STATE BOARD OF HIGHER EDUCATION
MINUTES OF MEETING HELD AT
HEATHMAN HOTEL, PORTLAND, OREGON
June 14, 1938

MEETING #85

A regular meeting of the State Board of Higher Education of
the State of Oregon was held at the Heathman Hotel, Portland,
Oregon, at 10:00 a.m. on June 14, 1938.

ROLL CALL

The meeting was called to order by the President of the Board,
Willard L. Marks, and on roll call the following answered
present:

C. A. Brand  E. C. Pease
Willard L. Marks  Robert W. Ruhl
Herman Oliver  Beatrice Walton Sackett
Walter E. Pearson  E. C. Sammons

Absent F. E. Callister

There were also present Dr. Frederick M. Hunter, Chancellor;
Charles D. Byrne, Secretary of the Board; President George
W. Peavy of Oregon State College; President Donald M. Erb
of the University of Oregon; President Walter Redford of
Southern Oregon Normal School; President C. A. Howard of
Eastern Oregon Normal School; and President J. A. Churchill
of Oregon Normal School.

Mr. Marks reported that Mr. Callister was absent because
of a business trip.

MINUTES
APPROVED

The Board voted to dispense with the reading of the minutes
of the last meeting on April 26, 1938, and approved the
minutes of this meeting as they appeared in the docket.

CHEMISTRY
BUILDING
SUPPLEMENTARY
APPLICATION

Mrs. Sackett, Acting Chairman of the Buildings, Grounds,
and Capital Outlay Committee in the absence of Mr. Callister,
Chairman, made the following report for the Committee on the
supplementary application to the Public Works Administration
for the Chemistry Building project at Oregon State College:

"Mr. Byrne reported that upon the advice of Mr. Hockley,
a supplementary application for the Chemistry Building at
the State College had been prepared, increasing the loan
and grant from $300,000 to $500,000. The revised program
contemplates increasing the loan from $180,000 to $275,000
and the grant from $120,000 to $225,000. This project will
provide for the completion of the new Chemistry Building
as originally planned, at a cost of $425,000 and the
remodelling of the old Science Building at a cost of $75,000.
Funds to retire the loan will be provided from the unpledged
$2,00 portion of the $8.00 per term student building fee,
and an additional $2.00 from the building fee after the
Memorial Union bonds are retired."
"It is pertinent to point out that the proposed remodelling of the old Science Building will provide a classroom and laboratory building, fire-proof and modern in every respect and estimated to have a value of $225,000. This remodeled structure will greatly relieve the congested conditions at the State College due to the large increase in enrollment, by providing quarters for the Geology Department, the Mathematics Department, the offices of the Dean of Science, and miscellaneous classrooms, and thus, in turn, relieve crowded conditions in other buildings on the campus."

Upon motion by Mr. Sammons and second by Mr. Brand, the Board voted to approve the report of the Buildings, Grounds, and Capital Outlay Committee in regard to the supplementary application for the Chemistry Building.

Thereupon, Mrs. Sackett presented the following resolution, which was read in full and duly considered by the Board:

**RESOLUTION NO. 1**

WHEREAS, the State Board of Higher Education on April 27, 1936, voted to make application to the Public Works Administrator for a loan and grant to finance a $400,000 Chemistry Building at Oregon State College, and

WHEREAS, On July 27, 1936, the State Board of Higher Education voted to revise this application and request from the Federal Government a loan of $180,000 and a grant of $120,000 to finance a $300,000 Chemistry Building project at Oregon State College, and

WHEREAS, Developments at Oregon State College in the two years since the original applications have been filed are such that the complete building as requested in the original application is imperative to take care of increased enrollment, and

WHEREAS, This same increase in enrollment has enhanced by more than $12,000 the annual building fee collections, thereby greatly strengthening the security for an enlarged loan on this project, and

WHEREAS, The great growth in student enrollment has made it necessary to remodel for classroom and laboratory purposes the old Science Building, which will be released from chemistry building purposes upon erection of the new building, therefore be it

Resolved, By the State Board of Higher Education that a supplementary application be filed with the Federal Administrator of Public Works and that the supplementary application shall request from the Federal Government a loan of $275,000 and a grant of $225,000 to finance the construction of the complete Chemistry Building and the remodelling of the old Science Building, and be it further
Resolved, That the President and Secretary of the Board be authorized to execute and file the necessary documents in connection therewith.

Upon motion by Director Sackett and second by Director Brand, the above resolution was adopted, with the following voting aye:

Mr. Brand  Mr. Pease
Mr. Marks  Mr. Ruhl
Mr. Oliver  Mrs. Sackett
Mr. Pearson  Mr. Sammons

and the following voting nay: None.

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

The report of the Building Committee was continued as follows:

"In order to prepare the necessary plans for the supplementary application on the remodelling of the old Science Building and to provide the required estimates, it was necessary for Mr. John V. Bennes, the architect, to make architectural and engineering studies of the old building and to draw up plans for the four floors of the remodelled structure. The Committee is therefore recommending to the Board that a contract be entered into with Mr. Bennes for the architectural and engineering services in connection with the drawing of the plans and specifications at a fee of 8% of the construction costs plus $1,200 for engineering services. The usual fee on remodelling jobs is 10%. It is further recommended that the contract carry the usual provisions for payment of 20% of the architect's fee and the engineering fee upon completion of the preliminary survey and drawings, with the understanding that there will be no further payment until the project is approved, and that the funds for the fee shall be provided from unpledged building fees in the event the project is not approved by the federal government."

The Board voted to enter into a contract with Mr. John V. Bennes for architectural and engineering services for drawing of plans and specifications for remodelling the old Science Building at the State College at a fee of 8% of the construction costs plus $1,200 for engineering services, with the understanding that there will be no further payment until the project is approved, and that funds for the fee shall be provided from unpledged building fees in the event the project is not approved by the federal government.

Mrs. Sackett continued the report of the Building Committee regarding an application to the Public Works Administration for a Humanities Building at the University:

"Board members will recall that at the April, 1937 meeting, the Board approved an application to the Public Works Administration for a Humanities Building at the University.
to cost $120,000 on the basis of a 45% grant and a 55% loan to be amortized over a period of thirty years, from the unpledged portion of the student building fee together with the income from rental of the ground floor to the University Cooperative Store in the amount of $2,500 per year. Word was received in August, 1937, that the project had been disapproved. Mr. Hockley has now advised that the Public Works Administration is again receiving applications for additional projects. The Committee has surveyed the security behind the proposed loan and finds that it has been strengthened in three particulars:

a. Annual building fee collections at the University have been considerably increased as a result of larger enrollment at the University.

b. Another year has elapsed since the application was filed and this makes possible the pledging of the full $5,000 per term building fee following the completion of the retirement program on the bonds issued to finance the Library and the Physical Education Building.

c. The operating statement of the Cooperative Bookstore is much more favorable than when the original application was filed.

"The Committee is therefore recommending that the application for the Humanities Building be filed with the Public Works Administration for a loan of $66,000 and a grant of $54,000, and that the President and Secretary be authorized to sign the necessary documents in filing this application."

The Board voted to make application to the Public Works Administration for a loan and grant allotment to finance a Humanities Building at the University and authorized the President and Secretary to sign all necessary documents.

The report of the Building Committee was continued as follows:

"Mr. Byrne reported that the State Board of Control had taken final action in awarding the bids for pianos for the State College, with a slight adjustment in the division of the pianos to be traded in for the new instruments. The Committee is recommending that the Board concur in this adjustment."

The Board accepted the report of the Building Committee with regard to the purchase of pianos for the State College, and voted to concur in the action of the Board of Control.
Mrs. Sackett continued with the report of the Building Committee as follows:

"The Chancellor reported that an additional $700 will be required to furnish the Campbell Church residence with draperies and an additional rug. The Committee is recommending this budget addition."

The Board accepted the report of the Building Committee regarding draperies and an additional rug for the Campbell Church residence and voted to allocate $700, or as much thereof as is necessary, for the purchase of these items.

The report of the Building Committee was continued as follows:

"In order to make possible preparation of the plans and specifications for the new Library wing of the Medical School Building, it is necessary to have made accurate topographical surveys of the proposed site. Dean Dillehunt, with the approval of the Chancellor, is recommending the employment of a civil engineer to make this survey at a sum not to exceed $100, the expense to be paid from Library gift funds on hand. The Committee concurs in this recommendation."

The Board approved the report of the Building Committee in regard to a topographical survey for the Medical School Library wing and authorized Dean Dillehunt to employ a civil engineer to make the survey at a sum not to exceed $100, the expense to be paid from Library gift funds on hand.

Mrs. Sackett continued with the report of the Building Committee as follows:

"A proposal has been made to Dean Dillehunt by the State Board of Health to locate its offices on the Medical School campus and to pay rental for these office quarters. The rental would be used in financing a loan from the Public Works Administration to finance a building to house these offices and to provide other facilities for the Medical School. Dean Dillehunt, with the approval of the Chancellor, is requesting authorization to investigate the matter and negotiate with the Board of Control on its willingness to proceed on the basis indicated and to apply long-time contract rentals of the quarters to bond-servicing charges for a loan from the F.W.A. to construct the wing. The Committee is recommending that Dean Dillehunt be authorized to investigate the project and report his findings at a later date."
The Board authorized Dean Dillehunt to investigate the feasibility of locating the office of the State Board of Health on the Medical School campus and utilizing rentals of office quarters to retire a loan from PWA for the construction of an additional wing to the Medical School Building, and to report his findings at a later date.

Mr. E. C. Sammons, Chairman, presented the following report of the Finance Committee regarding budget additions to meet deficits:

"The Finance Committee met yesterday morning to consider certain financial recommendations submitted by the Chancellor. In addition to the Chairman, Mr. Pearson of the Committee was present, and other Board members sat in on the meeting. The Chancellor presented the following list of budget additions to meet deficits, occasioned largely by increased enrollment, which have been deferred pending a determination of possible budget balances to cover the deficits:

University of Oregon

Architecture and Allied Arts, to care for deficiency caused by increased enrollment. Recurring item, also to be added to the 1938-39 budget . . . . . . $200.00

Teacher Placement Service, to care for increase in demand for mailing credentials and other service, $30; and $30 to increase wages of assistant from $80 to $90 per month for April, May, and June. The amount of $100 for the wage increase is recurring and is to be added to the 1938-39 budget . . . . . 120.00

Commencement and Convocations, addition to cover honorarium paid Dr. Erb on visit to University campus in January, 1938. Non-recurring . . . . . 40.00

Museum of Natural History, addition to cover shelving and labor required to exhibit the natural history collection loaned by Campbell Church. Non-recurring . . . . . . . . . . . . . . . . . . . . 204.66

Library and President's Office, freight and other expense in connection with the loan of the Nash collection of rare books. Non-recurring . . . . . 440.33

Building Repairs, including old overdraft from 1936-37, $1,300; repairs in Art Museum, $901.46; and emergency repairs in McArthur Court due to broken steam line. Non-recurring . . . . . . . . . . . . . . . . . . . . 2,359.70

Total for University . . . . . . . . . . . . . . . . . . . . . . . . . . . $3,364.71
State College

Library, wages to provide additional assistance which had to be employed to care for increased numbers of students in reference, circulation and periodical departments, $585; books for recreational reading, $200; and automatic time stamp for charging out books, $130. Wages of $585 are recurring and to be added to 1938-39 budget .......... $ 915.00

Publications, representing deficiencies accumulated during past few years due to increased enrollment. Recurring items of $1770 to be added to the 1938-39 budget ................. 3,472.00

Total for State College ............... 34,386.00

"You will note that these requests total $7,750.71, of which expenditures $2,655.00 will recur in the 1938-39 budgets. To cover these appropriations, balances are available from the Reserve for Research in Production and Marketing, from the Reserve for Out-of-State Travel, from the Reserve for Dormitory Bonds, and from an old High School Drama Tournament account, which total $12,109.28.

"The Committee is therefore recommending that these budget additions to cover deficits be approved, and that the remaining sum of $4,358.67 from the balances available be taken into the Board's unappropriated fund."

The Board adopted the report of the Finance Committee on budget additions to meet deficits and approved the allotment of $7,750.71 from balances available in reserve accounts totaling $12,109.28, with the understanding that the $4,358.67 remaining in the reserves be taken into the Board's unappropriated fund.

Mr. Sammons continued with the report of the Finance Committee as follows:

"In the investigation made by Mr. Pearson of insurance carried by the Board it appears advisable in order to comply with the Oregon Laws to adopt the following resolution in connection with the appointment of a disbursing officer for the funds of the Board:

WHEREAS, E. M. Smith was appointed as Disbursing Officer in 1930 and there does not seem to be any re-appointment since that time except as disclosed in the minutes of July 23, 1934 wherein the following appears:

'Designation of E. M. Smith, in charge of the Division of Purchasing and Claims, as Assistant Comptroller' and

'Authorization of H. B. Auld to sign as Disbursing Officer in absence of E. M. Smith' and
WHEREAS, Oregon Code 1930, section 36-1906, reads as follows:

"Term of appointive office--appointive power may remove.--Each and every person holding an appointive office in any of the offices, departments or institutions of this state shall hereafter hold the same for an indefinite term not exceeding 4 years and shall at all times be subject to removal by the appointive power which made the appointment, and such appointive power shall in all such cases have the right and power to appoint a successor or successors."

"Therefore, the Finance Committee recommends to the Board that the term of office of E. M. Smith as Disbursing Officer and Assistant Comptroller be terminated as of June 30, 1938 and the bonds heretofore given by him to the State of Oregon and now on file in the office of the Secretary of State be terminated and exonerated as of June 30, 1938 and that the authorization of H. B. Auld to sign as Disbursing Officer in the absence of E. M. Smith be terminated as of same date.

"The Finance Committee further recommends to the Board that the appointment of E. M. Smith as Disbursing Officer and Assistant Comptroller be made as of June 30, 1938 for an indeterminate term not exceeding 4 years and that the appointment of H. B. Auld to sign as Disbursing Officer in the absence of E. M. Smith by reason of disability or otherwise be made as of the same date, June 30, 1938 for an indeterminate term not exceeding 4 years from that date.

"The Finance Committee further recommends that the Board authorize H. A. Bork, Comptroller, to secure bonds for the said E. M. Smith and H. B. Auld in such company or companies as may be satisfactory to the Secretary of State and in such form as may meet with the approval of the Attorney-General."

The Board voted to approve the recommendations of the Finance Committee with regard to the appointment of the disbursing officer and the securing of bonds for the disbursing officer, and adopted the resolution as submitted by the Committee.

Mr. Sammons presented the following report of the Committee with reference to the operation of the University dormitories:

"The Chancellor introduced the subject of certain recommendations made by President Erb in regard to the operation of the University dormitories. President Erb elaborated upon his report and recommendations. The Finance Committee gave careful consideration to the entire report and is making the following recommendations:
1. That the University administration be authorized to prepare Hendricks Hall for dining room service for girls this coming autumn, with an outlay from dormitory funds of not to exceed $1,900, with the understanding that the separate dining hall for girls will not be opened this fall unless there is an equivalent of 100 per cent occupancy at the beginning of the school year in the girls dormitories on the basis of three girls to a suite.

2. That the Board's schedule of dormitory rates of $33 a month for board and room in the girls dormitories at the University be modified by providing a $30 per month rate for Susan Campbell Hall with four girls to a suite, and that the supplying of linen, bedding, and maid service formerly provided in this dormitory for $33 per month be discontinued.

3. That the renting of Mary Spiller Hall to Zeta Tau Alpha, a social sorority, be continued.

4. That the following methods of curtailing expenditures as recommended in President Erb's report be approved:

(a) Closing the dormitories in the Summer Post Session at an estimated saving of -- $500

(b) Eliminating the night watchwoman in the girls dormitories at an estimated saving of -- -- -- -- -- -- -- -- -- -- -- -- -- -- -- 805

(c) Using graduate student sponsors in the women's dormitories during the summer months, rather than the regular head residents, at an estimated saving of -- -- 300

(d) That the residence facilities for Mrs. Garner in the dormitories previously charged to the dormitories be charged to the President's Office, at an estimated saving of -- -- -- -- -- -- -- -- -- 150

(e) That the expenses for guest privileges of Vice-President Burt Brown Barker formerly carried by the dormitories be carried by the President's Office, at an estimated saving of -- -- -- -- -- -- -- -- -- 150"
Mr. Sammons concluded the report of the Finance Committee as follows:

"President Erb presented to the Committee a proposal for authorization for the University to supply the necessary room and utility costs, such as heat, light, power, and water, for the installation of the printing equipment of John Henry Nash, noted San Francisco printer. It was indicated that Mr. Nash would contribute without pay his services as an adviser to the University Press and to student instruction in fine printing. It was also pointed out that the only additional cost to the Board would be the payment of the necessary charges, amounting to approximately $435, for freight and installation expense in connection with moving the printing equipment from San Francisco to Eugene.

"The Committee is, therefore, making the following recommendations:

1. That the University officials be authorized to provide the necessary space for housing the equipment without additional cost to the Board and that the necessary utilities such as heat, water, light, and power be supplied within the current budgets.

2. That an appropriation of $435, or as much thereof as is necessary, be approved for freight charges and installation expense in connection with moving the printing equipment from San Francisco to Eugene."

The Board voted to approve the report of the Finance Committee with regard to the housing of the John Henry Nash printing equipment, and appropriated $435, or as much thereof as is necessary, for freight charges and installation expense in connection with moving the printing equipment from San Francisco to Eugene.

Mr. Walter E. Pearson, Chairman of the Special Committee to study the report of Dr. W. J. Kerr on "Oregon's Problem in Marketing Agricultural and Industrial Products", asked that the majority report of Mr. Brand and Mr. Ruhl, the other members of the Committee, be presented. Mr. Ruhl read the following report:

"Your Committee has studied the interesting and comprehensive report of Dr. William J. Kerr on the subject of agricultural and industrial marketing in this state, with particular reference to the recommendations therein."
"We fully appreciate the value of Dr. Kerr's careful study and research and regard nothing more important to the welfare of this state than the development of new more profitable and more extensive markets for all the products of the state, cut after carefully studying all angles of the situation, consulting representatives of the fruit, lumber, dairy, and general farming industries whose marketing problems are most acute, we are convinced the greatest service the institutions of higher learning can perform in this direction is to continue in the future as in the past to work in the closest cooperation with the agricultural, horticultural, and commercial interests in the state, supplying them freely at all times with the most up-to-date and accurate marketing information available, but in no way attempting to control or direct their marketing methods. For the invariable reaction we found to the proposal of establishing a marketing agency under the Board of Higher Education, not only among those who would be most affected by it as producers but by those staff members of our own institutions who if such a department were set up would undoubtedly be called upon to assist in its administration, could be expressed by the following remark of a prominent orchardist in Southern Oregon, 'That the College continue to give us the best marketing information and advice available, but let us on the basis of that continue to formulate and administer our own marketing program.'

"We believe what is true in the industries mentioned above would be true of any other industry, large or small, in the state. It has been suggested that fruit, lumber, mining, dairy, and cattle industries, etc., etc., be exempted from the provisions of the proposed marketing agency. The Committee seriously questions the wisdom of inaugurating any new department at added expense which would admittedly be of no value whatever to the most important industries of the state.

"Although the clear implication of the report was that the new marketing department would be authoritative and therefore regulatory in character, it is now stated this was not the intention, and if the recommendations therein should be adopted, the marketing agency would have no regulatory function whatever. If this is correct then the Committee sees no reason to establish a separate department of marketing with a special director, secretary, administrative offices, etc., etc., at a cost of several thousand dollars when the condition of the Board's finances and general business conditions demand the most stringent economy. It is the Committee's opinion that as a fact-finding advisory agency in marketing and not a regulatory one the institutions under our direction, particularly the State College, are in a position to give entirely adequate service without the creation of any additional departments or at the present time any added administrative costs."
"This Committee does not hold a special marketing department in this state should not be established or if established would not prove extremely valuable. This was not the question your Committee was called upon to consider. It does hold that if such a department is established it must, to be effective, be regulatory in character and therefore it should be established either as a separate state department or be placed under the State Department of Agriculture and not be established by the funds or under the direction of the State Board of Higher Education."

Mr. Ruhl moved adoption of the majority report seconded by Mr. Brand.

Mr. Pearson presented the following minority report of the Special Committee:

"Your committee appointed to examine this report and make recommendation to the Board held a meeting at Roseburg on April 16, 1938, at which it was evident that no unanimous report could be made; hence this report is being submitted in the nature of a minority report by the chairman of your committee.

"1. The Board of Higher Education employed Dr. Kerr to make research studies in the field of agricultural marketing. While I was not a member of the Board at the time of this appointment, nevertheless I feel sure that the Board was serious in imposing this task on Dr. Kerr and that they expected him to perform the obligations of that appointment. It is certainly true that so serious a man as Dr. Kerr would not consider the appointment as an idle gesture on the part of the Board but one that would call for the maximum effort on his part to produce a report on the subject to the Board that would be complimentary to his talents, because surely he has shown throughout his connection with the college and System of Higher Education a remarkable degree of wise leadership, a tenacity of purpose, and yet a diplomatic way of attaining his ends, all of which would guarantee that he would not bring forth any report but which should have the most sympathetic and careful consideration on the part of the Board.

"2. The report shows that Dr. Kerr has given his best efforts of mind and heart in examining an immense amount of material and data which he has condensed into a very small amount of space considering how it might have been easily expanded into many more pages. Besides this he studied actual situations connected with marketing of agricultural and industrial products in this state, in Washington, California, elsewhere throughout this country and even abroad."
"3. He made a diligent search to find out the facts regardless of where those facts should lead; but when the facts were discovered he summarized them into a very brief space, coming to certain conclusions and recommendations which are presented in printed form by your instruction for your study and your action.

"4. The facts disclosed in the report on which are based the conclusions and recommendations cannot be questioned. The Board of Higher Education has a definite responsibility to consider and pass upon the question as to whether the recommendation in the report that there be established a Division of Agricultural and Industrial Marketing should be approved or disapproved, and, if approved, the place of such Division in the State System of Higher Education. Such a decision should be based on findings of the report, the particular work contemplated for the Division and the placing and functioning of the Division in the System.

"Since distribution of Dr. Kerr’s report much favorable reaction has been shown in the press, and the interest of the people throughout the State has been so great that the printing of an additional two thousand copies was called for. Such wide-spread interest emphasizes the necessity for decision by the Board without further delay.

"5. My first concern in considering this report was to find out if the Board had legal authority to set up a Division of Marketing as is proposed at the College, but the opinion which the Attorney-General has rendered makes it clear that the Board is within legal right if such a Division should be established; particularly, if in the conduct of that Division students from other sections of the college are permitted to study marketing in this Division, thus fitting themselves in a greater degree to become valuable to themselves, their families, and their communities.

"6. I favor the adoption of the plan because it offers a comparatively inexpensive way of extending a coordinated leadership in the field of marketing of our products where such leadership is needed.

"As stated in the report, 'there is an outstanding need for an agency' to 'exert aggressive leadership that will inspire the confidence of producers, private and cooperative organizations, and public agencies'. The concluding section of the report emphasizes the services such an agency could render 'while leaving to the industries themselves the primary responsibility for merchandising and advertising the various commodities'. Paragraph 4 of the Recommendations, page 78, provides for a minimum budget for administrative functions, but contemplates that 'additional grants from private sources may be provided from time to time for special studies in specific marketing problems'.
"7. Recognition is given in the report of the very successful efforts of many cooperative and other agencies, particularly those marketing apples, pears, dairy and poultry products, and various other agricultural products. It is evident, however, from the facts revealed in the report itself that, 'notwithstanding all that has been and is now being accomplished in production and marketing, many problems remain unsolved'. It may be claimed that this Division can not be of immediate benefit to apples, pears, and other well organized branches of agriculture but nevertheless there are many places where in a small way this Division could start a helpful leadership that would produce results which could be easily considered adequate to justify the cost of the department. I would never want to see the department grow into any such organization as some have suggested. I would expect it to be abolished entirely if and when the need for it does not longer exist.

"8. There is need in Oregon for an agency to provide leadership in order to obtain effective industry-wide merchandising designed to recover local markets and to penetrate midwestern and southern markets which have scarcely been touched by Oregon products. An illustration of the opportunity which exists in the prune industry is found on pages 67 and 68 of the report.

"There is need in Oregon for an agency to provide leadership in an active campaign against the many unfair trade practices prevailing against Oregon producers, such as speculation, price manipulation, chiseling, open-end contracts, unwarranted rejections, and unfair dockage. The experience of a prominent prune grower, related on page 61, is an illustration of the helpless condition in which growers in every section of Oregon find themselves.

"There is need in Oregon for an agency to provide leadership in dealing with transportation problems, particularly in elimination of discriminatory freight rates in favor of other industries and other regions in the United States, in reduction of excessive refrigeration charges, and in obtaining more liberal transportation privileges, such as mixed-car rates and 'unloading-in-transit'. It is pointed out on page 28 of the report that the California Fruit Exchange 'secured annual reductions in freight rates amounting to $1,750,000 and in refrigeration charges amounting to $1,500,000. The Northwestern Turkey Growers Association obtained savings in shipping costs amounting to $40,000 annually. The California Almond Growers Association has secured transportation privileges resulting in yearly savings of from $7,500 to $30,000, depending on the size of the crop. While the volume of production is smaller in Oregon than in California, relatively large amounts could be saved to Oregon producers through aggressive action in this field.
"There is need in Oregon for an agency to take the initiative in support of Oregon interests in matters affecting the marketing of Oregon commodities, such as foreign trade agreements and regulations, and Federal and State legislation.

"Assistance in the solution of these problems will result in large financial benefits to all classes of commodity producers in Oregon.

"9. The plan proposed does not contemplate duplicating effort, but rather 'enlisting the cooperation of all agencies and individuals concerned in the successful functioning of a definite program'. These agencies, 'including the Federal departments, the State Department of Agriculture, the State College, the cooperative organizations, and various other agencies, are performing necessary and important functions'. The activity of the public agencies is limited, of course, to the specific functions for which they have been established.

"The State Department of Agriculture is engaged primarily in regulatory service. The need for expansion of its service in this field is indicated on pages 31 and 65 of the report. An agency provided by the State Board of Higher Education would not attempt to enter this field.

"10. It is unfortunate that some opposition to the recommendation in the report is present at the College. There is recorded recognition in the report of the splendid service by the College, particularly the divisions of the Agricultural Experiment Station and the Extension Service, in coordinating production and marketing. Specialists at the College have rendered invaluable assistance to producers through research and extension projects on every phase of production and preparation for market. It is recognized, however, that these agencies are limited by Congressional and State laws providing funds to certain specific functions and cannot undertake the particular work contemplated for the proposed Division.

"It is the expressed idea of one man that this new Division to be successful 'should come up from the cooperatives when they are ready for it and not be handed down from the State Board'. I do not agree with this idea. Those cooperatives who do not need any marketing ideas would not be obligated to accept any new plan. Another one thinks that 'to start this thing now would be premature and that it would get a cool reception'. Another one speaks of the necessity of $75,000 to $100,000 to start the thing with. Of course, we have no such funds available. Such an amount of funds could not possibly be used without encroaching upon fields that are already adequately served marketwise."
"Are we going to sit idly by and allow the States of California and Washington to develop marketing ideas and leadership and take away from Oregon products their natural market?

"11. I would not favor the Division taking any hand whatever in regulatory practice. Standards of products should be set up by law and the administration of law placed where it belongs, in the hands of the State Director of Agriculture.

"12. Summing up I have come to the conclusion that we should receive this splendid work of Dr. Kerr and its resulting report, commend him for it, and give his recommendations a trial."

Mr. Pearson moved the substitution of the minority report for the majority report, seconded by Mr. Sammons. After considerable discussion, the Board voted to substitute the minority report of the Special Committee to study Dr. Kerr's report and recommendations for the majority report with the following members voting aye:

Mr. Marks
Mr. Oliver
Mr. Pearson

and the following voting nay:

Mr. Brand
Mr. Ruhl

Mrs. Sackett

The Board then voted to adopt the report of the Special Committee (substituted minority report) on Dr. Kerr's report on "Oregon's Problem in Marketing Agricultural and Industrial Products", which includes the following recommendations as set forth on page 76 of Dr. Kerr's report:

1. That provision be made for a continuation of the marketing work on the basis of the investigations during the past two years, but that, consistent with the functioning of this agency, the name "Office of Production and Marketing" be changed to "Division of Agricultural and Industrial Marketing."

2. That the personnel of the Division consist, for the present, of a Director and a secretary, with an added specialist when conditions warrant and funds are available. The Director should be a man with successful, practical experience and proved ability in marketing, capable of effective and aggressive leadership.
3. That the office of the Director be located on the campus of Oregon State College, thus affording opportunity for close contact with the large staff of specialists engaged directly or indirectly in work of production and marketing in the fields of agriculture and industry. Administrative functions should be so defined as to recognize the close interdependence of production and marketing to the end that the Director may maintain constant and mutually beneficial relationships with other divisions of the State System of Higher Education.

4. That a budget of from $9,000 to $11,000 be provided from unrestricted funds for the fiscal year 1938-39. Additional grants from private sources may be provided from time to time for special studies in specific marketing problems.

5. That there be appointed a committee of from seven to nine members to serve in an advisory capacity in directing the policies and activities of the division. This committee should include representatives of the State University, the State College, the State Department of Agriculture, and the state at large.

Upon motion by Mr. Pearson and second by Mr. Sammons, the Board appointed a committee consisting of the Chancellor, the University President, and the State College President as a committee to nominate the personnel of the Advisory Committee on policies and activities of the Division of Agricultural and Industrial Marketing; and to present to the Board a plan indicating the functions of the Division of Agricultural and Industrial Marketing; the administrative relationships of the Director with officers of the State System of Higher Education; his relationships with staff specialists engaged directly or indirectly in the work of production and marketing; the procedure for selecting a Director; and a budget for the Division of Agricultural and Industrial Marketing.

The Board voted to approve the following recommendations of President Peavy and the Chancellor in regard to administrative adjustments in the School of Science at the State College:

1. That Dean E. L. Packard be relieved, in accordance with his request, of his duties as Dean of the School of Science and Director of Science for the State System, effective July 1, 1938.

2. That he continue as head of the Department of Geology and Professor of Paleontology, Director of the Institute of Marine Biology (under the executive committee of which the Dean-Director of Science is ex officio chairman as provided by the action of the Board, December 14, 1933); and Dean-Director of General Research.
3. That, by virtue of his position as Dean-Director of General Research, he retain the rank of dean and membership in the Administrative Council of the State College.

4. That his salary continue as at present at $4,725 for twelve months service.

5. That Dr. Francois A. Gilfillan be made Acting Dean of the School of Science and Acting Director of Science for the State System and Professor of Chemistry, effective July 1, 1938, and that he be relieved of all responsibilities to the School of Pharmacy, effective as of that date.

6. That Dr. Gilfillan's time service on ten months employment basis remain unchanged for the fiscal year 1938-39, but that he assume without additional compensation responsibilities of the new position effective July 1, 1938.

7. That Dr. Gilfillan as Professor in the Department of Chemistry carry the equivalent of one-fourth time in instructional work in the Chemistry Department.

8. That the School of Pharmacy be authorized to employ an instructor to replace Dr. Gilfillan at a salary not to exceed $2,000 on a ten-months basis, and that the necessary budget addition for the fiscal year ending June 30, 1939, be provided for this instructor in Pharmacy.

The Chancellor reported as follows on the WPA Educational Research Project for the General Extension Division:

"Last February Dean Powers requested approval of a WPA educational research project to include such studies as History of Oregon academies, of Oregon school lands, of the Chautauqua movement in Oregon, of art and art education in Oregon, the preparation of recommended plays for Oregon high schools and of visual instruction lectures. After careful study I have come to the conclusion that no new project is necessary and that ample authorization is given under the WPA project that was approved on August 14, 1935, numbered S-1814-367. Consequently any work coming within the definite authorization as thus approved may be undertaken without further Board action. This includes the curriculum unit in connection with the State Superintendent's Office, which was brought to the Board at the April 28, 1938 meeting. No action by the Board is necessary unless and until new phases of the project require Board contributions."
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The Chancellor reported that he had given further study to the matter of the proposed Board sponsorship of a WPA project to restore the Jason Lee Mission. The Chancellor asked the Secretary of the Board to read a letter from Mr. E. J. Griffith, State Administrator, which indicated that maintenance funds would have to await appropriation by the Legislature. The Chancellor indicated that it was his belief that Board sponsorship of this project was not feasible at the present time on account of conflict with proposed legislative plans of the Board, and until maintenance other than that proposed is assured. The Board voted to defer the matter to a subsequent meeting.

The Chancellor reported as follows on the extension of KOAC facilities to the University campus:

"On March 8, 1938, the Board made an appropriation of $1,500 to provide a line for remote control from KOAC to a studio on the University campus. The Carnegie room in Music Hall has been designated as the studio. This meets with the approval of the Director of Extension and the radio officials. It appears that the $1,500 provided by the Board will take care of the expense of the line from Corvallis to Eugene and meet such equipment needs as are indispensable to the operation of the studio on the University campus for the year 1938-39. Negotiations are still in progress with Station KORE in Eugene regarding the use of its facilities for University broadcasts without expense to the state."

Upon invitation by the Chancellor, the Board voted to hold its July 26 meeting at the residence of the Chancellor in Eugene.

The Board officially accepted the following gifts and instructed the Secretary to make suitable acknowledgment to the respective donors:

**University**

**Thacher Scholarship**

Gift of $115 from the Oregonian Publishing Company, Oregon Journal Publishing Company, Scripps League of Newspapers, Foster and Kleiser, Radio Station KOIN, and the Oregon Motorist, to establish the W.P.G. Thacher Scholarship in Advertising, to be awarded annually in the amount of $100 to the male student who shows greatest promise in the field of advertising.

**Dr. John Henry Nash**

Gift of books valued at $500 from Dr. John Henry Nash, which were presented during the past year.

**$4,000 for Art Work**

Gift of $4,000 from the American Institute of Architects for the support of art work in the 1938 summer session.
Mrs. Warner to Museum of Art
Gifts valued at $776.60 for the Museum Library and $8,705.68 for the Museum of Art from Mrs. Gertrude Bass Warner.

U. of O. Mothers
Gift of $900 from the University of Oregon Mothers to the University of Oregon Mothers' Emergency Loan Fund.

PASSAGE ESTATE
Through the will of Louis L. Passage, deceased, the Doernbecher Memorial Hospital received a one-half interest in certain property situated on Siltcoos Lake. The estimated value of the Board's interest is about $1,500. The Board approved the recording of the bequest and authorized the President and/or Secretary to execute the necessary documents in receipt and sale of the property.

ELIZABETH DAY REQUEST
Through the will of Elizabeth E. Day, deceased, the University received a bequest of $10,000. The attorney for the estate has requested the Board to sign a waiver of the right to contest the will. The Board authorized the President and/or Secretary to sign the necessary documents in waiving the right to contest the will.

CURRICULAR CHANGES
The Board voted to approve the following minor curricular adjustments, as recommended by the Curricula Committee:

University

Eng 311, 312, 313. Advanced Short-Story Writing. Three terms, 2 hours each term. (Change in title. Formerly, Magazine Writing.)

Geo 314. Regional Geography. Fall term, 3 hours. (Change in number and credit. Formerly, Geo 215, 216. Two terms, 3 hours each term.)

BA and J 439. General Advertising (G). One term, 3 hours. (Change in credit. Formerly, 4 hours.)

Medical School

(New Courses)

Sur 661. Lectures in Anesthesia. Two terms, 12 hour each term. (Third year) Lectures, 2 hours; 22 hours. Dr. Hutton.

Sur 607. Anesthesia seminar. One term, 3 hour. (Elective) (Third year). One hour a week for one term; 11 hours. Dr. Hutton.

Sur 662. Clerkship in Anesthesia. One section each term, 3 hour. (Fourth year). 2 hours a week for 52 weeks; 11 hours. Dr. Hutton.
Nursing Education

Discontinuance of the four-year curriculum, and the establishment of one basic curriculum in nursing—the five-year curriculum.

It has been found practicable to discontinue the four-year degree nursing curriculum, as most of the students are willing to take the five-year course, with two years on one of the campuses and three years in professional training at the Medical School and affiliated hospitals.

Nur 490. Advanced Public Health. Three hours, any term. Offered primarily to advanced certificate students in Public Health Nursing and is being added because of the availability of Dr. Adolph Weinziir, City Health Officer, as instructor.

Pediatrics 415. 4 hours, to be changed to "any term, 3 or 4 hours".

Portland Extension Center

In the budget for 1938-39 as adopted by the Board, Mr. Russell Barthell was appointed as manager of the Portland Branch of the Bureau of Municipal Research and Service and as instructor in the Portland Center in the field of municipal and public employee instruction. The Portland Center has requested approval of the following courses from which Mr. Barthell's program of instruction, to the amount of four hours each term, will be selected. Therefore, all of the courses listed may not be given in 1938-39.


PS 342, 343p. Problems in Public Administration and Finance. Two terms, 2 hours each term. (Variation of PS 342, 343, 344 at University.)

PS 415p. Municipal Government. Two terms, 2 hours each term. (Variation of PS 415 at University.)

PS 425p. City Management. One term, 2 hours. (Sequence to PS 415p.)

Soc 332. City Social Problems. One term, 2 hours. (Variation of Soc 332, Sociology of the City, at the University. To be taught by R.R. Martin or another Sociologist rather than by Mr. Barthell.)

Soc 432p. City Planning and Housing. One term, 2 hours.
SIGNING OF DEGREE LISTS

The Board voted to confirm the action of the committee of one appointed by President Marks to approve the recommendations of the various institutions on degrees and certificates to be granted for the academic year 1937-38. (Signed copies of the lists of approved degrees and certificates are on file in the Board's office.)

SOUTHERN OREGON BRANCH STATION BUDGET ADD'N

In order to care for emergency work in connection with frost and insect damage to the pear crop at Southern Oregon Branch Experiment Station, the Board approved a budget addition of $591.57, the funds to come from additional sales income amounting to $351.57 and $200 from the continuing appropriation for this station.

BUDGET ADD'NS FROM SALES INCOME

To meet higher costs of materials and wages and increased operating expenses, the Board approved the following budget additions for the year 1937-38, the funds to come from increased sales income:

- Astoria Branch Experiment Station, Wages $150, Materials and Expense, $350 = $500.00
- Department of Farm Crops of the Experiment Station, Wages $3,568, Materials and Expense $600 = 3,968.00
- Department of Veterinary Medicine—Dairy, of the Experiment Station, Wages $300, Materials and Expense $1,200 = 1,500.00
- Farm Maintenance Department, Dairy, Wages $800, Materials and Expense $2,000 = 2,800.00
- Farm Maintenance Department, Soils, Wages $125 = 125.00

BUDGET ADD'NS FROM FEE INCOME

To care for added expenditures as a result of increased enrollment, the Board approved the following budget additions, funds to come from increased fee income above original budgeted estimates:

- University
  - Gymnasium Suit Service, Wages $180, Materials and Expense $500 = 680.00
- Oregon Normal School
  - Placement Service, Materials and Expense = 250.00
- Southern Oregon Normal School
  - Placement Service, Materials and Expense = 100.00
- General Extension Division
  - Eugene Extension, Wages $1,308.25, Travel $300, Equipment $120 = 1,728.25
  - Portland Extension Center, Wages $1,400, Materials and Expense $2,100, Travel $1,000 = 4,500.00
  - Visual Instruction, Wages $382.17, Travel $82.50 = 464.67
The Board voted to confirm the action of the Chancellor in approving an emergency budget addition of $300 for Radio Station KOAC in order to purchase two vacuum tubes.

The Board approved the following personnel adjustments at the University:

Appointment of Dr. C. J. Sullivan as Assistant Professor of Philosophy, at a salary of $2,400, 10-months basis, yearly tenure, effective October 1, to fill the vacancy occasioned by the retirement of Dr. George Rebec, Head of the Department of Philosophy. Position provided in budget.

Appointment of Dr. Harold Wright Bernard as Assistant Professor of Education, at a salary of $2,000, 10-months basis, yearly tenure, effective October 1, 1938. Dr. Bernard is to replace Dr. Luther L. Mays, Assistant Professor of Education, who has resigned effective June 30, 1938 to accept a position at Baylor University. No change in budget.

Appointment of Dr. Eugene Stromberg as Assistant Professor of Sociology, at a salary of $2,400, 10-months basis, yearly tenure, effective October 1, 1938. This position is budgeted at $2,000. Budget addition required in 1938-39, $300, transferred from the requisition budget of the department.

Sabbatical leave with a partial salary of $817.50 for Professor A. L. Lomax, Professor of Business Administration, from October 1, 1938 to October 1, 1939, to accept a position for one year at the University of Hawaii, where his compensation will be $2,700. The $817.50 to be paid by the University represents the difference between his regular salary and that to be paid at Hawaii.

Sabbatical leave for Dr. E. P. Kremer, Professor of German, on half salary from October 1, 1938 to October 1, 1939. Saving of $1,050 to be retained in the salary budget of the department to employ substitute assistance.

Sabbatical leave for Mr. Oliver L. Barrett, Associate Professor of Architecture and Allied Arts, on half salary, from October 1, 1938 to October 1, 1939, for purposes of study and research work in Mexico. Arrangements to care for Professor Barrett's work will be made within the present budget of the School of Architecture.

Salary adjustment and time increase for Mr. Rex Rhoten, part-time instructor in Physics and Physical Science Survey, 9-months basis, from $675 to $810, effective September 16, 1938. Funds to cover the increase to be transferred from wages to salary in the Physical Science Survey budget.

Salary increase for Miss Elma Doris Havemann, Secretary in the Bureau of Municipal Research and Service, from $1,200 to $1,320, 12-months basis, monthly tenure, effective July 1, 1938. Funds to cover the increase to come from savings resulting from the appointment of a research assistant at less than the budgeted salary.
Assignment of rank of Assistant Professor of Political Science to Mr. Russell Barthell, who was appointed Assistant Director of the Bureau of Municipal Research in charge of the Portland Branch by action of the Board on April 26, 1938.

Herman Kehrli Tenure
Change from yearly tenure to indefinite tenure for Mr. Herman Kehrli, Director of the Bureau of Municipal Research and Service, and Assistant Professor of Political Science, with no change in salary or rank.

H.B. Yocom Appointment
Appointment of Dr. Harry B. Yocom, Professor of Zoology, as Curator of the Division of Invertebrate Zoology, to be established as a part of the Museum of Natural History parallel with the Vertebrate Division. Dr. Yocom's title will be Curator of Invertebrate Collections. No change in salary.

The Board approved the following personnel adjustments at the State College:

W.M. Craig Appointment
Appointment of Mr. Willard M. Craig as Assistant Professor in Business Administration, at an annual salary of $2,000, 10-months basis, yearly tenure, effective October 1, 1938. Since this position is budgeted at $1,800, the additional funds required in 1938-39, $150.00, will be transferred from the requisition budget of the Lower Division.

D.C. Mumford Appointment
Appointment of Mr. Dwight Curtis Mumford as Head of the Department of Farm Management, with rank of professor, yearly tenure, 12-months basis, at a salary of $4,200, effective July 1, 1938, or later. Mr. Mumford replaces Professor A. S. Barrier, recently deceased, whose salary was budgeted at $4,500, mostly from restricted funds. Recommendations on salary savings to be submitted when Mr. Mumford's time of reporting for service is determined.

Warren Reid Appointment
Appointment of Mr. Warren Reid as Alumni Secretary in charge of Alumni Records, effective May 16, 1938, at a salary of $2,100, with rank of instructor, to replace Mr. George Scott, resigned. Amount budgeted for the position is $2,400. Salary saving to revert to Board's unappropriated funds.

Rex Russell Appointment
Appointment of Mr. Rex Russell as Stock Keeper in the Department of Chemistry, effective July 1, 1938, at an annual salary of $1,500, 12-months basis, yearly tenure. Budgeted for position, $1,200. Increase to be transferred from wage budget of the department.

L.R. Breithaupt Sabbatical Leave
Sabbatical leave for Professor L. R. Breithaupt, Extension Agricultural Economist, on full pay from May 1, 1938 to July 31, 1938, for purposes of rest and recuperation.
R.W. Dougherty
Salary Increase

Salary increase for Dr. R. W. Dougherty, instructor in Veterinary Medicine, from $2,000 to $2,400, effective July 1, 1938, yearly tenure, 12-months basis, and advance in rank to Assistant Professor. Dr. Dougherty was offered a position at a considerable increase in salary in Wisconsin. Budget addition required, $400.

R.E. Summers
Resignation

Resignation of Professor R. E. Summers, Associate Professor in Mechanical Engineering, effective July 1, 1938, to accept a position at a much larger salary at Minnesota. The salary budgeted for Professor Summers is to be held in the budget pending a recommendation for his successor.

Buena Maris
Time and Salary Increase

Increase in time service and salary for Mrs. Buena Maris, instructor in the Household Administration Department, from 9 to 10-months service, and from $1,100 to $1,500, yearly tenure. Budget addition required in 1938-39, $225.

Eleanor Spike
Promotion in Rank

Advance in rank for Miss Eleanor Spike from Assistant Professor and Director of Home Management Houses, to Associate Professor and Director of Home Management Houses, with no change in salary.

F.M. Bolin
Termination of Appointment

Termination of appointment of Dr. F. M. Bolin, Associate Professor of Veterinary Medicine and Assistant Veterinarian of the Experiment Station because of withdrawal of federal funds on the research project on Bang's disease, effective June 30, 1938. Dr. Bolin's salary was distributed as follows:

- Federal government: $1,800
- Sales income: $300
- State millage funds: $300

Total: $2,400

Budget saving of $300 in millage contribution to revert to Board's unappropriated funds.

E.G. Mason
Time and Salary Increase

Increase in time service and salary for Professor E. G. Mason, Assistant to the Dean of the School of Forestry, from 10-months to 12-months basis and from a salary of $5,600 to $4,200, effective July 1, and change in title from Assistant to the Dean of Forestry to Assistant Dean of Forestry. Budget addition required in 1938-39, $600.

F.P. Griffiths
Leave of Absence

Leave of absence without pay for Dr. F. P. Griffiths, Instructor and Research Assistant in the Fish and Game Department, from June 15 to December 31, 1938, and from April 1 to June 30, 1939. The Oregon State Game Commission has requested Dr. Griffiths' services to head their scientific research work in fisheries with headquarters on the State College campus. Salary savings to be used to employ substitute for Dr. Griffiths.
Resignation of Professor D. E. Stephens, Superintendent of the Sherman Branch Experiment Station, effective August 1, 1938, to accept an appointment with the U. S. Bureau of Plant Industry, and the promotion of Mr. Merrill M. Oveson, Assistant Superintendent of the Sherman Branch Experiment Station, with rank of Assistant Professor, to Superintendent of the Sherman Station with rank of Associate Professor at an annual salary of $2,700, 12-months service, indefinite tenure. Superintendent Stephens’ salary was divided as follows: state continuing appropriation, $980; U.S.D.A. $4,120. Mr. Oveson received $2,448, half of which was paid from U.S.D.A. funds. Recommendations regarding the budgetary adjustments for these positions will be submitted when information is available regarding the U.S.D.A. contribution to the salaries of this station.

The Board approved the following personnel adjustments at the Medical School:

Pharmacology
Technician

Adjustment in Pharmacology Department to eliminate two part-time technician positions involving a total salary of $869.53, and to substitute therefor one technician position on 11-months service, wage basis. No budget addition involved.

Robert Dow
Leave of Absence

Leave of absence without pay for Dr. Robert Dow, Assistant Professor of Anatomy, during 1938-39, to accept a fellowship at Rockefeller Institute, and the re-assignment of the two positions held by Dr. Dow and Dr. J. F. Barnes, instructor in Experimental Medicine, to include three positions for part-time instructors. Added instructional help needed to relieve Dr. Larsell who is assuming deanship of the Graduate Division. Budget addition required, $800.

Olof Larsell
Increase in Salary

Increase in salary for Dr. Olof Larsell as compensation for increased responsibilities as Dean of the Graduate Division, from $5,250 to $5,550, effective July 1, 1938. Funds to cover the increase, $300, to come from Board’s unappropriated funds. Previously Dr. Larsell was allowed approximately $300 for lectures in General Extension, which he will no longer receive.

The Board approve the following personnel adjustment in the General Extension Division:

W.G. Beattie
Sabbatical Leave

Sabbatical leave for Professor W. G. Beattie, on full pay, during the fall term 1938-39, for purposes of travel and study. Professor Beattie’s work during his absence will be cared for within the present budget of the General Extension Division.
The Board approved the following personnel adjustment at the Southern Oregon Normal School:

A.C. Strange
Leave of Absence

Leave of absence without pay for Mr. A. C. Strange, Associate Professor, from August 1 to August 21, 1938.

Savings in Board Funds

Saving of $191.93 to be used to employ substitute assistance.

Adjournment

The Board directed that in the future all savings in unrestricted funds be returned to Board's unappropriated funds.

The Board adjourned at 2:30 p.m.

WILLARD L. MARSH, President
CHARLES D. BYRNE, Secretary