the principal of and interest on said bonds when and as the same shall become due, the said State Board of Higher Education hereby covenants and agrees with each successive holder of each of said bonds and coupons that the Directors of said State Board of Higher Education shall and will charge and collect from each student at the Oregon Normal School at the time of registration, a fee of up to but not exceeding five dollars ($5) for each regular term or semester of the Oregon Normal School, and the State Board of Higher Education hereby further covenants and agrees that it will fix such fee annually in advance for the Oregon Normal School, which total student building fees so fixed in each year shall be at least sufficient in amount to meet the installments of principal and interest maturing during the ensuing year on the said gymnasium building bonds. Said student building fees shall be in addition to the tuition and other fees charged to students at the Oregon Normal School and shall not be returnable to the student under any circumstances after a lapse of ten (10) days from the date of his registration. The board by so covenanting to charge and collect the said student building fees as herein described does hereby pledge said student building fees for the payment of the principal of and interest on said bonds and the amount so pledged is hereby declared to be a first lien upon said student building fees.

Section 4. The State Board of Higher Education hereby further covenants and agrees that all the student building fees so collected shall be paid into the fund of the State Treasury within ten (10) days from the collection thereof and the student building fees so paid shall be credited by the State Treasurer to the building fund of the Oregon Normal School which has been created in the State Treasury and designated as "Oregon Normal School Building Fund," which building fund shall be irrevocably pledged to and used for the payment of the interest accruing on and the
principal of said bonds when due, so long as any of said bonds or the coupons thereto appertaining remain outstanding and unpaid, the interest earnings of which fund shall be credited to such fund and become a part thereof. The State Board of Higher Education does hereby further covenant and agree that the student building fee to be charged and collected from each student of the Oregon Normal School for each regular term or semester shall not be less than five dollars ($5) until such time as a reserve has been accumulated and maintained in the building fund, after all appropriate charges, in the amount of $7,000 (in cash or in securities issued or guaranteed by the federal Government, which reserve is to be maintained for the sole purpose of meeting any deficiencies in the debt service of the bonds) after which time the amount of the student building fee to be charged and collected may be decreased to a sum less than five dollars ($5) provided, however, that the fee to be charged shall be at least sufficient in amount to maintain said reserve and to meet the installments of principal and interest during such ensuing year, and provided further that when the total of the funds in said building fund shall be equal to the total amount of the interest upon and principal of all of the outstanding bonds to the last maturity thereof, then no further student building fees need be charged and collected from the students of the Oregon Normal School.

Section 5. The said bonds and coupons attached thereto shall be in substantially the following form:

No.____

UNITED STATES OF AMERICA

STATE OF OREGON

BY THE DEPARTMENT OF HIGHER EDUCATION

OF THE STATE OF OREGON

ACTING THROUGH THE STATE BOARD OF HIGHER EDUCATION

OREGON NORMAL SCHOOL GYMNASIUM BOND

The State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education for value received hereby promises to pay to the bearer, or if this bond be registered, to the registered holder hereof, on the first day of April, 19__, the sum of

ONE THOUSAND DOLLARS

and to pay interest thereon at the rate of four per cent (4%) per annum, payable on April 1 and October 1 in each year until maturity, upon surrender of the annexed coupons as
they severally become due. Both principal and interest of
this bond are payable in lawful money of the United States
of America at the office of the State Treasurer of the
State of Oregon at Salem, Oregon. Both principal and
interest of this bond are payable solely out of and are
limited in payment to a special fund in the state treasury
designated as "Oregon Normal School Building Fund."

This bond may be registered as to principal only in
accordance with the provisions on the back hereof.

This bond is issued by the State of Oregon by the Department
of Higher Education of the State of Oregon acting through
the State Board of Higher Education for the purpose of
providing funds with which to construct a gymnasium building
on the campus of the Oregon Normal School at Monmouth,
Oregon by virtue of a resolution of the State Board of
Higher Education of the State of Oregon duly passed and
adopted on the 27th day of May, 1935 and
pursuant to the Constitution and Laws of the State of
Oregon, including Chapter 27 of the Oregon Laws of 1933,
Second Special Session.

The State Board of Higher Education of the State of Oregon
hereby irrevocably obligates and binds itself to charge and
collect from each student of the Oregon Normal School at
the time of registration, and does thereby pledge, a student
building fee of up to but not exceeding five dollars ($5)
for each regular term or semester, of which there shall not be
less than three (3) for each school year, to be used in
and credited to the said Oregon Normal School Building Fund.
at least sufficient in amount to meet the installments of
principal of and interest on this bond as they respectively
become due and to create a reasonable reserve therefor.
The amount so pledged is hereby declared to be a first lien
upon such student building fees which shall be in addition
to the tuition and other fees charged to the students of
the Oregon Normal School.

This bond is subject to the condition and every holder
hereof, by accepting the same, agrees with the obligor and
every subsequent holder hereof, that (a) the delivery of
this bond to any transferee, if not registered, or if it
be registered, if the last registered transfer be to bearer,
shall vest title in this bond and the interest represented
thereby in such transferee to the same extent for all
purposes as would the delivery under like circumstances
of any negotiable instrument payable to bearer; (b) the
obligor and any agent of the obligor may treat the bearer
of this bond, or if it be registered in the name of
a holder, the registered holder of this bond, as the absolute holder hereof for all purposes and shall not be affected by any notice to the contrary; (c) the principal of and interest on this bond will be paid, and this bond and each of the coupons appertaining thereto are transferable, free from and without regard to any equities between the obligor and the original or any intermediate holder hereof of any set-offs or cross-claims; (d) the surrender to the obligor or any agent of the obligor of this bond and each of the coupons, if not registered, or if it be registered, if the last registered transfer be to bearer, or the receipt of the registered holder for the principal hereof and interest hereon, if this bond be registered in the name of a holder, shall be a good discharge to the obligor for the same.

The State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education hereby reserves the right to redeem any of the bonds on any interest payment date upon at least thirty (30) days prior notice by publication in a newspaper published and of circulation in the City of Salem, Oregon, and if this bond be registered by mailing a registered notice of such intention to the registered holder hereof, and upon payment of the principal amount of such bonds and accrued interest thereon to the date of redemption and a payment equal to one-fourth (¼) of one per cent (1%) of the principal amount thereof for each of twelve (12) months' period, or fraction thereof, over the number of full years to lapse from the date of redemption to the expressed date of maturity of this bond.

It is hereby certified and recited that all the conditions, acts and things required by the Constitution and Laws of the State of Oregon to exist, to have happened and to have been performed, precedent to and in the issuance of this bond exist, have happened and have been performed; that due provision has been made for the charging and collecting of student building fees sufficient to pay the principal and interest on this bond as the same shall fall due.

IN WITNESS WHEREOF the State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education has caused this bond to be signed by the President of said State Board of Higher Education, sealed with the corporate seal of said Board and attested by the Secretary of said Board, and the interest coupons hereto attached to be signed by the facsimile signature of said President, and this bond to be dated
as of the first day of April, 1935.

____________________________
President.

(SEAL)

ATTEST:

____________________________
Secretary.

(FORM OF COUPON)

No. _______ $20.00

On the ___ day of _________, 19___, the State of Oregon by the Department of Higher Education of the State of Oregon Acting through the State Board of Higher Education will pay to bearer on the ___ day of ___, 19___ the sum of twenty dollars ($20.00) in lawful money of the United States of America at the office of the Treasurer of the State of Oregon in Salem, Oregon, from the special fund designated as "Oregon Normal School Building Fund," being six months' interest then due on its Oregon Normal School Gymnasium Bond, dated April 1, 1935 and bearing No. ________.

____________________________
President.

(ENDORSEMENT ON BONDS)

IT IS HEREBY RECITED that the within bond at the written request of the holder was this day registered as to principal only in the name of the payee first indicated below on the books kept in the office of the State Treasurer of the State of Oregon at Salem, Oregon, and is transferable only upon said books upon presentation to said State Treasurer as Registrar with a written assignment duly acknowledged or proved, at which time the name of the assignee shall be entered hereon and in said books by said Registrar and is payable to _________________(his) (her)

( ) legal representatives or assigns at the time and place stated in this bond. This bond may be discharged from registration by being in like manner transferred to bearer, after which transferability by delivery shall be restored, but it may from time to time again be registered as to principal or transferred to bearer as above. No such registration shall affect the negotiability of the coupons which shall continue to pass by delivery.
IN WITNESS WHEREOF I have hereunto set my hand this ___
day of ______________, 19____.

State Treasurer of the State of Oregon.

The within bond has been registered as follows:

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Section 6. The said bonds shall be registerable as to principal only, in accordance with the provisions hereinabove provided for endorsement on said bond, and the State Treasurer of the State of Oregon is hereby designated and appointed bond registrar for the purpose of registering such bonds. No charge shall be made to any bondholder for the privilege of registration herein granted.

Section 7. The said bonds shall be signed by the President of the State Board of Higher Education, sealed with the corporate seal of said Board and attested by the Secretary of said Board and the interest coupons attached thereto shall be signed by the said President by his facsimile signature.

Section 8. The State Board of Higher Education shall have the right to redeem before maturity any of the bonds on any interest payment date upon payment of the principal amount of such bonds and accrued interest thereon to the date of redemption and a payment equal to one-fourth \( (\frac{1}{4}) \) of one per cent (1\%) of the principal amount thereof for each twelve (12) months' period, or fraction thereof, over the number of full years to lapse between the date of redemption and the expressed date of maturity thereof. Notice of intention so to do shall be given by publication in a newspaper published and regularly circulated in Salem, Oregon, at least once a week for four successive weeks, beginning not less than thirty (30) days prior to an interest-paying period, and by mailing a registered notice of such intention to all the registered holders of such bonds on the date of said first publication, and such notice...
shall state the number and amount of the bonds so to be
retired, with the price to be paid therefor, and the
date and place where the same are to be paid. No bonds
shall be retired except on a day when interest is payable
by the terms of said bonds and on and after the date named
in such published notice. Interest on the bonds described
in such notice shall cease after funds are available as
herein provided.

Section 9. The words "regular term or semester" herein-
above referred to in this resolution and in said Chapter 27
of the Oregon Laws of 1933, Second Special Session, shall
constitute a period of the school year of the Oregon Normal
School as determined by the State Board of Higher Education
or other proper body, provided, however, that there shall
not be less than three such regular periods, terms or
semesters in each school year.

Section 10. The Department of Higher Education of the
State of Oregon acting through the State Board of Higher
Education shall furnish to the federal Government, so long
as any of the bonds are held by the Federal Government, and,
upon written request, to any holder of any of the bonds,
not later than thirty (30) days after the close of each
regular term or semester of the Oregon Normal School a
statement of the student building fees charged and collected
at said Normal School covering such regular term or semester,
certified by the Secretary of State of the State of Oregon.

Section 11. The State Board of Higher Education hereby
covenants and agrees that so long as any of said bonds are
outstanding, no further pledge of student building fees
shall be made unless such further pledge is subordinate to
the pledge now or heretofore made.

Section 12. Said bonds are hereby awarded and sold to the
Federal Emergency Administration of Public Works, an agency
of the federal Government, in accordance with the provisions
of Chapter 27 of the Oregon Laws of 1933, Second Special
Session, at par and accrued interest.

Section 13. The President of the State Board of Higher
Education and the Secretary of said Board are hereby
authorized to do all acts and things necessary for the
delivery and sale of said bonds to the Federal Emergency
Administration of Public Works.

Date passed by the State Board of Higher Education:

May 27, 1935.
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May 27, 1935

Approved:

May 27, 1935.

(SEAL)

By WILLARD L. MARKS (signed)
President

ATTEST:

CHARLES D. BYRNE (signed)
Secretary

It was moved by Director Sammons and seconded by Director Sackett that the foregoing resolution be adopted. The question being upon the adoption of the Resolution, the roll was called with the following results:

Ayes: Directors Brand, Sackett, Oliver, Finseth, Pease, and Sammons.

Nays: None.

The Vice President thereupon declared said Motion carried and the Resolution duly and unanimously adopted.

ISSUANCE OF SPECIAL "SOUTHERN OREGON NORMAL SCHOOL GYMNASIUM BONDS" AUTHORIZED

Estes Snedecor, legal adviser for the Board, informed the Board that it would be necessary to pass a Resolution authorizing the issuance of special obligation bonds to be known as "Southern Oregon Normal School Gymnasium Bonds."

Thereupon, Secretary Byrne read in full the following resolution, numbered "2" and entitled "A Resolution Providing for the Issuance and Sale of $350,000 Special Obligation Bonds of the State of Oregon, Issued by the Department of Higher Education of the State of Oregon Acting Through the State Board of Higher Education, Providing the Method of Payment for Such Bonds, the Maturities Therefor and Other Related Matters, for the Purpose of Financing the Construction of a Gymnasium Building on the Campus of the Southern Oregon Normal School at Ashland, Oregon," as presented by Mr. Snedecor for adoption by the Board:
RESOLUTION NO. 2

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE
OF $56,000 SPECIAL OBLIGATION BONDS OF THE STATE
OF OREGON, ISSUED BY THE DEPARTMENT OF HIGHER
EDUCATION OF THE STATE OF OREGON ACTING THROUGH
THE STATE BOARD OF HIGHER EDUCATION, PROVIDING
THE METHOD OF PAYMENT FOR SUCH BONDS, THE MATURITIES
THEREOF AND OTHER RELATED MATTERS, FOR THE PURPOSE
OF FINANCING THE CONSTRUCTION OF A GYMNASIUM BUILDING
ON THE CAMPUS OF THE SOUTHERN OREGON NORMAL SCHOOL AT
ASHLAND, OREGON.

WHEREAS, the Legislature of the State of Oregon has in
Chapter 27 of the Laws of the Second Special Session of
1935, passed an act creating special building funds for
each of the higher educational institutions of the State
of Oregon, defining terms, and authorizing the collection
of student fees for building purposes, authorizing the
State Board of Higher Education to construct buildings
or to cause buildings to be constructed for said board,
authorizing said board to accept loans from the federal
Government under the provisions of the relevant federal
statutes against the pledge of said student fees to
finance building projects by the issuance of bonds of
the State payable out of the said special building funds
provided for and created by the said Act; and authorizing
said board to accept grants from the federal Government
to defray the cost of such construction; and

WHEREAS, the Southern Oregon Normal School at Ashland,
being one of the higher educational institutions of the
State of Oregon, has no gymnasium facilities of its own
and must therefore resort to the use of outside facilities,
none of which are suitable or sufficient in that they lack
proper heating, athletic equipment, sanitary and adequate
shower facilities and locker rooms, and the existing
shower and dressing facilities at the said Normal School
are unsanitary, inadequate and uncomfortable; and

WHEREAS, the State Board of Higher Education finds that a
gymnasium is essential for the adequate training of teachers
and for the health of the students at said Normal School
and that such a building would solve practically all of
hereinafore mentioned problems and would increase materially
the efficiency of the physical education and athletic
service rendered by the said Normal School; and

WHEREAS, the State Board of Higher Education accordingly
deems it advisable that such a gymnasium building be
constructed, the approximate cost of such building to be
$45,000, it however being only necessary to raise the amount of $36,000 by a loan from said federal Government inasmuch as the remainder of the cost of such construction is to be obtained by a grant from the said federal Government;

NOW, THEREFORE, BE IT RESOLVED BY THE DEPARTMENT OF HIGHER EDUCATION OF THE STATE OF OREGON ACTING THROUGH THE STATE BOARD OF HIGHER EDUCATION, AS FOLLOWS:

Section 1. For the purpose of providing funds with which to construct said gymnasium building on the campus of the Southern Oregon Normal School, at Ashland, Oregon, there is hereby directed to be issued and sold bonds of the State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education in the aggregate principal amount of $36,000.

Section 2. Said bonds shall be special obligation coupon bonds, shall each be designated "Southern Oregon Normal School Gymnasium Bonds," shall be dated as of April 1, 1935, shall be in the denomination of $1,000 each, shall be numbered consecutively from 1 to 36, both inclusive, shall mature serially in numerical order in the years and amounts as follows: $2,000 on April 1 in each of the years 1935 to 1944, both inclusive, and $3,000 on April 1 in each of the years 1945-1950, both inclusive, shall bear interest at the rate of four per cent (4%) per annum, payable semi-annually on April 1 and October 1 of each year until maturity and shall be payable both as to principal and interest in lawful money of the United States of America at the office of the State Treasurer of the State of Oregon in Salem, Oregon. Said bonds shall express upon the face thereof the purpose for which the same are issued and the fact that said bonds are issued pursuant to the Constitution and Laws of the State of Oregon, including Chapter 27 of the Oregon Laws of 1933, Second Special Session.

Section 3. For the punctual payment of the principal of and interest on said bonds when and as the same shall become due, the said State Board of Higher Education hereby covenants and agrees with each successive holder of each of said bonds and coupons that the Directors of said State Board of Higher Education shall and will charge and collect from each student at the Southern Oregon Normal School at the time of registration, a fee of up to but not exceeding five dollars ($5) for each regular term or semester of the Southern Oregon Normal School, and the State Board of Higher Education hereby further covenants and agrees that it will fix such fee annually in advance for the Southern
Oregon Normal School, which total student building fees so fixed in each year shall be at least sufficient in amount to meet the installments of principal and interest maturing during the ensuing year on the said gymnasium building bonds. Said student building fees shall be in addition to the tuition and other fees charged to students at the Southern Oregon Normal School and shall not be returnable to the student under any circumstances after a lapse of ten (10) days from the date of his registration. The board by so covenanting to charge and collect the said student building fees as herein described does thereby pledge said student building fees for the payment of the principal of and interest on said bonds and the amount so pledged is hereby declared to be a first lien upon said student building fees.

Section 4. The State Board of Higher Education hereby further covenants and agrees that all the student building fees so collected, shall be paid into the fund of the State Treasury within ten (10) days from the collection thereof and the student building fees so paid shall be credited by the State Treasurer to the building fund of the Southern Oregon Normal School which has been created in the State Treasury and designated as "Southern Oregon Normal School Building Fund," which building fund shall be irrevocably pledged to and used for the payment of the interest accruing on and the principal of said bonds when due, so long as any of said bonds or the coupons thereto appertaining remain outstanding and unpaid, the interest earnings of which fund shall be credited to such fund and become a part thereof. The State Board of Higher Education does hereby further covenant and agree that the student building fee to be charged and collected from each student of the said Normal School for each regular term or semester shall not be less than four dollars ($4) until such time as a reserve has been accumulated and maintained in the building fund equal to the interest and principal requirements of the bonds for the next ensuing two years after which time the amount of the student building fee to be charged and collected may be decreased to a sum less than four dollars ($4) provided, however, that the fee to be charged shall be at least sufficient in amount to meet the installments of principal and interest during such ensuing year, and provided further that when the total of the funds in said building fund shall be equal to the total amount of the interest upon and principal of all of the outstanding bonds to the last maturity thereof, then no further student building fees need be charged and collected from the students of the Southern Oregon Normal School.

Section 5. The said bonds and coupons attached thereto shall be in substantially the following form:
UNITED STATES OF AMERICA  
STATE OF OREGON  
BY THE DEPARTMENT OF HIGHER EDUCATION  
OF THE STATE OF OREGON  
ACTING THROUGH THE STATE BOARD OF HIGHER EDUCATION  
SOUTHERN OREGON NORMAL SCHOOL GYMNASIUM BOND

The State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education for value received hereby promises to pay to the bearer, or if this bond be registered, to the registered holder hereof, on the first day of April, 19__, the sum of

ONE THOUSAND DOLLARS

and to pay interest thereon at the rate of four per cent (4%) per annum, payable on April 1 and October 1 in each year until maturity, upon surrender of the annixed coupons as they severally become due. Both principal and interest of this bond are payable in lawful money of the United States of America at the office of the State Treasurer of the State of Oregon at Salem, Oregon. Both principal and interest of this bond are payable solely out of and are limited in payment to a special fund in the state treasury designated as "Southern Oregon Normal School Building Fund."

This bond may be registered as to principal only in accordance with the provisions on the back hereof.

This bond is issued by the State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education for the purpose of providing funds with which to construct a gymnasium building on the campus of the Southern Oregon Normal School at Ashland, Oregon by virtue of a resolution of the State Board of Higher Education of the State of Oregon duly passed and adopted on the 27th day of May ______, 19__ and pursuant to the Constitution and Laws of the State of Oregon, including Chapter 27 of the Oregon Laws of 1933, Second Special Session.

The State Board of Higher Education of the State of Oregon hereby irrevocably obligates and binds itself to charge and collect from each student of the Southern Oregon Normal School at the time of registration, and does thereby pledge, a student building fee of up to but not exceeding five dollars ($5) for each regular term or semester, of which there shall not be less than three (3) for each school year, to be used in and credited to the said Southern Oregon Normal School Building Fund at least sufficient in amount to meet the installments of principal of and interest on
this bond as they respectively become due and to create a reasonable reserve therefor. The amount so pledged is hereby declared to be a first lien upon such student building fees which shall be in addition to the tuition and other fees charged to the students of the Southern Oregon Normal School.

This bond is subject to the condition and every holder hereof, by accepting the same, agrees with the obligor and every subsequent holder hereof, that (a) the delivery of this bond to any transferee, if not registered, or if it be registered, if the last registered transfer be to bearer, shall vest title in this bond and the interest represented thereby in such transferee to the same extent for all purposes as would the delivery under like circumstances of any negotiable instrument payable to bearer; (b) the obligor and any agent of the obligor may treat the bearer of this bond, or if it be registered in the name of a holder, the registered holder of this bond, as the absolute holder hereof for all purposes and shall not be affected by any notice to the contrary; (c) the principal of and interest on this bond will be paid, and this bond and each of the coupons appertaining thereto are transferable, free from and without regard to any equities between the obligor and the original or any intermediate holder hereof of any set-offs or cross-claims; (d) the surrender to the obligor or any agent of the obligor of this bond and each of the coupons, if not registered, or if it be registered, if the last registered transfer be to bearer, or the receipt of the registered holder for the principal hereof and interest hereon, if this bond be registered in the name of a holder, shall be a good discharge to the obligor for the same.

The State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education hereby reserves the right to redeem any of the bonds on any interest payment date upon at least thirty (30) days prior notice by publication in a newspaper published and of circulation in the City of Salem, Oregon, and if this bond be registered by mailing a registered notice of such intention to the registered holder hereof, and upon payment of the principal amount of such bonds and accrued interest thereon to the date of redemption and a payment equal to one-fourth ($\frac{1}{4}$) of one per cent (1%) of the principal amount thereof for each twelve (12) months' period, or fraction thereof, over the number of full years to lapse from the date of redemption to the expressed date of maturity of this bond.

It is hereby certified and recited that all the conditions, acts and things required by the Constitution and Laws of the State of Oregon to exist, to have happened and to have
been performed, precedent to and in the issuance of this bond exist, have happened and have been performed; that due provision has been made for the charging and collecting of student building fees sufficient to pay the principal and interest on this bond as the same shall fall due.

IN WITNESS WHEREOF the State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education has caused this bond to be signed by the President of the State Board of Higher Education, sealed with the corporate seal of said Board and attested by the Secretary of said Board, and the interest coupons hereto attached to be signed by the facsimile signature of said President and this bond to be dated as of the first day of April, 1935.

________________________________________
President.

(SEAL)

ATTEST:

________________________________________
Secretary.

(FORM OF COUPON)

No.  

$20.00

On the ___ day of ___ , 19___, the State of Oregon by the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education will pay to bearer on the ___ day of ___ , 19___, the sum of twenty dollars ($20) in lawful money of the United States of America at the office of the Treasurer of the State of Oregon in Salem, Oregon, from the special fund designated as "Southern Oregon Normal School Building Fund", being six months' interest then due on its Southern Oregon Normal School Gymnasium Bond, dated April 1, 1935 and bearing No. ___.

________________________________________
President

(ENDORSEMENT ON BONDS)

IT IS HEREBY RECITED that the within bond at the written request of the holder was this day registered as to principal only in the name of the payee first indicated below on the books kept in the office of the State Treasurer of the State
of Oregon at Salem, Oregon, and is transferable only upon said books upon presentation to said State Treasurer as Registrar with a written assignment duly acknowledged or proved, at which time the name of the assignee shall be entered hereon and in said books by said Registrar and is payable to ______________ (his) (her) ( ) legal representatives or assigns at the time and place stated in this bond. This bond may be discharged from registration by being in like manner transferred to bearer, after which transferability by delivery shall be restored, but it may from time to time again be registered as to principal or transferred to bearer as above. No such registration shall affect the negotiability of the coupons which shall continue to pass by delivery.

IN WITNESS WHEREOF I have hereunto set my hand this ______ day of ________________________________, 19____.

State Treasurer of the State of Oregon

The within bond has been registered as follows:

<table>
<thead>
<tr>
<th>DATE OF REGISTRATION</th>
<th>NAME OF REGISTERED HOLDER</th>
<th>SIGNATURE OF REGISTRAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>____________________</td>
<td>_________________________</td>
<td>______________________</td>
</tr>
</tbody>
</table>

Section 6. The said bonds shall be registerable as to principal only in accordance with the provisions hereinabove provided for endorsement on said bond, and the State Treasurer of the State of Oregon is hereby designated and appointed bond registrar for the purpose of registering such bonds. No charge shall be made to any bondholder for the privilege of registration herein granted.

Section 7. The said bonds shall be signed by the President of the State Board of Higher Education, sealed with the corporate seal of said Board and attested by the Secretary of said Board and the interest coupons attached thereto shall be signed by the said President by his facsimile signature.

Section 8. The State Board of Higher Education shall have the right to redeem before maturity any of the bonds on any interest payment date upon payment of the principal amount of such bonds and accrued interest thereon to the date of redemption and a payment equal to one-fourth (1/4) of one per cent (1/2%) of the principal amount thereof for each twelve
(12) months' period, or fraction thereof, over the number of full years to lapse between the date of redemption and the expressed date of maturity thereof. Notice of intention so to do shall be given by publication in a newspaper published and regularly circulated in Salem, Oregon at least once a week for four successive weeks, beginning not less than thirty (30) days prior to an interest-paying period, and by mailing a registered notice of such intention to all the registered holders of such bonds on the date of said first publication, and such notice shall state the number and amount of the bonds so to be retired, with the price to be paid therefor, and the date and place where the same are to be paid. No bonds shall be retired except on a day when interest is payable by the terms of said bonds and on and after the date named in such published notice. Interest on the bonds described in such notice shall cease after funds are available as herein provided.

Section 9. The words "regular term or semester" hereinabove referred to in this resolution and in said Chapter 27 of the Oregon Laws of 1933, Second Special Session, shall constitute a period of the school year of the Southern Oregon Normal School as determined by the State Board of Higher Education or other proper body, provided, however, that there shall not be less than three such regular periods, terms or semesters in each school year.

Section 10. The Department of Higher Education of the State of Oregon acting through the State Board of Higher Education shall furnish to the federal Government, so long as any of the bonds are held by the federal Government, and, upon written request, to any holder of any of the bonds, not later than thirty (30) days after the close of each regular term or semester of the Southern Oregon Normal School a statement of the student building fees charged and collected at said Normal School covering such regular term or semester, certified by the Secretary of State of the State of Oregon.

Section 11. The State Board of Higher Education hereby covenants and agrees that so long as any of said bonds are outstanding, no further pledge of student building fees shall be made unless such further pledge is subordinate to the pledge hereby made.

Section 12. Said bonds are hereby awarded and sold to the Federal Emergency Administration of Public Works, an agency of the federal Government, in accordance with the provisions of Chapter 27 of the Oregon Laws of 1933, Second Special Session, at par and accrued interest.
Section 13. The President of the State Board of Higher Education and the Secretary of said Board are hereby authorized to do all acts and things necessary for the delivery and sale of said bonds to the Federal Emergency Administration of Public Works.

Date passed by the State Board of Higher Education:

May 27, 1935.

Approved:

May 27, 1935.

(SEAL)

By WILLARD L. MARKS (signed)
President

ATTEST:

CHARLES D. BYRNE (signed)
Secretary

It was moved by Director Finseth and seconded by Director Sammons that the foregoing resolution be adopted. The question being upon the adoption of the Resolution, the roll was called with the following results:

Ayes: Directors Brand, Sackett, Oliver, Finseth, Pease, and Sammons.

Nays: None.

The Vice President thereupon declared said Motion carried and the Resolution duly and unanimously adopted.

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AMENDATORY AGREEMENT ON UNIVERSITY LIBRARY APPROVED

Chancellor Kerr informed the Board that since the adoption of the resolution on March 11, 1935, approving and authorizing the execution of the loan and grant agreement between the Department of Higher Education of the State of Oregon acting through the State Board of Higher Education, and the United States of America, identified as P.W.A. Docket No. 3613 concerning the financing of a three-story and basement fireproof library building on the campus of the University of Oregon, certain changes and modifications had been agreed upon between the Federal Emergency Administrator of Public Works
and the President of the State Board of Higher Education, which changes and modifications had been embodied in an amendatory agreement to said loan and grant agreement. The said amendatory agreement, identified as P.W.A. Docket No. 3013 was then read in full and duly considered by the Board. Thereupon, the following resolution, numbered "3", entitled "A Resolution approving the Amendatory Agreement to the Loan and Grant Agreement between the Department of Higher Education of the State of Oregon, acting through the State Board of Higher Education, and the United States of America, P.W.A. Docket No. 3013, and authorizing its Execution", was offered by Director E. O. Sammons and read in full by the Secretary and considered by the Board:

RESOLUTION NO. 3

A RESOLUTION APPROVING THE AMENDATORY AGREEMENT TO THE LOAN AND GRANT AGREEMENT BETWEEN THE DEPARTMENT OF HIGHER EDUCATION AND THE UNITED STATES OF AMERICA, P.W.A. DOCKET 3013 AND AUTHORIZING ITS EXECUTION.

"WHEREAS, by Resolution No. 1 adopted at the meeting of the State Board of Higher Education on March 11, 1935, the Loan and Grant Agreement between the Department of Higher Education of the State of Oregon, acting by and through the State Board of Higher Education, and the United States of America, identified as P.W.A. Docket No. 5013, concerning the financing of the construction of a three-story and basement fire-proof library building on the campus of the University of Oregon at Eugene, Oregon, was approved and its execution was duly authorized; and

"WHEREAS, since the execution of said Loan and Grant Agreement, certain changes and modifications therein have been agreed upon by the Federal Emergency Administration of Public Works and by the President of the State Board of Higher Education; and said changes and modifications have been embodied in an amendatory agreement to said Loan and Grant Agreement, a copy of which amendatory agreement is filed among the public records of the State Board of Higher Education of the State of Oregon in the office of the Chancellor at Eugene, Oregon, and in the office of the Secretary of State at Salem, Oregon, and which said amendatory agreement is hereby referred to and made a part hereof;

"THEREFORE, BE IT RESOLVED by the State Board of Higher Education of the State of Oregon:
Section 1. That said amendatory agreement to the Loan and Grant Agreement between the Department of Higher Education of the State of Oregon, acting through the State Board of Higher Education and the United States of America, identified as P.W.A. Docket 3013 concerning the financing of the construction of a three-story and basement fire-proof library building on the campus of the University of Oregon at Eugene, Oregon, be, and the same is hereby in all respects approved.

Section 2. That Willard L. Marks, President of the State Board of Higher Education be, and he is hereby authorized and directed to execute said amendatory agreement in triplicate on behalf of the Department of Higher Education of the State of Oregon, and Chas. D. Byrns, Secretary of said State Board of Higher Education be, and he is hereby authorized and directed to impress or affix the official seal of said Department and of said Board to each of said three copies of said amendatory agreement and to attest such seal.

Section 3. That said President be, and he is hereby authorized and directed to forward forthwith three copies of said amendatory agreement as executed on behalf of said Department of Higher Education of the State of Oregon acting by and through the State Board of Higher Education, to the Federal Emergency Administration of Public Works, Washington, D. C.

Section 4. That the President and Secretary of said State Board of Higher Education be, and they are hereby authorized and empowered on behalf of said Department of Higher Education of the State of Oregon and said State Board of Higher Education, to request, and consent to, modifications of or changes in said Loan and Grant Agreement and said Amendatory Agreement, with reference to the designation, date, denominations, medium of payment, places of payment, and registration or conversion privileges of the bonds to be issued thereunder in order to comply with the requirements of law and of the proceedings taken for the issuance of said bonds, and to execute in the same manner as said Loan and Grant Agreement and said Amendatory Agreement any further instruments that may be found desirable in connection with such modifications or changes.

Section 5. That said Secretary be, and he is hereby authorized and directed to forthwith send to said Federal Emergency Administration of Public Works two certified copies of this Resolution and two certified copies of the proceedings of the State Board of Higher Education of the State of Oregon in connection with the adoption of this Resolution,
and such further documents or proofs in connection with the
approval and execution of said Amendatory Agreement as may
be requested by said Federal Emergency Administration of
Public Works.

It was moved by Director Sammons and seconded by Director
Brand that the foregoing resolution be adopted. The question
being upon the adoption of the Resolution, the roll was called
with the following results:

Ayes: Directors Marks, Brand, Sackett, Oliver, Finseth, Pease,
and Sammons.
Nays: None.

The President thereupon declared said Motion carried and the
Resolution duly and unanimously adopted.

PURCHASE OF
$12,000
OBLIGATIONS
AGAINST
BUILDING FEE
AT COLLEGE

Mr. E. C. Sammons, Chairman of the Finance Committee, re-
ported that the Building and Finance committees had given
careful consideration to the matter of the Board's purchas-
ing the $12,000 in notes held by various individuals as
obligations against the building fee at the State College.
He indicated that Attorney Snedecor had prepared a reso-
lution which represented the recommendation of the Building
and Finance committees for handling the matter. Mr. Snedecor
read the following resolution.

RESOLUTION NO. 4

A RESOLUTION AUTHORIZING THE PURCHASE OF TWELVE (12)
NOTES IN THE SUM OF $1,000.00 EACH ISSUED BY THE BOARD
OF CONTROL OF THE ASSOCIATED STUDENTS OF OREGON STATE
AGRICULTURAL COLLEGE IN THE YEARS 1931 AND 1933 AND
RELEASING FROM THE PLEDGE AND LIEN OF SAID NOTE THE SUM
OF $1.00 OUT OF EACH AND EVERY BUILDING FEE HEREAFTER
COLLECTED FROM THE STUDENTS OF OREGON STATE AGRICULTURAL
COLLEGE PURSUANT TO CHAPTER 27, OREGON LAWS 1933, SECOND
SPECIAL SESSION.

"WHEREAS, during the years 1931 and 1933, the Board of Con-
trol of the Associated Students of Oregon State Agricultural
College borrowed the sum of $20,000 for the purpose of financ-
ing the construction of certain buildings and improvements on
its athletic field, and issued twenty (20) notes in the sum
of $1,000.00 each as evidence of said indebtedness and as
security for the payment thereof, assigned to the holders of said notes out of the fees to be collected for the Associated Students activities, an amount sufficient to pay said notes as they became due and payable; and

"WHEREAS, eight (8) of said notes in the total amount of $8,000.00 have been retired currently out of a portion of the student building fees collected by Oregon State Agricultural College, and there are now outstanding twelve (12) of said notes in the total sum of $12,000; and

"WHEREAS, by resolution No. 3 adopted by the State Board of Higher Education at its meeting on April 22, 1935, a loan and grant agreement between the Department of Higher Education of the State of Oregon and the United States of America, was approved, and its execution authorized, by the terms of which the United States agreed by loan and grant not exceeding in the aggregate the sum of $100,000 to aid said Department of Higher Education of the State of Oregon in financing the construction of an infirmary building at Oregon State Agricultural College at Corvallis; and said Department of Higher Education agreed to issue and sell to the United States of America, $80,000 aggregate principal amount of negotiable coupon bonds; as special obligations of the borrower, payable as to both principal and interest from, and secured by, an exclusive first charge on student building fees of not less than $1.00 per student for each term or semester at Oregon State Agricultural College collected in pursuance of Chapter 27 Oregon Laws 1933, Second Special Session; and

"WHEREAS, it is the purpose and desire of the Department of Higher Education to purchase said $12,000 in notes now outstanding of the Board of Control of the Associated Students of Oregon State Agricultural College and to release from the pledge and lien of said notes the student building fees to the extent of $1.00 per student for each regular term or semester at Oregon State Agricultural College, so that the sum of $1.00 per student of said student building fees for each regular term or semester at Oregon State Agricultural College may be pledged exclusively for the payment of the principal and interest of said $80,000 in bonds to be issued in pursuance of said loan and grant agreement.

"THEREFORE, BE IT RESOLVED by the State Board of Higher Education:

Section 1. That the Department of Higher Education of the State of Oregon shall purchase out of its general funds the 12 notes now outstanding, numbered 52 to 63, both inclusive, in the aggregate sum of $12,000, bearing interest at the rate
of 7 per cent per annum, at not to exceed the face amount thereof and accrued interest, and to hold said notes subject to be paid out of not to exceed $4.00 of the student building fees to be collected from the students of Oregon State Agricultural College in pursuance of Chapter 27 Oregon Laws 1933, Second Special Session;

Section 2. That the appropriate officers of the State Board of Higher Education be, and they are hereby authorized to issue and deliver checks for the purchase of said notes, provided, however, that said notes shall not be purchased unless all of said notes may be purchased at the price hereinafore mentioned.

Section 3. That upon the purchase and acquisition of said $12,000 in notes issued by the Board of Control of the Associated Students of Oregon State Agricultural College, the Department of Higher Education of the State of Oregon, acting through the State Board of Higher Education, shall forthwith release from the pledge and lien of said notes the student building fees to the extent of $1.00 per student for each regular term or semester of the Oregon State Agricultural College to be collected in pursuance of Chapter 27 Oregon Laws 1933, Second Special Session, and that thereafter the security for the payment of said notes be confined to the student building fees to the extent of $4.00 per student for each regular term or semester at Oregon State Agricultural College, subject, however, to the prior pledge of said student building fees to the extent of $4.00 per student for each regular term or semester at Oregon State Agricultural College, to the retirement of the outstanding Memorial Union bonds;

Section 4. That the President, Willard L. Marks, of the State Board of Higher Education be, and he is hereby authorized and directed to execute on behalf of the Department of Higher Education and of this Board a declaration in writing and an endorsement in writing on said $12,000 in notes to the effect that the Department of Higher Education, acting through the State Board of Higher Education, has released from the pledge and lien of said notes the student building fees to the extent of $1.00 per student for each regular term or semester at Oregon State Agricultural College, to be collected in pursuance of Chapter 27 Oregon Laws 1933, Second Special Session, to the end that the $30,000 in bonds to be issued by the Department of Higher Education and sold to the United States of America, pursuant to the terms and conditions of the loan and grant agreement between the Department of Higher Education and the United States of America,
identified as P.W.A. Docket No. 2843, shall be special obligations of the Department of Higher Education of the State of Oregon, payable as to both principal and interest from, and secured by, an exclusive first charge on building fees of not less than $1.00 per student for each regular term or semester at the Oregon State Agricultural College at Corvallis, Oregon, as provided in said loan and grant agreement.

It was moved by Director Sammons and seconded by Director Finneth that the foregoing resolution be adopted. The motion being upon the adoption of the resolution, the roll was called with the following results:

Ayes: Directors Sackett, Brand, Finneth, Marks, Oliver, Pease, and Sammons.

Nays: None.

The President thereupon declared said motion carried and the resolution duly and unanimously adopted.

The Board adjourned for luncheon at 12:30 p.m. to meet again at 1:30 p.m.

### AFTERNOON SESSION

The State Board of Higher Education reconvened at the University Club at 1:30 p.m. May 27, 1935, with the same members present as reported for the forenoon session.

### APPROVAL OF LISTS OF GRADUATES

President Marks announced the appointment of the following Board members to approve the lists of graduates at the various institutions, in accordance with Board action of July 18 and 19, 1932:

- University of Oregon
- Oregon State College
- Oregon Normal School
- Southern Oregon Normal School
- Eastern Oregon Normal School

- B. F. Irvine
- Willard L. Marks
- Beatrice Walton Sackett
- C. A. Brand
- Herman Oliver

### BUDGET ADDITIONS, COLLEGE

The Board approved the following budget additions of restricted funds at the State College:

- Addition of $1,500 to the sales budget of the Medford Branch Experiment Station, the funds for the increase to come from increased sales income.
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Addition of $2,000 to the Dairy Farm Maintenance budget, the funds to come from increased income from dairy sales.

Addition of $1,100 to the requisition budget of the Farm Crops department of the Agricultural Experiment Station, the funds to come from increased sales income.

Addition of $950 to the Department of Horticulture, Farm Maintenance budget, the funds to come from increased sales of experimental and laboratory canned goods.

Addition of $2,000 to the Veterinary Department, Experiment Station, the income to come from fees for the testing for Bang’s disease.

The Board approved the addition of $4,350 to the Physical Plant budget at the State College to cover a shortage of funds in this budget resulting from the necessity of operating more dormitory units than was contemplated at the time the budgets were prepared.

BUDGET TRANSFERS, UNIVERSITY

The Board voted to approve the transfer of certain savings in a number of budgets at the University, totaling $5,400, to the Building Repairs budget, thereby making it possible to do certain necessary repairing immediately, in view of the reduced repairs budget for the next fiscal year.

GIFTS TO UNIVERSITY ACCEPTED

The Board voted to accept the following gifts to the University, and directed the secretary to extend suitable acknowledgment to the donors:

Lot No. 17, Inspiration Point Terraces, located one mile southwest of Eugene, from Mrs. Gertrude Bass Warner—the property to be sold to create a fund for use solely in repairing and/or remounting the paintings, embroideries, and tapestries of the Murray Warner Collection of Oriental Art in the Museum of Art Building.

The sum of $6,750 from the Carnegie Corporation of New York through the American Institute of Architects to support the educational program in fine arts during the 1935 summer session.

The sum of $6,996.03 donated since June 1, 1934, by Mrs. Gertrude Bass Warner for art museum cases, books for the Art Museum library, additions to the art collections, and funds for the continuation of the Murray Warner Essay Contest.
FEES FOR EXTENSION CLASSES

The Board voted to approve the following fee schedule for extension classes in Portland and other cities of Oregon:

<table>
<thead>
<tr>
<th>No. of Courses</th>
<th>No. of Cr. Hrs.</th>
<th>Undergrad.</th>
<th>Grad.</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>2</td>
<td>$ 5.00</td>
<td>$ 6.00</td>
</tr>
<tr>
<td>Two</td>
<td>4</td>
<td>9.00</td>
<td>11.00</td>
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<tr>
<td>Three</td>
<td>6</td>
<td>12.00</td>
<td>15.00</td>
</tr>
</tbody>
</table>

BUDGET TRANSFERS, UNIVERSITY

The Board voted to approve the transfer of $1,600 from certain accounts in the University Physical Plant budget, largely savings in the heating budget, to the SEHA project for the construction of heating tunnels on the University campus.

RESOLUTION RE AUTHORITY OF J. O. LINDESTRÖM IN CONNEXION WITH ANNUITY TRUST FUNDS

The Board adopted the following resolution:

BE IT RESOLVED that J. O. Lindstrom as Manager of the Business Office of the University of Oregon, be and he is hereby designated as the successor in office of Paul W. Ager, Comptroller of the University of Oregon, and that said J. O. Lindstrom as such Business Manager and his successors in office, acting on behalf of H. A. Bork, Comptroller for the State Board of Higher Education, or his successors, be and they are hereby designated as the proper officer and representative of this Board to exercise all the powers and authority and perform all the functions provided to be exercised and performed by Paul W. Ager as Comptroller of the University of Oregon under and pursuant to the terms of that certain trust agreement dated July 31, 1930, between the First National Bank of Eugene, a national banking association, said Paul W. Ager as Comptroller of the University of Oregon, and certain members of the faculty and/or administrative staff of the University of Oregon who became parties to said agreement and entitled to the benefits thereof by compliance with its terms, which trust agreement provided the creation of a fund to purchase deferred life annuity policies for the members of the faculty and/or administrative staff of the University of Oregon becoming parties to said agreement and for the deposit of said fund with said The First National Bank of Eugene as trustee and the administration and investment of said funds under the direction of said Paul W. Ager and his successors in office.
The Board voted to approve the following new courses at the University:

Zoology 401, 402, 403. Physiological Foundations of Human Behavior. Three terms, three hours each term.

Social Science 112, 113, 114. Problems of War and Peace. Three terms, one hour each term.

The Board voted to approve the following modification of trust agreement in connection with the Ion Lewis Scholarship trust, and authorized the officers of the Board to execute this modification of trust agreement:

MODIFICATION OF TRUST AGREEMENT

WHEREAS, The First National Bank of Portland (Oregon), Successor by merger to Security Savings and Trust Company, holds title to certain real estate in the City of Portland, County of Multnomah, State of Oregon, under the terms and conditions of a certain Trust Agreement dated February 21, 1918, and known as its Trust No. 672, and under the provisions of all modifications thereto; and

WHEREAS, the period of said trust expired on March 19, 1935 and it is desired to extend the terms of said trust for a ten-year period from said date; and

WHEREAS, the persons owning the beneficial interest in said real estate have changed and now are C. H. Lewis, State of Oregon by the State Board of Higher Education for the University of Oregon, and Portland Trust and Savings Bank,

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that in consideration of the premises and other valuable considerations, the parties hereto hereby agree to and with each other that the terms and conditions of that certain Trust Agreement by and between Security Savings and Trust Company and C. H. Lewis, and Kenneth A. J. MacKenzie and all modifications thereof are hereby extended for a term of ten years from March 19, 1935. In all other respects the terms and conditions of said Trust Agreement as amended are hereby confirmed.

IN WITNESS WHEREOF these instruments have been duly executed by the parties hereto this 19th day of March, 1935.
Witness:

(s/d) BESSIE CLOW        (s/d) C. H. LEWIS (SEAL)
               C. H. Lewis

PORTLAND TRUST AND SAVINGS BANK

By (s/d) LORNE L. MILLER        Vice-President

By (s/d) W. B. BRIGGS           Asst. Secretary

THE FIRST NATIONAL BANK OF PORTLAND (OREGON)

By (s/d) BLAINE B. COLES        Vice-President

By (s/d) M. A. TAYLOR           Assistant Trust Officer

STATE OF OREGON BY THE STATE BOARD OF HIGHER
EDUCATION FOR THE UNIVERSITY OF OREGON

By (s/d) WILLARD L. MARKS       President

By (s/d) CHARLES D. BYRNE       Secretary

H.S. PRESS
CONFERENCE
AUTHORIZED,
UNIVERSITY

The Board voted to authorize the addition of a high school
press conference to the list of approved high school events
to be held at the University, this event to alternate every
other year with the drama tournament, an approved event for
the University.

L. P.
WILCOX,
REIGNATON

The Board voted to accept the resignation of L. P. Wilcox,
County Horticultural Agent of Jackson County, effective
April 30, 1935. Successor to be named later.

ARDIE
PARKER,
LEAVE;
HILDA
SWENSON,
APPOINTMENT

The Board voted to approve a leave of absence without sal-
ary for Mrs. Ardie Parker, Director of Dormitories at
Oregon Normal School, from May 15, 1935, to July 1, 1936;
and appointment of Miss Hilda Swenson as Director of Dormi-
tories during Mrs. Parker's absence at a net salary of
$133.30 per month, from May 6, 1935, to July 1, 1936.
President Marks announced that the Board had considered the resolutions of the University of Oregon Mothers and Dads in regard to abolishing the office of the Chancellor and had prepared a statement in reply to these resolutions. The secretary then read the following statement:

**STATEMENT OF POLICY IN REPLY TO RESOLUTIONS**

**FILED WITH THE STATE BOARD OF HIGHER EDUCATION BY**

"DADS" AND "MOTHERS" CLUBS OF THE UNIVERSITY OF OREGON

"In the resolutions filed with the Board by the "Dads" and "Mothers" clubs of the University of Oregon, complaints against the present administrative policy in Oregon higher education as put into effect by the Board may be grouped under three headings: unnecessary expense in administration, insufficient authority of presidents, and resultant lack of satisfactory progress on the part of the University.

"In considering these complaints, the Board would point out the following facts:

1. Comparative cost figures show that for the last complete fiscal year (1933-34), exclusive of salary reductions, the combined expenses for the Board's office, expenses of Board members, and of the Chancellor's office, instead of being greater than formerly, were less by more that $4,000 than the expenditures for the year 1930-31 when the Board operated through an executive secretary with a president on each campus, but without a Chancellor. Furthermore, the latest biennial report of the Board shows that the six chief administrative functions affected by the Board's reorganization program made a saving, aside from salary reductions, of 34.6 per cent for the last complete fiscal year compared with the year 1930-31 when the Board was operating the separate institutions prior to the reorganization. The functions included are expenses of Board members, Chancellor's office, presidents' offices, division of information, and business offices. Moreover, the report shows that unified administration was responsible for additional savings throughout instructional and other divisions of the institutions amounting to hundreds of thousands of dollars annually.

"It has been the Board's policy to seek all possible economies consistent with educational efficiency; and the records show clearly that large savings have regularly been accomplished by the unified system. Abolish-
ing the Chancellorship, instead of reducing expenditures, would inevitably result in larger expenses, since experience has shown that only through a skilled coordinator can the costly duplication in the administrative and instructional divisions be avoided and expenses thus kept at a minimum.

"2. Examination of the Board's plan of providing a president for each institution and observation of the operation of the plan during approximately two years, gives no support to the complaint that presidents are without adequate authority for administering the affairs of their institutions. The same by-laws of the Board relating to powers of the presidents are in force now as adopted before the office of Chancellor was created, the only difference being that the presidents report to the Board through the Chancellor, except in the case of direct appeal. The Board has purposely allowed wide latitude as to internal organization and interrelationships among faculty, students, and executive officers. If such relationships are not satisfactory at any institution, they may be corrected under the present system.

"3. It is inevitable under any plan of administration of higher education in Oregon, whether unified or separate, that each institution cannot be assigned all the functions that might be desired. As pointed out by the Board in the biennial report already referred to, "Oregon cannot support separate institutions each complete in itself according to the traditions of the more populous and wealthy states; rather, each institution must occupy a distinctive field as a part of the state system, all institutions together constituting a complete unity of curricular offerings and other functions required to meet the higher educational needs of the state." If under such necessary limitations, common to all the institutions, the University is not making progress satisfactory to the organizations submitting the resolutions, the reason must be sought apart from the operation of the present administrative plan.

"Both of the resolutions before us express confidence in the fairness of the Board and in its ability to administer the affairs of the institutions directly through the several presidents. The Board, though appreciative of this confidence, does not share in the belief that effective administration can be exercised without a coordinating executive head."
"In arriving at its present administrative plan, the Board has been guided by the state law creating this body, by the findings of the federal survey commission composed of some of the best educational specialists in the country, and finally by the experience of the past six years, during the early part of which the Board administered the institutions directly through presidents.

"Early in its deliberations following receipt of the survey report, the Board determined and announced, on May 29, 1931, its major objective, 'to organize a single, unified, and coordinated system of higher education under one administrative head.' During the period of reorganization and until the appointment of a Chancellor in September, 1932, the Board attempted to administer the institutions, as provided by law, through the office of an executive secretary. This office, however, proved to be cumbersome, inefficient, and uneconomical, and was therefore, on recommendation of the Board, abolished by the legislature. Experience makes a return to this system of administration wholly unwarranted.

"In March, 1932, the Board reaffirmed its previous action and announced that a single executive would be placed in charge of the entire system of higher education, supervising and coordinating the work of the presidents, who were to have immediate control and autonomy of individual institutions.

"Both the experience of the Board since that time and the testimony of educational authorities are such as to indicate that the Board acted wisely in this fundamental policy. The trend throughout the nation is toward centralized administration of state supported higher education. In one of its most recent reports the Carnegie Foundation pointed out in 1933 that six states had provided a single executive officer and 14 states had taken steps toward unification of educational offerings.

"The Carnegie report, moreover, included the explicit statement that, 'It is clear that putting a single state Board in charge of several institutions each with its president reporting directly to that Board, does not accomplish the coordination of higher educational programs,' and that only in exceptional cases will a
Board be 'able to achieve in its policies a statewide point of view without availing itself of the services of an executive whose interest also is statewide rather than institutional.'

"It is the Board's decision, therefore, that in order to promote harmony and economy throughout the entire state system, and to preserve the autonomy and further the development of each institution without unwholesome competition or interference from other institutions, the Board must reaffirm its established policy. To abandon the Chancellorship would not only defeat much that has been accomplished toward unification, cooperation, and economy, but would also virtually nullify all the results sought in the higher educational law of 1929. The office of Chancellor will be continued as a fundamental factor in the operation of Oregon's state system of higher education."

Upon motion by Mr. C. A. Brand and second by Mr. B. F. Irvine, the Board voted unanimously to adopt the foregoing statement.

It was moved by Director Irvine and seconded by Director Finseth that the meeting adjourn. Motion carried.

WILLARD L. MARKS, President
State Board of Higher Education

CHARLES D. BYRNE, Secretary
State Board of Higher Education