STATE BOARD OF HIGHER EDUCATION
MINUTES OF MEETING HELD AT
HEATHMAN HOTEL, PORTLAND, OREGON
March 14, 1939

MEETING #93
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 March 14, 1939.

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
F. E. Callister
Willard L. Marks
E. C. Pease

Robert W. Ruhl
Beatrice Walton Sackett
E. C. Sammons
Edgar W. Smith

Absent: Herman Oliver.

The members named constitute all members of the State Board of Higher Education of the State of Oregon.

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. Oliver was unable to attend the meeting due to illness in his family.

MINUTES APPROVED
The Board voted to dispense with the reading of the minutes of the last regular meeting on January 24, 1939, and of the special meeting on February 24, 1939, and approved the minutes of these meetings as they appeared in the docket.

MEDICAL
LIBRARY
EQUIPMENT
CONTRACT
AWARD
F. E. Callister, Chairman of the Buildings, Grounds and Capital Outlay Committee, presented the following report:

"On March 7, 1939, bids were opened on the equipment for the Library, Auditorium and Laboratory Wing at the University of Oregon Medical School. Funds available for this purpose totaled $10,623.00, and inasmuch as the low bids amounted to $8,196.36, the Building Committee adopted a resolution recommending acceptance of the following bids:
J. K. Gill Co.          Office furniture and lamps  $1,483.47
Business Equipment Bureau General Fixtures            3,643.89
Remington Rand, Inc. Office equipment and library specialties 1,719.37
B. F. Shearer          Household equipment            807.03
Farrington Service    Dictation equipment            328.50
Eastman Kodak Stores, Inc. Photographic supplies   90.20
F. E. Bennett          Storeroom equipment            123.90
Total:                 $8,196.36

"The Committee recommends that the Board confirm its action in awarding the contracts for the Medical School Library equipment as listed above, and the action of the President and Secretary in executing the contracts."

The Board confirmed the action of the Building Committee in awarding equipment contracts totaling $8,196.36 for the Medical School Library equipment, and the action of the President and Secretary in executing the contracts.

The report of the Building Committee was continued as follows:

"The new dormitory at La Grande has been completed within the funds allotted for the project. The Building Committee inspected this new building on Sunday, March 12, and wishes to report that the building is completed to its satisfaction. I would like to ask Mrs. Sackett to give a brief report of her impressions of the new structure."

Mrs. Sackett gave a brief summary of the inspection of the dormitory by the Committee, indicating that the structure had been well planned and equipped; and that in every particular the building was a valuable addition to the Eastern Oregon Normal School campus.

Mr. Callister continued the report of the Committee regarding the dormitory as follows:

"Due to weather conditions and other delays, certain minor items have to be finished, and delivery has to be made on some equipment. The Committee therefore
recommends acceptance by the Board of this building, subject to final approval and certification by the architect and by the P.W.A.

"The Building Committee also wishes to express its great appreciation of the fine work done on this project by Architect Bennes, Mr. Lewis, the P.W.A. resident engineer, and Mr. Reverman, the contractor."

The Board voted to accept the Eastern Oregon Normal School Dormitory, subject to final approval and certification by the architect and by the P.W.A.

The report of the Building Committee was continued as follows:

"The Chancellor recommended to the Building Committee that a survey be made of the rehabilitation needs in the physical plants of the several institutions of the State System, under the direction of Mr. Byrne with the technical assistance of Mr. Lou Traver. The Building Committee is recommending that the Board authorize this survey as recommended by the Chancellor."

The Board approved the recommendation of the Building Committee that a survey be made of the rehabilitation needs in the physical plants of the several institutions under the direction of Mr. Byrne, with the technical assistance of Mr. Traver.

Mr. Callister continued the report of the Building Committee as follows:

"Architect John Bennes presented the plans for remodelling the old Science Building at the State College, which is a part of the general P.W.A. program covering the erection of a new Chemistry Building and the utilization of the old Science Building for laboratory and classroom facilities for geology, education, and mathematics. The contemplated alterations which involve a complete new interior of fireproof construction will result in a building which Mr. Bennes estimates will have a value of approximately $200,000. The actual remodelling cost will probably be about $70,000.

"The plans have the approval of the departments to be housed in the building, the President of the College, and the Chancellor. The committee is recommending approval of these plans by the Board, and also requests
authority to advertise for bids and award the contract and authority for the President and Secretary to execute the contract."

The Board approved the plans for the remodelling of the Science Building at the State College, and authorized the Building Committee to advertise for bids and award the contract within the funds available. The Board also authorized the President and Secretary to execute the necessary contract.

The report of the Building Committee was continued as follows:

"The Committee gave consideration to a revised agreement and lease upon a shorter term basis with the Coopera\- tive Bookstore of the University for the first floor of the Humanities Building, which was prepared in accordance with the action taken by the Board on January 24. This new lease, worked out by President Erb, has been approved by the Attorney-General. It provides for the rental of the ground floor of the building to the Bookstore for a period of twenty years at an annual rental of $2,500 per year. The Building Committee is recommending that the Board approve this agreement and lease as presented to the committee, with the addition of the provision that the premises shall not be sublet in whole or in part without the consent of the President of the University and the Board. It also recommends authorization for the President and Secretary of the Board to sign the agreement and the lease."

The Board voted to approve the report of the Building Committee with regard to the lease with the Cooperative Bookstore of the University for the first floor of the Humanities Building.

Mr. Callister continued the report of the Building Committee as follows:

"Upon recommendation of President Erb, the Building Committee is recommending that the new Humanities Building on the University campus be designated as Chapman Hall in honor of Charles H. Chapman, second President of the University of Oregon."

The Board voted to approve the designation of the new Humanities Building on the University campus as Chapman Hall.
E. C. Sammons, Chairman of the Finance Committee, presented the following report:

"The large increases in enrollment, particularly at the State College and the University, have necessitated budgetary adjustments from time to time during the current year. The required staff additions were taken care of last fall but the needs in the requisition budgets were deferred until requirements could be more definitely determined. The Chancellor presented a report on such requirements requested by the several institutions for the remainder of the current fiscal year. After reviewing budget requests from the institutions totaling $39,610.93, the Chancellor recommended funds totaling $26,998.34, allotted to the institutions as follows:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oregon State College</td>
<td>$17,503.38</td>
</tr>
<tr>
<td>University of Oregon</td>
<td>$7,658.38</td>
</tr>
<tr>
<td>Medical School</td>
<td>$500.00</td>
</tr>
<tr>
<td>Southern Oregon Normal School</td>
<td>$334.58</td>
</tr>
<tr>
<td>Eastern Oregon Normal School</td>
<td>$500.00</td>
</tr>
<tr>
<td></td>
<td><strong>$26,998.34</strong></td>
</tr>
</tbody>
</table>

"Departmental requests in the amount of $12,612.58 are deferred pending further study by the Chancellor, and are to be brought to the Board when and if it is deemed necessary."

"The Committee is recommending approval of these budgetary additions as recommended in the Chancellor's report. After making these appropriations, the Board will still have $37,247.99 in its unappropriated balance which, by careful planning, will be sufficient to carry us to the end of the fiscal year."

The Board approved the report of the Finance Committee regarding budget additions to care for increased enrollment and voted to appropriate $26,998.34 from Board's unappropriated funds for this purpose.

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

"The Committee reviewed the County Extension budgets as prepared by Vice-Director Ballard, and submitted with the approval of Dean Schoenfeld, President Peavy and the Chancellor. A summary of these calendar year budgets is presented in Item 16 of the docket. The Committee is recommending approval of these budgets as submitted, with the following salary adjustments effective January 1, 1939:

*(Insert) to the Committee appropriations from Board's unrestricted
<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Present Salary</th>
<th>Proposed Salary</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>P.T. Fortner</td>
<td>County Agent</td>
<td>$3,204</td>
<td>$3,408</td>
<td>$204</td>
</tr>
<tr>
<td>W.A. Sawyer</td>
<td>County Agent</td>
<td>2,928</td>
<td>3,036</td>
<td>108</td>
</tr>
<tr>
<td>W. J. Jendrzejewski</td>
<td>Asst. Co. Agent</td>
<td>1,608</td>
<td>1,800</td>
<td>192</td>
</tr>
<tr>
<td>O.E. Mikessell</td>
<td>Club Agent</td>
<td>2,340</td>
<td>2,448</td>
<td>108</td>
</tr>
<tr>
<td>Robert E. Rieder</td>
<td>Asst. Co. Agent</td>
<td>1,704</td>
<td>1,860</td>
<td>156</td>
</tr>
<tr>
<td>Hazel Packer</td>
<td>Home Dem. Agent</td>
<td>2,280</td>
<td>2,400</td>
<td>120</td>
</tr>
<tr>
<td>Arnold Ebert</td>
<td>County Agent</td>
<td>2,100</td>
<td>2,208</td>
<td>108</td>
</tr>
<tr>
<td>Helen Ann Thomas</td>
<td>Home Dem. Agent</td>
<td>2,100</td>
<td>2,304</td>
<td>204</td>
</tr>
<tr>
<td>Edwin C. Keltner</td>
<td>Club Agent</td>
<td>2,040</td>
<td>2,244</td>
<td>204</td>
</tr>
<tr>
<td>Rex Warren</td>
<td>County Agent</td>
<td>2,604</td>
<td>2,808</td>
<td>204</td>
</tr>
<tr>
<td>G. Y. Hagglund</td>
<td>County Agent</td>
<td>2,928</td>
<td>3,036</td>
<td>108</td>
</tr>
<tr>
<td>L. E. Francis</td>
<td>Club Agent</td>
<td>2,304</td>
<td>2,508</td>
<td>204</td>
</tr>
</tbody>
</table>

The Board voted to approve the 1939 county extension budgets as submitted.

The report of the Finance Committee was continued as follows:

"By action of the Board at the January meeting, the Chancellor's Office was authorized to submit a budget to cover the cost of the KOAC case. In accordance with this action, the Committee is concurring in the following recommendations of the Chancellor:
1. That the Board confirm the action of the Chancellor in authorizing the expenditure of $600 for wages for the use of Professor Breithaupt in order that he may carry forward the case.

2. That the Board approve an additional $600 for wages and materials as they are needed by Professor Breithaupt during the progress of the case."

The Board confirmed the action of the Chancellor in authorizing the expenditure of $600 for wages for the use of Professor Breithaupt in completing negotiations for the KOAC case, and approved the appropriation of an additional $600 for wages and materials as needed by Professor Breithaupt during the progress of the case.

The Chancellor reported that in connection with the filing of an amended application with the Federal Communications Commission for an increase in the power of Radio Station KOAC, federal regulations required the adoption by the Board of a resolution specifically authorizing the proper executive officer of the State College to institute, file and prosecute the application to final decision. Thereupon, Secretary Byrne read the following resolution which was duly considered by the Board:

BE IT RESOLVED, That George W. Peavy, President of Oregon State Agricultural College, licensee and operator of Radio Station KOAC (Corvallis, Oregon,) be and he is hereby authorized, empowered and directed to institute such procedure before the Federal Communications Commission as may be necessary to effect the increase in the transmitting power of said station to five kilowatts, and specifically to execute, verify and file, in the name of said licensee, all formal applications (including Form #301 as revised December, 1938, of the Federal Communications Commission) necessary and requisite for such purpose, and thereafter to prosecute such application or applications to final decision subject to the rules and regulations of said Federal Communications Commission.

Dated this 14th day of March, 1939.

By unanimous vote of the members present, the Board adopted the above resolution, with the understanding that the amended application will not be filed with the Federal Communications Commission until the Governor signs the appropriation bill for KOAC.
Mr. Sammons continued the report of the Finance Committee as follows:

"President Erb reported that he had received a letter of resignation from Dean J. J. Landsbury as Dean of the School of Music of the University of Oregon. The Finance Committee is recommending that the Board approve the recommendation of President Erb and the Chancellor that Dean Landsbury's resignation be accepted effective June 30, 1939."

The Board voted to accept the resignation of Dean John J. Landsbury, Dean of the School of Music of the University of Oregon, effective June 30, 1939.

The report of the Finance Committee was continued as follows:

"The Chancellor reported that the Governor had approved the continuation of the annual R.O.T.C. tournament and competition for the Governor's plaque between the University and State College, inaugurated last year. The Committee is recommending the continuation of the competition and an appropriation of not to exceed $200 to cover the cost of three medals and transportation to Corvallis for one select company and five men for individual competition."

The Board approved the report of the Finance Committee regarding the R.O.T.C. competition and an appropriation of not to exceed $200 for the cost of medals and transportation.

The report of the Finance Committee was continued as follows:

"The Chancellor recommended that his office be authorized to make a study of the auxiliary activities and secondary functions of the State System of Higher Education with the view of making these activities as nearly self-supporting as possible, with report to be made to the Finance Committee at its April meeting. The Committee concurs in this program and so recommends to the Board."

The Board approved the report of the Finance Committee regarding the study to be made by the Chancellor of auxiliary activities and secondary functions.
Mr. Sammons continued the report of the Finance Committee as follows:

"At the January meeting, the Board approved the refunding of $452,000 University Building Bonds which were issued to finance the Library and Physical Education Building, and the sale of $90,000 Humanities Building Bonds. Negotiations have been completed for the sale of these bonds to the Mutual Benefit Life Insurance Company of New Jersey on a 3 3/4 per cent basis, which provides a net saving of $33,000 over the life of the bonds. The Committee is recommending that the Board adopt the bond resolutions on these issues as they are presented by Mr. Bork and Mr. Coughlin."

Thereupon, Mr. Bork presented the following resolution, numbered "1" and entitled "A Resolution Providing for the Issuance and Sale of $452,000 Special Obligation 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, Providing the Method of Payment for Such Bonds, the Maturities Thereof, and Other Related Matters." This resolution was read in full by Mr. Bork and duly considered by the Board:

RESOLUTION NO. 1

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF $452,000 SPECIAL OBLIGATION 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, PROVIDING THE METHOD OF PAYMENT FOR SUCH BONDS, THE MATURITIES THEREOF, AND OTHER RELATED MATTERS.

WHEREAS, Chapter 27, Oregon Laws 1933, Second Special Session, as amended by Chapter 88, Oregon Laws 1937, created special building funds for each of the higher educational institutions of the State of Oregon, defined terms, empowered the Board of Higher Education (hereinafter called "Board") to issue and sell bonds of the State pursuant to said Act, to refund bonds or obligations issued by the Board, authorized the Board to collect student building fees for building purposes, to refund bonds or obligations of the Board and to provide for the payment of such bonds out of said special building funds, and authorized the Board to pledge such fees as security for such refunding bonds; and

WHEREAS, the Board deems it for the best interest of the Department of Higher Education and of education in the State of Oregon to issue bonds to refund the University
of Oregon Building Bonds, and it appears to the Board that
it is necessary and advisable to pledge as security
therefor $4.00 of the $5.00 Student Building Fee authorized
by the above mentioned statute; and

WHEREAS, the Board proposes to call all of the outstanding
University of Oregon Building Bonds and to redeem said
bonds on the next interest payment date of said bonds and
to issue $452,000 in amount of bonds to refund said
University of Oregon Building Bonds; and

WHEREAS, the Board has received a proposal to purchase
$452,000 of the said refunding bonds, bearing interest at
3\frac{1}{2} per cent per annum; 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. The Board hereby directs that all the outstanding
University of Oregon Building Bonds be called and
redeemed on the next interest payment date, to wit, May 1,
1939, in conformity to the provisions of said bonds. The
President and Secretary of the Board or the Comptroller
of the Board are hereby authorized to do all the acts and
things necessary to call and redeem said bonds.

Section 2. For the purpose of providing funds with which
to refund the said University of Oregon Building Bonds
there are 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
$452,000, the proceeds of the sale of the latter bonds to
be placed in the office of the Treasurer of the State of
Oregon on or before May 1, 1939, and to be applied for
the sole purpose of redeeming said University of Oregon
Building Bonds.

Section 3. Said bonds shall be special obligation coupon
bonds designated "University of Oregon Refunding Building
Bonds", shall be dated as of May 1, 1939, shall be in the
denomination of $1,000 each, shall be numbered consecutively
from 1 to 452, both inclusive, shall bear interest at the
rate of 3\frac{1}{2}\% per annum, which interest shall be payable semi-annually
on May 1 and November 1 of each year until maturity, the
first interest payment being on November 1, 1939, shall
be payable both as to principal and interest in lawful
money of the United States of America at the office of the
Treasurer of the State of Oregon in Salem, Oregon, and
shall mature serially in numerical order in the years
and amounts as follows:
$6,000 on May 1 in the years 1940 through 1947, both inclusive;  
$8,000 on May 1 in the years 1948 and 1949;  
$16,000 on May 1 in the years 1950, 1951, and 1952;  
$18,000 on May 1 in the years 1953, 1954, and 1955;  
$20,000 on May 1 in the years 1956, 1957, and 1958;  
$22,000 on May 1 in the years 1959 through 1962, both inclusive;  
$24,000 on May 1 in the years 1963 through 1966, both inclusive;  
$42,000 on May 1, 1967.

Said bonds shall express on the face thereof the purpose for which the same are issued, and the fact that said bonds are issued pursuant to the Constitution and the Laws of the State of Oregon, including Chapter 27, Oregon Laws 1933, Second Special Session, as amended by Chapter 88, Oregon Laws 1937.

Both principal and interest of said bonds shall be payable solely out of, and shall be limited in payment to a special fund in the State Treasury designated as "University of Oregon Building Fund."

Section 4. For the punctual payment of the principal of and interest on said bonds when and as the same become due, the said Board hereby covenants and agrees with each successive holder of each of said bonds and coupons that said Board, so long as any said bonds are outstanding, shall and will charge and collect on and after May 1, 1939 from each regular student in the University of Oregon a fee of $4.00 at the time of registration for each regular term or semester of the said University, of which there shall be three each school year. The said Board further covenants and agrees that it will fix such fees (hereinafter referred to as Student Building Fee) annually in advance for said University.

Said student building fee shall be in addition to the tuition and other fees charged to students at said University, and shall not be returnable to said students under any circumstances after a lapse of ten days from the date of registration. The Board by so covenanting to charge and collect said Student Building Fee as herein described does hereby pledge said Student Building Fee 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 Fee. The Board further covenants and agrees that it will cause commercial fire and lightning insurance to be placed on the library and physical education building on the campus at the University of Oregon in an amount in excess of the amount of outstanding University of Oregon Refunding Building Bonds.
Section 5. The said Student Building Fee of $4.00 hereinabove referred to shall constitute a part of the $5.00 Student Building Fee which the Board is authorized to charge and collect from each student at the University of Oregon at the time of registration by the above mentioned statute. The said Board further covenants and agrees that no additional bonds secured by pledge of the said Student Building Fee of $4.00 for each regular term or semester will be issued while any of the bonds issued under this resolution remain outstanding or unpaid, unless such additional bonds be specifically secured by a second lien junior to the bonds issued under this resolution.

Section 6. The Board hereby further covenants and agrees that the Student Building Fee collected as hereinabove provided shall be paid into the fund of the State Treasury within 10 days of the date of collection thereof. Said Student Building Fee shall be irrevocably pledged to and used for the payment of interest on and principal of said bonds, the creation of a reserve fund in said fund equal to the principal and interest requirements of said bonds for the ensuing two years, and the redemption of bonds as provided by this resolution, so long as any of said bonds or the coupons appertaining thereto remain outstanding and unpaid; provided that on any interest payment date on or after May 1, 1944, when the said fees in said fund amount to a sum sufficient to pay current interest and principal due on the redemption date and to constitute such a two-year reserve fund, the Board must use any excess sum thereby created in said fund to call at par all or part of the $42,000 in said bonds due May 1, 1967, in which case the Board shall make similar publication of notice provided for in Section 10 of this resolution; provided further, that after funds have been accumulated to retire the $42,000 bonds, in addition to providing for current interest and principal requirements and the creating of the two-year reserve, any excess may be used as the Board may see fit, subject to this resolution and the laws of the State of Oregon; provided further, that when the said fees in said fund equal the total amount of the interest upon and principal of all the outstanding bonds to the last maturity thereof, then the said $4.00 Student Building Fee need not be charged or collected from the students of said University.

Interest earnings of said fees shall be credited to said fund.

Section 7. Any reserve in said fund created by said fees may be invested in bonds issued by or guaranteed by the United States of America.

Section 8. The said bonds and coupons attached thereto shall be in substantially the following form:
No. 

$1,000.00

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

UNIVERSITY OF OREGON REFUNDING BUILDING 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 solely from the special fund herein
described, on the 1st day of May, 19__, the sum of

ONE THOUSAND DOLLARS

and to pay from said special fund interest hereon at the
rate of three and one-half (3 1/2) per cent per annum, payable on
May 1st and November 1st in each year until
maturity, upon surrender of the necessary interest coupons
as they severally become due. Both principal and interest
on this bond are payable in lawful money of the United
States of America at the office of the Treasurer of the
State of Oregon at Salem, Oregon, and solely out of and
are limited in payment to a special fund in the State
Treasury, designated as "University of Oregon Building
Fund."

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 refund the
University of Oregon Building Bonds, by virtue of the
resolution of the State Board of Higher Education of the
State of Oregon, duly passed and adopted on the 14th
day of March, 1939, and pursuant to the constitution
and laws of the State of Oregon, including Chapter 27,
Oregon Laws 1933, Second Special Session, as amended by
Chapter 88, Oregon Laws 1937.

The State Board of Higher Education of the State of Oregon
hereby irrevocably obligates and binds itself to charge
and collect on and after May 1, 1939 from each regular
student at the University of Oregon a Student Building
Fee of $4.00 at the time of registration for each regular
term or semester, of which there shall be three each school
year, to be used in and credited to the University of
Oregon Building Fund, and does hereby pledge said fee to
meet the installments of interest on and principal of this bond as they respectively become due, to create a reserve sufficient to pay the interest and principal of the University of Oregon Refunding Building Bonds for a two-year period and to redeem the bond in the manner herein below provided.

On any interest payment date on or after May 1, 1944, when the said fees in said fund constitute a fund sufficient to pay the interest on and principal of said bonds maturing for the ensuing two years and to pay current interest and principal on the redemption date, the Board must use any excess sum created by said fees in said fund to call at par, part or all of the University of Oregon Refunding Building Bonds maturing on May 1, 1967, in which case the Board shall publish the same notice to redeem as provided for below.

On or after May 1, 1944 when the said bonds maturing on May 1, 1967, have been called pursuant to the last paragraph, and the funds sufficient to redeem said bonds shall be available, and the said reserve is present in said fund, the Board reserves the right to redeem any of the remaining bonds on any interest payment date upon at least thirty days' prior notice by publication in a newspaper published and of circulation in the City of Portland, Oregon. Said publication shall state the number and amount of bonds to be called and redeemed, the price to be paid therefor and the time and place where the same are to be paid.

If any bonds are called pursuant to the last paragraph, the call price shall be as follows:

102\frac{1}{2} if called on May 1, 1944 or any interest date thereafter up to and including November 1, 1946;
102 if called on May 1, 1947 or any interest date thereafter up to and including November 1, 1949;
101\frac{1}{2} if called on May 1, 1950 or any interest date thereafter up to and including November 1, 1951;
101 if called on May 1, 1952 or any interest date thereafter up to and including November 1, 1953;
100\frac{1}{2} if called on May 1, 1954 or any interest date thereafter up to and including November 1, 1955;
100 if called on May 1, 1956 or any interest payment date thereafter.

Interest on all bonds called pursuant hereto shall cease after funds are available to redeem as herein provided.

Bonds may be called in any order the Board determines, and all bonds called and redeemed pursuant hereto shall be cancelled.
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 of 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, this bond being dated as of May 1, 1939.

____________________
President

____________________
Secretary

(SEAL OF THE BOARD)

Form of coupon:

No._________ $17.50

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 Seventeen and 50/100 ($17.50) Dollars on the 1st day of________, 19________, in lawful money of the United States of America, at the office of the Treasurer of the State of Oregon, at Salem, Oregon, from the special fund designated as "University of Oregon Building Fund", being six (6) months' interest then due on its University of Oregon Refunding Building Bond, dated May 1, 1939, bearing No._________, unless said bond is sooner redeemed as therein provided, which redemption will render this coupon void.

____________________
President
Section 9. 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 10. On or after May 1, 1944, when the said bonds maturing on May 1, 1967, have been called and funds sufficient to redeem said bonds shall be available and the required reserve is present in said fund, the Board reserves the right to redeem any of the remaining bonds on any interest payment date upon at least thirty (30) days' prior notice by publication in a newspaper in the City of Portland, Oregon, and by sending a copy of such publication, by registered mail, to the original purchaser of said bonds. Said publication shall state the number and amount of the bonds to be called and redeemed, the price to be paid therefor and the time and place where the same are to be paid.

If any bonds are called pursuant to the last paragraph, the call price shall be as follows:

102 1/2 if called on May 1, 1944, or any interest date thereafter up to and including November 1, 1946;
102 if called on May 1, 1947, or any interest date thereafter up to and including November 1, 1949;
101 1/2 if called on May 1, 1950, or any interest date thereafter up to and including November 1, 1951;
101 if called on May 1, 1952, or any interest date thereafter up to and including November 1, 1953;
100 1/2 if called on May 1, 1954, or any interest date thereafter up to and including November 1, 1955;
100 if called on May 1, 1956, or any interest payment date thereafter.

Bonds may be called in any order the Board determines, and all bonds called and redeemed pursuant hereto shall be cancelled.

Interest on all bonds so called shall cease after funds are available for redemption as herein provided.

Section 11. The words "regular term or semester" referred to in this resolution shall constitute a period of a school year of the University of Oregon as determined by the State Board of Higher Education or other proper body; provided, however, that there shall be three (3) such regular periods, terms or semesters in each school year.
Section 12. The Board hereby accepts the proposal of The Mutual Benefit Life Insurance Company to purchase the University of Oregon Refunding Building Bonds at 102 in accordance with the provisions of Chapter 27, Oregon Laws 1933, Second Special Session, as amended by Chapter 88, Oregon Laws 1937, and said bonds are hereby awarded and sold to The Mutual Benefit Life Insurance Company in accordance with said statute and provisions of this resolution.

Section 13. The President and Secretary or the Comptroller of the Board are hereby authorized to do all acts and things necessary or proper to carry out the sale of said bonds to said purchasers, and to deliver said bonds to said purchasers.

Section 14. This resolution may be amended by a resolution of the State Board of Higher Education upon the written consent or approval of the holders of three-fourths in amount of all the outstanding University of Oregon Refunding Building Bonds.

Date passed by the State Board of Higher Education:

March 14, 1939

APPROVED:

Willard L. Marks (SEAL)
President

ATTEST:

Charles D. Byrne
Secretary
Upon motion by Director Sammons and second by Director Smith, the above resolution was adopted, with the following voting aye:

Mr. Brand  
Mr. Callister  
Mr. Marks  
Mr. Pease  
Mr. Ruhl  
Mrs. Sackett  
Mr. Sammons  
Mr. Smith

and the following voting nay: None.

The President thereupon declared said resolution carried.

Mr. Coughlin then presented the following resolution, numbered "2" and entitled "A Resolution Providing for the issuance and Sale of $90,000 Special Obligation 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, Providing the Method of Payment for Such Bonds, the Maturities Therefor, and Other Related Matters." This resolution was read in full by Mr. Coughlin and duly considered by the Board:

RESOLUTION
AUTHORIZING
ISSUANCE AND
SALE OF
HUMANITIES
BUILDING BONDS

RESOLUTION NO. 2

A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF $90,000 SPECIAL OBLIGATION 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, PROVIDING THE METHOD OF PAYMENT FOR SUCH BONDS, THE MATURETIES THEREFOR, AND OTHER RELATED MATTERS.

WHEREAS, the Legislature of the State of Oregon has in Chapter 27 of the Acts of the Second Special Session of 1935, as amended in Chapter 88, Oregon Laws 1937, passed an Act creating special building funds for each of the higher educational institutions of the State of Oregon, defining terms, 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 grants from the United States of America to defray cost of construction, under the provisions of certain Acts of Congress, and to accept loans from the United States of America or the Federal Emergency Administrator of Public Works appointed by the President of the United States under the National Industrial Recovery Act, or any other person 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 said Act; and
WHEREAS, the University of Oregon at Eugene, Oregon, is one of the higher educational institutions of the State of Oregon under the supervision and control of said Board and is in need of and does require a new Humanities Building at said University; and

WHEREAS, the said Board deems it necessary and advisable that said Humanities Building be constructed on the campus of the University of Oregon at Eugene; and

WHEREAS, said Humanities Building will be constructed on the said campus at an approximate cost of $165,455; and

WHEREAS, the Board on January 24, 1939, accepted in all respects the offer of the United States of America, acting through the Federal Emergency Administration of Public Works, to aid by way of loan and grant in financing the construction and equipping of such a Humanities Building, which offer was as follows:

P.W. 86575-2

FEDERAL EMERGENCY ADMINISTRATION
OF PUBLIC WORKS

Washington, D. C.,
Dated: December 30, 1938
Docket No. Oreg. 1240-F

Department of Higher Education
of the State of Oregon,

Eugene, Oregon

1. Subject to the Terms and Conditions (PWA Form No. 230, as amended to the date of this Offer), which are made a part hereof, the United States of America hereby offers to aid in financing the construction of a humanities building, including necessary equipment, on the campus of the University of Oregon at Eugene (herein called the "Project") by making a grant to the Department of Higher Education of the State of Oregon (herein called the "Applicant") in the amount of 45 per cent of the cost of the Project upon completion, as determined by the Federal Emergency Administrator of Public Works (herein called the "Administrator"), but not to exceed, in any event, the sum of $74,455, and by purchasing from the Applicant, at the principal amount thereof plus accrued interest thereon, obligations of the description set forth below (or such other description as shall be mutually satisfactory) in the aggregate principal amount of $91,000:

(a) Obligor: State of Oregon, by the Department of Higher Education of the State of Oregon, acting through the State Board of Higher Education;
(b) Type: Negotiable, special obligation, student building fee and building revenue, serial, coupon bond, designated "University of Oregon Building Bond, Series 1938";

(c) Denomination: $1,000;

(d) Date: November 1, 1938;

(e) Interest rate and interest payment dates: 4 per cent per annum, payable semi-annually on May 1 and November 1 in each year;

(f) Place of payment: The Office of the Treasurer of the State of Oregon, Salem, Oregon;

(g) Registration privileges: As to principal only;

(h) Maturities: On May 1 in amounts and years as follows:
   $18,000 in 1964 to 1967, inclusive, and
   $19,000 in 1968;

(i) Redemption provisions: Redeemable on any interest payment date, at the option of the Applicant, in whole or in part, in reverse order of maturity, at a price (being called the "Current Redemption Price") per Bond equal to the principal amount thereof and accrued interest plus a redemption premium of 4 of 1% of the principal amount for each unexpired year or fraction thereof, such premium, however, not in any case to exceed 3%, upon not less than 30 days' notice by publication and by mailing such notice to the last known address of the holder of any registered Bond selected for redemption;

(j) Payable as to both principal and interest from and secured by an exclusive first lien on the gross rentals to be derived from a certain lease of a portion of the Project to the University of Oregon Cooperative Association, and additionally secured, subject only to the prior lien of not exceeding $506,000 outstanding University of Oregon Building Bonds, dated November 1, 1935, by a second lien on student building fees of not less than $5 per full-time undergraduate student for each of not less than 5 regular terms or semesters per year.
2. By acceptance of this Offer the Applicant covenant to begin work on the Project as early as possible, but in no event later than December 31, 1938, and to complete such Project with all practicable dispatch, and in any event not later than August 31, 1939.

3. This Offer is made subject to the condition that, prior to the payment by the Government of any grant or loan funds, the Applicant shall have submitted a lease of the ground floor of the Project to the University of Oregon Cooperative Association for an annual rental of not less than $2,500 for a period extending at least to May 1, 1968, such lease to be satisfactory in form and substance to the Administrator.

4. This Offer is also made subject to the condition that, prior to the payment by the Government for any of the Bonds, the Applicant shall have submitted evidence of the incorporation in the proceedings of the State Board of Higher Education of the State of Oregon for the issuance of the Bonds, of covenants, among others, providing:

(a) That the Applicant will maintain the student building fee, charged to and collected from each full-time undergraduate student at the time of enrollment, at not less than $5 for each of not less than 3 regular terms or semesters per year, until all of the bonds shall have been paid off, or provision shall have been made for their payment;

(b) That the Applicant will create and maintain a reserve equal to the interest requirements of the Bonds in the next two fiscal years; and

(c) That all income, whether derived from rentals or from student building fees, pledged for payment of the Bonds, after deducting only the principal, interest and reserve requirements of not exceeding $506,000 University of Oregon Building Bonds, dated November 1, 1935, and the interest and reserve requirements of the Bonds, shall be used to cancel Bonds, by purchase at not exceeding the Current Redemption Price or by redemption.

5. This Offer is made subject to the express condition that, if the Administrator shall determine at any time that the Applicant has paid or agreed to pay, whether directly or indirectly, a bonus, commission or fee to any person, firm or corporation for attempting to procure an approval of the Applicant's application, or for alleged services in procuring or in attempting to procure such approval, or for activities of the nature commonly known as lobbying.
performed or agreed to be performed in connection with the application, then the Administrator shall have the right, in his discretion, to rescind this Offer and any agreements resulting herefrom, and, in the event of such rescission, the United States of America shall be under no further obligation hereunder.

6. The acceptance of this Offer by the Applicant shall effectuate a cancellation of the contract created by the acceptance of the Offer dated October 14, 1938, made by the United States of America to the Applicant. Provided, that the cancellation of such contract shall not impair or vitiate any acts performed or proceedings taken thereunder prior to such cancellation, but such acts or proceedings may be continued under the contract created by the acceptance of this Offer.

UNITED STATES OF AMERICA

Federal Emergency Administrator of Public Works

By E. W. Clark
For the Assistant Administrator

WHEREAS, the regulations of the Federal Emergency Administration of Public Works provide as follows:

"If, after the Applicant has accepted the Offer to make a loan and a grant, the Applicant determines to sell all the Bonds to purchasers other than the Government on terms at least as favorable as those offered by the Government, the Applicant may do so without obtaining the Government's consent thereto."

WHEREAS, forty-five (45%) per cent of the cost of said Building will be provided by a grant from the United States of America, acting through the Federal Emergency Administration of Public Works, not exceeding, however, the sum of $74,455; and

WHEREAS, the said Board deems it necessary and advisable to issue bonds of the State of Oregon by the Department of Higher Education of the State of Oregon to purchasers other than the Government, payable out of the University of Oregon Building Fund in the amount of $90,000 to finance the remainder of the cost of said Humanities Building; and

WHEREAS, the Board finds that it can sell such bonds to purchasers other than the Government on terms more favorable than those offered by the Government and has received a proposal to purchase $90,000 of such bonds, bearing interest at 3 1/2 per annum from such persons;
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. The Board hereby revokes and rescinds that part of its acceptance dated the 24th day of January, 1939, relating to the acceptance of an offer of the United States of America, acting through the Federal Emergency Administration of Public Works, to loan $91,000 to said Board and hereby reiterates its acceptance of that part of the offer of the Federal Government which provides for a grant in the amount of 45 per cent of the cost of the said Humanities Building upon completion, but not to exceed in any event the sum of $74,455. The Secretary of the Board is hereby authorized and directed to send such documents or proofs of the acceptance of the said Grant and revocation of the acceptance of the said offer of loan as may be requested by the Federal Emergency Administration of Public Works or said Administrator.

Section 2. For the purpose of providing funds with which to construct said Humanities Building on the campus of the University of Oregon at Eugene, Oregon, there are 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 $90,000.

Section 3. Said bonds shall be special obligation coupon bonds, designated "University of Oregon Humanities Building Bond", shall be dated as of May 1, 1939, shall be in the denomination of $1,000 each, shall be numbered consecutively from 1 to 90, both inclusive, shall bear interest at the rate of three and one-half (3 1/2%) per cent per annum, which interest shall be payable semi-annually on May 1 and November 1 of each year until maturity, the first interest payment being on November 1, 1939, shall be payable both as to principal and interest in lawful money of the United States of America at the office of the Treasurer of the State of Oregon in Salem, Oregon, and shall mature serially in numerical order in the years and amounts as follows:

$1,000 on May 1 in each of the years 1940, 1941, and 1942;
$2,000 on May 1 in each of the years 1943, 1944, and 1945;
$3,000 on May 1 in 1946;
$4,000 on May 1, 1947 and 1948;
$5,000 on May 1 in each of the years 1949 through 1952, both inclusive;
$6,000 on May 1 in each of the years 1953, 1954 and 1955;
$7,000 on May 1 in each of the years 1956 and 1957;
$8,000 on May 1, 1958;
$10,000 on May 1, 1959.
Said bonds shall express on 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, Oregon Laws 1933, Second Special Session, as amended by Chapter 88, Oregon Laws 1937.

Both principal and interest of said bonds shall be payable solely out of and shall be limited in payment to a special fund in the State Treasury, designated as "University of Oregon Building Fund."

Section 4. For the punctual payment of the principal of and interest on said bonds when and as the same shall be due, said Board hereby covenants and agrees with each successive holder of each of said bonds and coupons that said Board, beginning with May 1, 1939 and for so long thereafter as required to pay for said bonds shall and will charge and collect from each regular student at the University of Oregon a fee of $1.00 at the time of registration for each regular term or semester of said University of which there shall be three each school year. The said Board further covenants and agrees that it will fix such fee (hereinafter referred to as Student Building Fee) annually in advance for said University. Said Student Building Fee shall be in addition to the tuition and other fees charged to students at said University and shall not be returnable to the students under any circumstances after a lapse of 10 days from the date of registration. The Board by so covenanting to charge and collect said Student Building Fee as herein described does hereby pledge said Student Building Fee for the payment of the principal of and interest on said Bonds as they become due and the amount so pledged is hereby declared to be a first lien upon said Student Building Fee. The Board further covenants and agrees that it will cause commercial fire and lightning insurance to be placed on said Humanities Building during construction and upon completion thereof in an amount in excess of the outstanding University of Oregon Humanities Building Bonds.

Section 5. The said Student Building Fee hereinabove referred to shall constitute a part of the Student Building Fee which the Board is authorized to charge and collect from each regular student at the time of registration by the above mentioned statute. The Board further covenants and agrees that no additional bonds secured by pledge of the said Student Building Fee will be issued while any of the bonds issued under this resolution remain outstanding and unpaid, unless such additional bonds be specifically secured by a second lien on the $1.00 Student Building Fee junior to the Bonds issued under this resolution.
Section 6. The said Board hereby further covenants and agrees that the Student Building Fees collected as hereinafore provided shall be paid into the fund of the State Treasurer within ten (10) days from the date of collection thereof, and the Student Building Fees so paid shall be credited by the State Treasurer to the University of Oregon Building Fund. Said Student Building Fees shall be irrevocably pledged to and used for the payment of interest on and principal of said Bonds and the creation of a reserve in the said Fund equal to the principal and interest requirements of said Bonds for the ensuing two years, so long as any of said Bonds or the coupons appertaining thereto remain outstanding and unpaid; provided, that on any interest payment date on or after May 1, 1944, when said fees in the said fund amount to a sum sufficient to pay current interest and principal due on the redemption date and to constitute such a two-year reserve fund, the Board must use any excess sum in said fund which has accrued out of the payment of said fees to call at par all or part of the $10,000 of said Bonds due May 1, 1959, in which case the Board shall make similar publication of notice provided for in Section 10 of this resolution; provided further, that after funds have been accumulated to retire the $10,000 Bonds, in addition to providing for current interest and principal requirements and the creating of the two-year reserve, any excess may be used as the Board may see fit, subject to the laws of the State of Oregon; provided further, that when the total amount of the reserve fund shall total the amount of the interest upon and principal of all the outstanding bonds to the last maturity thereof, then the said $1.00 Student Building Fee need not be charged and collected on the students of said University.

Interest earnings of said fees shall be credited to the said fund.

Section 7. Any reserve in said fund created by said fees may be invested in bonds issued by or guaranteed by the United States of America.

Section 8. The said bonds and coupons attached thereto shall be in substantially the following form:

No. ______

UNITED STATES OF AMERICA

$1,000.00

STATE OF OREGON

By the Department of Higher Education of the State of Oregon Acting Through the State Board of Higher Education

UNIVERSITY OF OREGON HUMANITIES BUILDING 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 solely from the special fund herein described on the first day of May, 19___, the sum of

ONE THOUSAND DOLLARS

and to pay from said special fund interest thereon at the rate of three and one-half (3½%) per cent per annum, payable on May 1 and November 1 in each year until maturity, upon surrender of the necessary interest coupons as they severally become due. Both principal of and interest on this bond are payable in lawful money of the United States of America at the office of the Treasurer of the State of Oregon at Salem, Oregon, and payable solely out of and are limited in payment to a special fund in the State Treasury, designated as "University of Oregon Building Fund."

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 Humanities Building on the campus of the University of Oregon at Eugene, Oregon, by virtue of a resolution of the State Board of Higher Education of the State of Oregon duly passed and adopted on the 14th day of March, 1939, and pursuant to the Constitution and Laws of the State of Oregon, including Chapter 27, Oregon Laws 1933, Second Special Session, as amended by Chapter 38, Oregon Laws 1937.

The State Board of Higher Education of the State of Oregon hereby irrevocably obligates and binds itself to charge and collect from each regular student of the University of Oregon on and after May 1, 1939, a Student Building Fee of $1.00 at the time of registration for each regular term or semester, of which there shall be three each school year to be used in and credited to the University of Oregon Building Fund, and does thereby pledge said fees to meet the installments of interest on and principal of this bond as they respectively become due, to create a two years' reserve for the issue of bonds of which this bond is one, and to redeem the said bonds in the manner hereinbelow provided.

On any interest payment date on or after May 1, 1944, when the said fees accumulated in said fund constitute a fund sufficient to pay current interest and principal on the redemption date and to create said two-year reserve, the Board must use any excess sum created by said fees in said fund to call at par part or all of the University of Oregon Humanities Building Bonds maturing on May 1, 1959, in which case the Board shall publish the same notice to redeem as provided for below.
On or after May 1, 1944, when the said bonds maturing on May 1, 1959, have been called pursuant to the last paragraph, and funds sufficient to redeem said bonds shall be available and the said reserve is present in said fund, the Board reserves the right to redeem any of the remaining bonds on any interest payment date upon at least 30 days prior notice by publication in a newspaper published and of circulation in the city of Portland, Oregon. Said publication shall state the number and amount of the bonds to be called and redeemed, the price to be paid therefor and the time and place where the same are to be paid.

If any bonds are called pursuant to the last paragraph, the call price shall be:

102 1/2 if called on May 1, 1944 or any interest date thereafter up to and including November 1, 1946;
102 if called on May 1, 1947 or any interest date thereafter up to and including November 1, 1949;
101 1/2 if called on May 1, 1950 or any interest date thereafter up to and including November 1, 1951;
101 if called on May 1, 1952 or any interest date thereafter up to and including November 1, 1953;
100 1/2 if called on May 1, 1954 or any interest date thereafter up to and including November 1, 1955;
100 if called on May 1, 1956 or any interest payment date thereafter.

Interest on all bonds called pursuant hereto shall cease after funds are available to redeem as herein provided.

Bonds may be called in any order the Board determines, and all bonds called and redeemed pursuant hereto shall be cancelled.

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 of 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, this bond being dated as of May 1, 1939.

______________________________
President

ATTEST:

______________________________
Secretary

(SEAL)

(Form of Coupon)

No. ________  $17.50

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 Seventeen and 50/100 ($17.50) Dollars on the first day of ________, 19__, in lawful money of the United States of America at the office of the Treasurer of the State of Oregon at Salem, Oregon, from the special fund designated as "University of Oregon Building Fund" being six (6) months interest then due on its University of Oregon Humanities Building Bond dated May 1, 1939, bearing No. _______, unless said bond is sooner redeemed as therein provided, which redemption will render this coupon void.

______________________________
President

Section 9. 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 10. On or after May 1, 1944 when the said bonds maturing on May 1, 1959 have been called pursuant to Section 6 of this resolution and funds sufficient to redeem said bonds shall be available and the required two years' reserve is present in said fund, the Board reserves the right to redeem any of the remaining 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 Portland, Oregon and by sending
a copy of such publication, by registered mail, to the original purchaser of said bonds. Said publication shall state the number and amount of the bonds to be called and redeemed, the price to be paid therefor and the time and place where the same are to be paid.

If any bonds are called pursuant to this section, the call price shall be:

102\(\frac{3}{4}\) if called on May 1, 1944, or any interest date thereafter up to and including November 1, 1946;
102 if called on May 1, 1947, or any interest date thereafter up to and including November 1, 1949;
101\(\frac{3}{4}\) if called on May 1, 1950, or any interest date thereafter up to and including November 1, 1951;
101 if called on May 1, 1952, or any interest date thereafter up to and including November 1, 1953;
100\(\frac{3}{4}\) if called on May 1, 1954, or any interest date thereafter up to and including November 1, 1955;
100 if called on May 1, 1956, or any interest payment date thereafter.

Interest on bonds so called shall cease after funds are available for redemption as herein provided.

All bonds called and redeemed pursuant hereto shall be cancelled.

Section 11. The words "regular term or semester" herein referred to shall constitute a period of a school year of the University of Oregon as determined by the State Board of Higher Education or other proper body; provided, there shall be three (3) such regular periods, terms or semesters in each school year.

Section 12. The Board further covenants and agrees that the proceeds derived from the sale of the bonds shall be paid over to the State Treasurer subject to withdrawal by the Secretary of State, who shall credit the funds to a special account entitled "University of Oregon Humanities Building Construction Account." There shall also be credited to the said account funds received from the said Emergency Administration of Public Works as a grant to aid in the construction of the Humanities Building. The moneys in this account are to be used solely for the construction of the said Humanities Building except that any funds remaining after completion of this project shall be used for bond service.

Disbursements from the said construction account shall be made by warrants issued by the Secretary of State drawn upon the State Treasurer after satisfactory audit of
claims by the Secretary of State. The Board of Higher Education hereby covenants and agrees that it will complete the construction of the Humanities Building.

Section 13. The Board hereby accepts the proposal of The Mutual Benefit Life Insurance Company to purchase said University of Oregon Humanities Building Bonds at 102, and the said bonds are hereby awarded and sold to The Mutual Benefit Life Insurance Company in accordance with the provisions of Chapter 27, Oregon Laws 1933, Second Special Session, as amended by Chapter 68, Oregon Laws 1937.

Section 14. The President and Secretary or the Comptroller of the Board are hereby authorized to do all acts and things necessary or proper to carry out the sale of said bonds and to deliver said bonds to The Mutual Benefit Life Insurance Company.

Section 15. The State Board hereby represents that no bribes, commission or fee has been paid directly or indirectly to any person, firm, or corporation for attempting to procure an approval of the Board's application for a grant or a loan, nor has there been any activity of the nature commonly known as "lobbying" performed or agreed to be performed in connection with the Board's application. The Board further agrees to abide by all the Terms and Conditions relating to such a grant, a copy of which Terms and Conditions was annexed to the Government's offer and made a part thereof.

Section 16. This resolution may be amended by a resolution of the State Board of Higher Education upon the written consent of the holders of three-fourths (3/4ths) in amount of all the outstanding University of Oregon Humanities Building bonds.

Date passed by the State Board of Higher Education:

March 14, 1939
(SEAL)

ATTEST:
CHARLES D. BYRNE
Secretary

APPROVED:

WILLARD L. MARKS
President
Upon motion by Director Smith and second by Director Sammons, the above resolution was adopted, with the following voting aye:

Mr. Brand  Mr. Ruhl
Mr. Callister  Mrs. Sackett
Mr. Marks  Mr. Sammons
Mr. Pease  Mr. Smith

and the following voting nay: None.

The President thereupon declared said resolution carried.

Upon invitation of the President of the Board, Mr. C. E. Grelle, representing the Pacific Wool Growers Association, Mr. R. H. Warren, representing the Farm Bureau, Mr. R. L. Clark, representing the sheep industry, and Mr. Oscar Haag, representing the dairy industries, appeared before the Board. Mr. Grelle indicated that a committee consisting of eighteen men representing every livestock industry in Oregon, had been organized to study the needs of the Animal Industries Department at Oregon State College and to make recommendations looking toward an enlarged and more efficient program for that department. This committee held conferences with College officials, the Chancellor, and the President of the Board. The representatives of the committee presented the needs of their respective fields, indicating that standards in the Animal Industries Department were not meeting modern requirements and were surpassed by facilities of surrounding states.

Mr. Grelle indicated that the committee was strongly recommending to the Board a program involving improvements in physical plant, purchase of additional farm land, improvement in the herds of livestock, and the establishment of certain additional breeds.

The Board voted to approve the Chancellor's recommendation that the President's Office of the State College, in cooperation with the Chancellor conduct a survey of all of the land needs under the administrative authority of the State College, to cover a ten-year period with financing upon an annual basis, the survey to be conducted by a committee nominated by the President of the College to the Chancellor's Office for consideration and final confirmation. Report of this survey will be made by June 30, 1939, if possible.

Mr. Marks reported the receipt of a communication from Mrs. W. W. Gabriel, State Chairman of the Oregon Congress of Parents and Teachers, urging the cooperation of the Board in the promotion of temperance education.
Mr. Marks reported that negotiations, which have extended over a year, have been completed for the execution of a new mortgage on the Board's one-half interest in the McDonald timber property in Coos County, the other half of which is owned by the University of California. The Attorney-General has approved the revised mortgage and Mr. Marks has taken all the necessary steps to complete the transaction. The Board confirmed the action of Mr. Marks in negotiating the new mortgage.

Mr. Marks reported that efforts to sell Lots 1, 8 and the north 37.5 feet of Lots 2 and 7, Block 140, East Portland, which were willed to the Doernbecher Hospital through the will of Eleanor Peake, had been unsuccessful; and that a bargain and sale deed to the City of Portland had been prepared, conveying these lots to the City in lieu of payment of back taxes. The Board voted to authorize the President and Secretary to execute the necessary documents in connection with deeding the property to the City of Portland.

The Chancellor quoted the following from his letter of February 15, 1939, to the Interinstitutional Curriculum Committee in which reference is made to the Board's hearing before the Ways and Means Committee of the Legislature:

"After the evidence of the State Board had been fully presented, Senator Walker, Chairman of the Joint Ways and Means Committee, proposed this question: 'What effect has the unification plan had upon the quality of education afforded to Oregon youth by the several institutions of the System and how does this compare with the best recognized standards in other states and institutions? Along what lines should these institutions develop to achieve an educational result of finest quality?' This question was presented as a result of our submitting evidence as to the comparable proportions of tax revenue spent upon education in ten western states.

"The Interinstitutional Curriculum Committee has recently been asked by the State Board of Higher Education to survey all the offerings of the institutions of the System with the purpose of eliminating so-called 'dead timber' in our curricular structure and the further purpose of making recommendations as to the wisest plans for the development of curricula in the future. Your committee is now officially requested by this office to include in this assignment the question raised by the Ways and Means Committee of the Legislature."

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

Markle Foundation

$1,500 from the John and Mary R. Markle Foundation to be used for the study of functions of the extrinsic nerves of the gastro-intestinal tract.

Louis Vierani

$941.46 from the estate of Louis Vierani to be used for the purchase of drugs for the use of the indigent patients of Doernbecher Memorial Hospital.

University

Oregon Dads Club

$600 from the Oregon Dads Club for the construction of entrance gates as a W. P. A. project on the University campus.

STATE BOARD OF FORESTRY

RIGHT OF WAY

In securing federal aid in the construction of fire roads, the Oregon State Board of Forestry has been required by the federal government to secure a right-of-way permit through a section of timberland in Washington County donated to the University. The Board authorized the President and Secretary to execute the necessary documents in conveying this right of way to the State Board of Forestry.

DESIGNATION OF NORMAL SCHOOLS AS COLLEGES OF EDUCATION

The 1939 session of the Legislature passed a law designating the normal school at Monmouth as Oregon College of Education, the normal school at La Grande as Eastern Oregon College of Education, and the normal school at Ashland as Southern Oregon College of Education. The Governor has signed this bill. The Board authorized the use of the new names for the normal schools as soon as the law is legally in effect, with the understanding that no considerable extra expense shall be contracted in revising publications.

REVISED SABBATICAL LEAVE REGULATIONS

The Board voted to adopt the revised sabbatical leave regulations as recommended by the Interinstitutional Committee on Staff Regulations. No fundamental changes have been made, the revision merely clarifying the Board's policy regarding the length of time a faculty member must serve before becoming eligible for sabbatical leave and outlining definitely the alternate plans for ten and twelve-months' staff. The revised regulations follow:

The policy of sabbatical leaves shall be uniform for the several institutions of the State System in so far as possible.

After six years of continuous service as a regular full-time member of the staff of any of the institutions of higher learning under the control of the State Board of Higher Education, a staff member of professorial rank may be granted leave of absence not to exceed one year better to fit himself for service to his institution and
the state. Professorial rank is defined as that of assistant professor or above. Sabbatical leave privileges may be granted to staff members in special positions of responsibility and trust, even though such positions are without definite academic classification as to rank. The conditions of sabbatical leave are as follows:

(1) No one shall be entitled to any form of sabbatical leave until he has been employed full time in the continuous service of the State System of Higher Education for six calendar years, with the rank of assistant professor or above. In the case of instructors who have risen to professorial rank, or its equivalent, within the institution, three years of service on regular salary in a position below professorial rank are considered the equivalent of two years' service in a position of professorial rank.

(2) Staff members employed on a "ten-months' basis" are considered as serving continuously and, every seventh year, are eligible for one of the following types of leaves:

(a) One academic year (three terms) on one-half salary, or
(b) One-third of an academic year (one term) on full salary.

(3) Staff members employed on a "twelve-months' basis" are eligible for their first sabbatical leave after serving six years, as indicated under (1). This sabbatical leave may consist of:

(a) One-third of a year, or four months on full salary, or
(b) One year, or twelve months, on one-half salary.

Twelve-months' staff members are eligible for a second sabbatical leave, and succeeding leaves thereafter, after eighteen terms (four and one-half years) of continuous service, at which time they may have one-third of a year, or four months, leave on full salary; or they may, after twenty-four terms of continuous service (six years) choose either type of leave under (a) and (b) above.

Cases of mixed types of service or other irregular conditions shall be adjusted by administrative officers in accordance with the principles set forth in the foregoing provisions.
(4) The granting of sabbatical leaves shall not result in any additional cost to the State in any one year, except in the case of institutions* with enrollments of less than one thousand students where such added cost shall be held to a minimum and subject to specific approval by the State Board of Higher Education.

(5) Application for sabbatical leave is made to the State Board of Higher Education through the President of the institution and the Chancellor on the special form provided for that purpose and carries the endorsement of the head of the Department, the Dean of the School, the President of the institution concerned, and the Chancellor.

(6) Sabbatical leave is granted for purposes of research, writing, advanced study, or travel undertaken for observation and study of conditions in our own or in other countries affecting the applicant's field. Such leave is granted only when it can be shown that the applicant is capable of using his period of sabbatical leave in a manner which will make him of greater service to his institution and the State. Upon the recommendation of responsible medical authority, sabbatical leave may be allowed in special cases for such period as may be deemed necessary, not to exceed one year, for purposes of rest and recuperation or for the undergoing of treatment for physical disability.

(7) As a general rule, only one sabbatical leave from a department is granted in any one year, and when more than one application from any department is made, precedence is given in the order of seniority of service and merit of application.

(8) Each member of the staff in his application for sabbatical leave signs an agreement to return to his institution, upon the completion of his leave, for a period of at least one year's service.

(9) During his period of sabbatical leave the staff member shall inform the President in writing if any change is made in his program as outlined in his application. At the end of the sabbatical leave the staff member shall submit a report of the accomplishments and benefits resulting from the leave, filing copies with the head of the Department, the Dean and the President.

*Training school staff members at the Colleges of Education who are on a 9-months' basis are eligible
under this regulation, provided that the compensation during leave shall come within the Board's salary contribution and that the School District's contribution will employ a satisfactory substitute, supplemented by not to exceed $200 additional from Board funds.

STANDARD OIL COMPANY OF CALIFORNIA FELLOWSHIP

The Board officially accepted the graduate fellowship offered by the Standard Oil Company of California in the amount of $750, to continue a graduate fellowship during 1939-40 and to be known as the "Standard Oil Company of California Fellowship," to be awarded a student in Chemistry at Oregon State College. The Board directed that suitable acknowledgment be made to the Standard Oil Company.

FARM CROPS DEPARTMENT BUDGET ADD'N

The Board approved the budgeting of the portion of the 1937 legislative appropriation for seed testing work which will be available from January 1 to June 30, 1939, to the Experiment Station Department of Farm Crops, as follows:

Wages . . . . $1,400
Materials . . 200
Equipment . . 150

$1,750

OVERDRAFT IN ECONS DORMITORY OPERATING FUND

The Board approved the permission of an overdraft in the dormitory operating fund at the Eastern Oregon Normal School in the amount of $4,900, in order that funds may be available to meet operating expenses of the new dormitory prior to the receipt of funds in payment of board and room.

MARINE BIOLOGY INSTITUTE WATER SUPPLY SYSTEM

A plan has been worked out in cooperation with the National Parks Service for the development of a water supply system at Coos Head by utilizing the boat-house spring on the Institute property. The federal government has authorized a project totaling $8,700 of which $500 is to be supplied by the Institute. The joint program will provide modern water service for the Institute, fire protection for the Coast Guard structures and water for public consumption in parks adjacent. The Board approved the utilization of $500 from the reserve for the Institute to match federal funds for this project and authorized the President and Secretary to execute the necessary documents in connection with the joint program.

MARINE BIOLOGY INSTITUTE PROGRESS REPORT

The Chancellor presented the following progress report on the developmental program of the Institute of Marine Biology, as submitted by Director Packard:

"Property for a marine biology station at Coos Head was acquired through the Congressional Acts of 1931 and 1935. Title to approximately five of the eighty-five acres is contingent, however, upon the completion of the work
program at Cape Arago, Coos Head Park and on Institute property by the Civilian Conservation Corps.

"The Institute areas have been extensively developed through various agencies including the National Parks Service, the U. S. Army, the Civilian Conservation Corps, the State Parks Commission, and the Coos Head Park Board with very little cost to the State Board of Higher Education.

"The National Parks Service officers have cooperated most courteously and effectively in the planning of work projects, the development of engineering details and general supervision of the work. The U. S. Army and Civilian Conservation Corps have efficiently completed the approved work programs, while the State Parks Commission has generously cooperated in many matters, especially in the distribution of CCC labor between Arago State Park and the Institute projects. The Coos Head Park Board has likewise been most cooperative and especially helpful in the development of the joint roadway program and in the procurement of road material which was supplied at the quarry by the Coos County Court. The above work projects have been developed in accordance with a general master plan prepared by our staff.

"The extent of improvements and the amount of funds and labor expended through these various agencies can be appreciated better after consideration of the partial list of projects and such incomplete figures of man days of labor as are now available.

1. Days of labor, from November 1, 1954, to date, 45,795.

2. Improvements:
   Remodelling the following buildings:
   Administration building, two barracks, garage and shop, tool house and shop, 3-stall garage, 2-stall garage and cottage.
   Construction of the following new buildings:
   Two barracks, mess hall, cooler, supply house, infirmary, heating plant, education building, wood shed, gasoline house, two pump houses and blacksmith shop.

3. Work projects:
   Clearing U.S. Engineer's camp site.
   Construction of a number of trails.
   Construction of fire trails.
   Grading and rock surfacing 3/4 mile of road.
Re-allocation and surfacing .01 mile of Coast Guard road.
Surfacing of roadway and parking areas at camp site.
Landscaping around camp buildings.
Planting several acres of Holland grass.
Planting approximately 2,000 pine and spruce trees.
Construction of log fence on east side of camp area.
Construction of cattle guard at entrance.
Construction of protective bulkhead for infirmary and log cabin.
Construction of tide-dam and gate.
Moving cottage to higher ground.
Improvement of spring—5,000 gallon tank for temporary water supply of camp.
Cooperative water system for use of the Institute, the Coast Guard, and Coos Head Park.
Reduction of fire hazard in woods and along roadways.
Concealment of old fire scars in woods.
Miscellaneous improvements.

These improvements on the Institute property will have been accomplished June 1, 1939 at a cost of $569.50 to the State System of Higher Education."

<table>
<thead>
<tr>
<th>BUDGET ADD'N</th>
<th>GYM SUIT SERVICE</th>
<th>The Board approved a budget addition of $800 to the Gym Suit Service account at the University, funds to come from increased fees received in 1938-39 over estimated income.</th>
</tr>
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<tbody>
<tr>
<td>BUDGET ADD'N</td>
<td>FOR FARM ACCT. BOOKS</td>
<td>The Board approved a budget addition of $1,200 to Account C4H40 at the State College for reprinting farm account books, funds to come from unclassified sales income.</td>
</tr>
<tr>
<td>BUDGET ADD'N</td>
<td>ECONS HEATING BUDGET</td>
<td>The Board approved a budget addition of $465.70 to the heating budget of the Eastern Oregon Normal School. This addition will reimburse the normal school for funds expended to heat the new dormitory during the construction period.</td>
</tr>
<tr>
<td>BUDGET ADD'N</td>
<td>POISON SALES</td>
<td>The Board approved a budget addition of $800 to Account C4H43, Poison Sales, at the State College, funds to come from estimated new income from farmers purchasing the poison from County Agents.</td>
</tr>
<tr>
<td>BUDGET ADD'N</td>
<td>HOOD RIVER STATION</td>
<td>In order to carry the research projects of the Hood River Station from January 1, 1939 to June 30, 1939, the Board approved the budgeting of $1,544 from the unallotted portion of the 1937 legislative appropriation for this station, to Account C5354.</td>
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In January, 1935, the Board participated in a refunding program on Imperial Irrigation District Bonds held in the amount of $3,000 as a part of the Waldo Prize Endowment Fund at the State College. Earnings of the district have not come up to expectations and the directors have recommended another refunding program, the interest rate to be reduced from 6 per cent to 4½ per cent and the payment due July, 1938 waived. The Board voted to participate in this refunding program as recommended by the directors and authorized the Comptroller to deposit the bonds and execute whatever documents are necessary.

The Board approved a budget addition of $175 at the State College to cover the cost of inspection of the School of Pharmacy by the accrediting committee of the American Council on Pharmaceutical Education.

Elimination from the contract of the new west wing of the Agricultural Engineering Building made it impossible to house in this building the Fish and Game Department unless certain Agricultural Engineering work and the Federal Flax Research Unit housed temporarily in the remodelled wing of the old Dairy Barn are assigned permanently to this space. It was originally contemplated to use the west wing of the Dairy Barn for a garage to house U.S.D.A. and other cars. The College is required by cooperative agreement to provide storage space for the U.S.D.A. cars. In order to provide garage space, the Board approved a budget addition of $485 to match federal labor for the continuance of a W.P.A. project to extend the east wing of the old Dairy Barn thirty feet, which will provide the necessary garage space.

The Board approved the following personnel adjustments at the University:

Salary increase and change in time service for Mrs. Alice Monjay, secretary in the office of the Dean of Lower Division, from $1,077.26 on an eleven-months basis, to $1,200 on a ten-months basis, effective March 1, 1939. Budget addition required, $82.35.

Resignation of Ralph W. Cole, instructor in Physical Education and assistant athletic coach, 12-months basis, yearly tenure, at a salary rate of $2,700, allocated $1,645.20 to the School of Physical Education and $1,054.80 to the Athletic Board, effective April 1, 1939; and the appointment of Vaughn Corley, effective March 1, 1939, at a salary rate of $3,000, 12-months basis, yearly tenure, as instructor in Physical Education and assistant athletic coach, with the same salary contribution from Board funds as for Mr. Cole. The Athletic Board will provide the overlap in salary during March.
Sabbatical leave on full pay for Mr. Charles M. Hulten, Assistant Professor of Journalism, from October 1 to December 31, 1939, and leave of absence without pay from January 1, 1940 to June 30, 1940 in order to work toward his doctorate degree at Stanford. Budget addition of $675 to Journalism salary budget in current fiscal year with a corresponding decrease in 1940-41.

Leave of absence without salary for Dr. Harold J. Noble, Associate Professor of History, effective April 1, 1939 to teach at the University of Kyoto, Japan, from April 1, 1939 to September 30, 1940; and the appointment of Dr. John Gilbert Reid, as Assistant Professor of History during the spring term of 1938-39 at the same salary rate as that budgeted for Dr. Noble. Arrangements to care for Dr. Noble's work during 1939-40 will be submitted with the budget for the next fiscal year.

Postponement of the appointment of Dr. Eugene T. Stromberg as Assistant Professor of Sociology for the remainder of the fiscal year due to his continued illness, and the appointment of Dr. Charles N. Reynolds to this position during the spring term, at a salary of $700 for the three months. Transfer of $100 from wages to salaries in Sociology Department to supplement the $600 unused portion of Dr. Stromberg's salary.

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

Extension of leave of absence without pay for Grant Robley, instructor in Civil Engineering, during 1939-40 in order to continue advanced work at Yale University.

Upon motion by Mr. Ruhl and second by Mr. Smith, the Board adjourned at 12:20 p.m.

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