STATE BOARD OF HIGHER EDUCATION
MINUTES OF MEETING HELD IN
ROOM 338, MICHAEL J. SMITH MEMORIAL CENTER, PORTLAND STATE
UNIVERSITY, PORTLAND, OREGON

May 22, 1972

MEETING #403-1

A regular meeting of the State Board of Higher Education was held
in Room 338, Michael J. Smith Memorial Center, Portland State Uni-
versity, Portland, Oregon.

ROLL CALL

The meeting was called to order at 9:00 A.M. (P.D.T.) Monday, May 22,
1972, by the President of the Board, Mr. George H. Layman, and on
roll call the following answered present:

Mr. George H. Corey  Mr. John W. Snider
Mr. Robert D. Holmes  Mr. Loran L. Stewart
Mrs. Elizabeth H. Johnson  Mr. Edward G. Westerdahl II
Mr. Philip A. Joss  Mr. George H. Layman
Mr. John D. Mosser

OTHERS PRESENT

Centralized Activities--Chancellor R. E. Lieuallen; Secretary R. L.
Collins; Mr. Freeman Holmer, Vice Chancellor for Administration;
Mr. J. I. Hunderup, Vice Chancellor for Facilities Planning; Dr. Miles C.
Romney, Vice Chancellor for Academic Affairs; Mr. D. R. Larson, Assistant
Chancellor; Mr. H. A. Dork, Consultant; Mr. John L. Watson, Controller;
Mr. Keith L. Jackson, Budget Director; Dr. James Beaird, Director,
Teaching Research Division; Mr. John B. Leahy, Assistant Attorney
General; Mr. Richard Zita, Director of Publications.

Oregon State University--President R. W. MacVicar; Dean M. Popovich,
Dean of Administration.

University of Oregon--President Robert D. Clark; Mr. Ralph Sunderland,
Chief Budget Officer.

University of Oregon Medical School--Dean C. N. Holman.

University of Oregon Dental School--Dean L. G. Terkla.

Portland State University--President Gregory B. Wolfe; Mr. W. T.
Lemman, Vice President for Business and Finance; Mr. Robert Low, Vice
President for Administration; Dr. Joseph Blumel, Vice President for
Academic Affairs.

Oregon College of Education--President H. W. Rice.

Southern Oregon College--President James K. Sours.

Eastern Oregon College--President A. M. Rempel.

Oregon Technical Institute--President W. D. Purvine.
Beeting 0403-2

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Meeting #403-2

The Board voted to dispense with the reading of the minutes of the last regular meeting held on March 28, 1972, and approved them as printed in the preliminary minutes previously issued.

The Chancellor said that the Board had previously decided to hold a series of meetings on the several campuses with three members representing the Board at each of those sessions. He said the meetings for Eastern Oregon College, Southern Oregon College, and Oregon College of Education had been held, and he requested the chairman of each group to report on the three visitations.

Mr. Corey said that his committee had made the first official visit to Eastern Oregon College on May 1. The committee was composed of Mr. Joss, Mr. Westerdahl, and Mr. Corey. He indicated that it was a quick, comprehensive visit which included a very fine dialogue with

Others--Mrs. Maxine Warnath, Assistant Professor of Psychology at Oregon College of Education, representing the American Association of University Professors Federation; Mr. Gilbert Polanski, Field Representative, Oregon State Employees Association; Mr. James Sexson, Fiscal Analyst, Executive Department; Mr. Richard Burke, Fiscal Analyst, Legislative Fiscal Officer; Mr. Dave Talbott, Executive Director, and Mrs. Jeanne Hughes, Executive Secretary, Foundation for Oregon Research and Education; Mr. James Hugon, Professor of Business Administration at Portland State University and faculty representative on Finance Committee; Mr. Paul Isenberg, President, and Mr. Norman D. Boice, General Manager, Portland Student Services, Inc.; Mr. John G. Westine, Researcher, Educational Coordinating Council; Dr. Stephen Kosokoff, Assistant Professor of Speech, and Mr. Gary Waller, Assistant Professor of Sociology, Portland State University.

Student Representatives--Miss Joan Eggleston, Chairman, Interinstitutional Union of Students; Mr. David Seideman, student representative on Finance Committee; Mr. Karl Juve, Vice Chairman, Interinstitutional Union of Students; Mr. Bill Fidler, Director, International Education Center, University of Oregon; Mr. Jeff Johnson and Mr. John Brookhyser, University of Oregon Delegates, Interinstitutional Union of Students; OSPIRG officers and representatives--Mr. Jonathan B. Brown-State Chairman, Mr. Stephen R. McCarthy—Executive Director, Robin Grove-Treasurer, Mary Ann Talbott; Mr. Bill Wyatt, President, Associated Students of the University of Oregon; Mr. David Dietz, President, Associated Students of Oregon State University; Mr. David Thompson, President, Associated Students of Southern Oregon College; Mr. John B. Rogers, Southern Oregon College representative, Interinstitutional Union of Students; Mr. Gerald Swibies, SIR representative, Portland State University; Mr. Kenneth Swibies, SIR representative, Mount Hood Community College; Miss Bonnie Kooser, Controller, Associated Students, University of Oregon; Mr. Ron Saylor, President, University of Oregon Graduate Student Council; Miss Connie Schallberger, Miss Colleen Kriger, and Miss Kathy Ziegler, students, Portland State University; and Miss Karen L. Smith, student, Portland Community College.

MINUTES APPROVED

CHANCELLOR'S REPORT

Campus Visitations

Mr. Corey said that his committee had made the first official visit to Eastern Oregon College on May 1. The committee was composed of Mr. Joss, Mr. Westerdahl, and Mr. Corey. He indicated that it was a quick, comprehensive visit which included a very fine dialogue with
faculty, staff, students, and townspeople. He said the concerns of these individuals were similar to those on other campuses – staff concerns about financial cutbacks and their effect on the institution and student concern about tuition increases. There was also a discussion of ways to increase enrollment and the need to attract students.

Mr. Corey commented that he favored this visitation program over previous campus visits at the time other meetings were being held, and indicated that he had suggested some possible improvements as a result of this first visitation which might make them even more helpful.

Mr. Snider reported on the visit of his committee to the campus of Southern Oregon College. The group toured the physical facilities and also met separately with the president, the deans, the department heads, the faculty senate, student leaders, and members of the advisory councils. Administrators and faculty members were strongly united in pointing up two major deficiencies – supporting staff and equipment. Mr. Snider said that the situation at Southern Oregon College is probably as critical as any in the state and is deserving of every consideration that can be given to it.

Mr. Snider noted that student leaders displayed an exceptional awareness of the problems of higher education. Their immediate interest is in the implementation of a program for faculty evaluation by students and the publication of the evaluation. Students were also concerned about the declining enrollment of foreign students.

Mr. Snider said one of the most frequently-asked questions was about the future impact if the assessment of differential fees to nonresident students were prohibited.

Mr. Snider said it was the consensus of the committee that the time was productively spent and that the visitation program should be continued. He said that it would be helpful to have the institutional profile similar to that which was provided for the Oregon College of Education visitation.

Mr. Layman reported on the visitation to Oregon College of Education.

Mr. Layman and Mr. Stewart, accompanied by the Chancellor, took separate tours of the facilities and then met with the administrative heads, faculty, advisory groups, and city officials. He indicated that the meeting with the latter group was interesting and useful to both the Board and city officials.

Mr. Layman said that it is hoped the visitation program will be recognized throughout the state as a new technique and one in which the Board is attempting to establish a closer contact with the institutions.

The Chancellor indicated that the visits to the remaining six institutions will be scheduled as early in the fall quarter as it is possible to arrange them.
The Academic Affairs Committee, at its regular meeting April 28, 1972, appointed an ad hoc committee consisting of Mr. Corey and Mr. Joss to work with the Board's staff in preparing a statement of alternate positions that could be taken by the Board in respect to the Oregon Public Interest Research Group (OSPIRG).

Mr. Corey presented the report of the committee, which recommends that the Board adopt a statement expressive of the Board's present views as to the appropriate relationship of the State System of Higher Education and its institutions to OSPIRG, and that the statement, when adopted by the Board, replace the resolution on OSPIRG adopted by the Board on March 9, 1971.

In respect to the statement, the committee suggested three alternative motions for the consideration of the Board:

1. [The present position of the Board.] That each institution of the State System of Higher Education be authorized to determine through the incidental fee procedures whether it wishes to participate in the OSPIRG program and the conditions of its participation, including whether on a mandatory or voluntary incidental student fee basis.

   That under this authorization, each institution of the State System be authorized to define its relationships to OSPIRG by adoption of one of the following options: (a) to participate in OSPIRG on the basis of a fixed student fee in support of OSPIRG, with or without refund provisions, or on the basis of general incidental fee support in an amount to be determined through incidental fee procedures, (b) to participate in OSPIRG on a voluntary student fee basis with (1) the institution cooperating with OSPIRG in the collection of such voluntary contributions during the registration process, or (2) without any direct institutional involvement in the collection of the voluntary contributions.

2. [Eliminates from the options open to the institutions the mandatory student fee option.] That institutions of the State System of Higher Education be authorized to participate in OSPIRG only on the basis of voluntary student contributions, either with (a) the institution cooperating with OSPIRG in the collection of such voluntary student contributions at registration time, or (b) without any direct institutional involvement in the collection of the voluntary contributions.

3. [Eliminates option of levying a specific student OSPIRG fee and option of refund; gives OSPIRG the same status as any other activity seeking funding through the student incidental fee.] That each institution of the State System of Higher Education be authorized to determine through incidental fee procedures whether it wishes to participate in OSPIRG through allocation of general incidental fee monies to OSPIRG through the same types of allocations as are made by student body and institutional authorities to other functions funded through incidental fee procedures.
That under this authorization each institution of the State System of Higher Education be authorized by the Board to define its relationships to OSPIRG by adoption of one of the following options: (a) to participate in OSPIRG on the basis of funding from general incidental fee monies of an OSPIRG budget approved by student body and institutional authorities in the same manner as other incidental fee-supported student activities are considered and approved, (b) to participate on the basis of voluntary student contributions, either with (1) the institution cooperating with OSPIRG in the collection of such voluntary student contributions at registration time, or (2) without any direct institutional involvement in the collection of voluntary contributions.

The committee recommended that if the Board shall adopt either the first or third alternate motion above, it affirm concurrently with that adoption that it will authorize its institutions the option of participating in OSPIRG through the student incidental fee procedures only on the basis that OSPIRG limit its activities to non-partisan analysis, study, or research of issues of general public interest and to the dissemination to the public of a full and fair exposition of the pertinent facts and results of the aforementioned non-partisan analysis, study, and research. OSPIRG's entering into litigation in promoting its views or affiliating with an organization, one of whose principal purposes was the carrying on of a program of litigation, or hereafter sponsoring boycotts, would constitute cause for the Board of Higher Education's withdrawing from its institutions the option of participating in OSPIRG through the incidental fee procedures.

The committee recommended that the new policy be made effective fall term 1973.

Chancellor Lieuallen noted that his office had received communications from the following persons and organizations expressing views on the OSPIRG issue:

Mrs. Lewis Felsheim, Bandon, opposing mandatory funding of OSPIRG Foundation for Oregon Research in Education (FORE), signed by Mr. David Talbott, expressing extensive views on OSPIRG Chairman of the Bicycle Path Task Force, City of Portland, supporting present structure and organization of OSPIRG Senator Harl Haas, to Mr. Corey, supporting OSPIRG Senator Don Willner, supporting OSPIRG Mr. L. B. Day, Director of Environmental Quality, supporting OSPIRG

Mr. Layman asked if there were any present who wished to add to their presentations or statements previously submitted to the Board.

Mr. Talbott listed for the Board some of the community leaders who had given final approval to the FORE report. He then stated that the focus of the report was on fundamental legal questions concerning OSPIRG rather than questions of social value or positive involvement of young
people within the system. Specifically covered in the report, he said, are the following questions:

1. Is OSPIRG a private organization? The state is precluded by the Oregon constitution and by statute from making a contribution to a private body, he said.

2. What is the intent of ORS 351.070? Mr. Talbott said there was no question but that it was the intent of the legislature that the Board should move immediately toward full compliance with ORS 351.070, even though the effective date was set at July 1, 1973.

3. Has OSPIRG complied with its agreement with the Board that it would not engage in any political activities as defined by the Internal Revenue Service, and would not attempt to circumvent this agreement by establishing a second or affiliate corporation? He said FORE had found that OSPIRG had engaged substantially in activities that were an unequivocal violation of its agreement with the Board.

4. Are student rights in respect to freedom of association, freedom of speech, equal protection of the laws, and perhaps arbitrary deprivation of liberty being violated?

Mr. Talbott said the foundation intended to make its report public, but would like to avail itself of any comments the Board might have that would lead to a qualification of any of its findings.

Mr. Swibies, in his presentation, stated that the purpose of the university is education. He said there are two forms of education, one academic and the other experience. The first is the duty of the university, the second is highly personal and not within the Board’s powers to regulate. On the question of OSPIRG, he continued, public interest research groups are being opposed on a national level by Young Americans for Freedom as well as other organizations. In Oregon, OSPIRG is facing rising refunds and decreasing support, he declared. He contended that many of the activities of OSPIRG do not have any relationship to educational activities, declaring that if OSPIRG is to be funded on a mandatory basis, as provided in alternative motions one and three, the institutions must exercise administrative control over OSPIRG activities so as to make them relevant and consistent with the policies of the System. Mr. Swibies also protested the mandatory fee system, saying these fees leave the student wide open to coerced funding of unwanted activities. He urged the Board to approve the second alternative with an effective date of fall term 1972.

Mr. Stewart moved that the ad hoc committee report be accepted and be referred to the Academic Affairs Committee for comment and recommendation.

The motion was defeated. Mr. Stewart and Mrs. Johnson voting aye and the remainder of the Board no.
Mr. Joss thereupon moved that the Board adopt the recommendations of the ad hoc committee including alternative motion three.

Mr. Stewart said he opposed the motion on the grounds that the Board did not have sufficient information on which to make the decision to change its policy in respect to OSPIRG. He moved that the report be tabled. The motion was lost, Mr. Stewart and Mrs. Johnson voting aye.

The Board thereupon considered Mr. Joss' motion. Mr. Westerdahl asked if he was correct in assuming that approval of the motion would mean that there was no Board endorsement of OSPIRG, that the decision to participate in OSPIRG was an autonomous local student government decision on each campus. Mr. Layman said that Board authorization for funding of OSPIRG through the incidental fee procedure in effect gave OSPIRG Board status, but not to the extent as the original resolution approved by the Board in 1971. Mr. Westerdahl asked if there were no Board resolution, could the institutions still participate in OSPIRG through incidental fees. Mr. Layman said because of the history of OSPIRG, questions would be raised about participation in OSPIRG without Board action. Mr. Joss' motion, he said, would give a sanction and also place limitations, but would not approve or disapprove.

Mrs. Johnson said Mr. Joss' motion would place the Board in the situation where it is (a) approving incidental fees for a particular activity when it does not take such action for other activities, (b) turning the fees over to a statewide organization with which there is only a very tenuous kind of arrangement for legal accountability, and (c) acting without regard to provisions of ORS 351.070.

Mr. Corey said he felt that irrespective of action taken at the present meeting of the Board, the Board should re-examine the principle of OSPIRG and its accomplishments in the light of ORS 351.070 before the statute goes into effect. Mr. Joss agreed. He said the legislation is unique in that it is on the statute books but is not effective until after the next legislative session. He said there should be an examination of all of the activities supported by incidental fees before the next session of the legislature so, if the matter comes up, the legislature can be given some idea of how higher education will implement the legislation. He said he understood the Board's staff is preparing such a study.

Mr. Holmes said he favored the present motion as well as a review of activities funded by the incidental fee. Mrs. Johnson said she felt it was clear that the resolution passed by the Board a year ago had so many flaws that further action was necessary, and that while she said she would like to vote for the present resolution she could not because it still would leave a number of problems unresolved and because it leaves the present arrangements in effect for the 1972-73 year.
Mr. Corey moved to amend Mr. Joss' motion (1) to make the effective date fall term 1972 and (2) to add the provision that the Board specifically re-examine the OSPIRG principle, or the OSPIRG program, before July 1, 1973, in light of the provisions of ORS 351.070. Mr. Layman asked if moving the effective date of the proposed action to fall term 1972 would cause any problem to the institutions. There being no response, the Board voted to approve the first part of Mr. Corey's motion, Mr. Joss, Mr. Holmes, and Mr. Mosser voting no. The Board then approved the second part of the motion, Mr. Holmes and Mr. Mosser voting no.

The Board approved Mr. Joss' motion, as amended, by roll call vote. Directors Corey, Holmes, Joss, Snider, Westerdahl, and Layman voted for the motion. Directors Mosser and Stewart voted no. Director Johnson abstained.

Mr. Westerdahl requested the privilege of explaining his vote. He then said he felt the only way the question of OSPIRG was going to be resolved was within the campus environment where it would be evaluated along with other programs requesting incidental fee support. His vote, he said, was an effort to get the decision back on a local basis.

Mrs. Johnson said she agreed with Mr. Westerdahl, that she abstained because she did not know what she would be voting upon and because she saw no way of accountability.

Mr. Stewart said he voted no because he did not believe all the implications involved in the proposal were understood.

The statement approved by the Board, as amended, follows:

The Board adopts the following statements expressive of the Board's present views as to the appropriate relationship of the State System of Higher Education and its institutions to OSPIRG, replacing the resolution on OSPIRG adopted by the Board March 9, 1971:

1. Each institution of the State System of Higher Education is authorized to determine through incidental fee procedures whether it wishes to participate in OSPIRG through allocation of general incidental fee monies to OSPIRG through the same types of allocations as are made by student body and institutional authorities to other functions funded through incidental fee procedures.

Under this authorization each institution of the State System of Higher Education is authorized by the Board to define its relationships to OSPIRG by adoption of one of the following options: (a) to participate in OSPIRG on the basis of funding from general incidental fee monies of an OSPIRG budget approved by student body and institutional authorities in the same manner as other incidental fee-supported student activities are considered and approved,
(b) to participate on the basis of voluntary student contributions, either with (1) the institution cooperating with OSPIRG in the collection of such voluntary student contributions at registration time, or (2) without any direct institutional involvement in the collection of voluntary contributions.

2. The Board affirms that it authorizes its institutions the option of participating in OSPIRG through the student incidental fee procedures only on the basis that OSPIRG limit its activities to non-partisan analysis, study or research of issues of general public interest and to the dissemination to the public of a full and fair exposition of the pertinent facts and results of the aforementioned non-partisan analysis, study, and research. OSPIRG's entering into litigation in promoting its views or affiliating with an organization, one of whose principal purposes is the carrying on of a program of litigation, or hereafter sponsoring boycotts, would constitute cause for the Board of Higher Education's withdrawing from its institutions the option of participating in OSPIRG through the incidental fee procedures.

3. The new policy is effective fall term 1972.

4. The Board will specifically re-examine the OSPIRG principle, or the OSPIRG program, before July 1, 1973, in the light of the provisions of ORS 351.070 (d).

BA in Spanish, (Considered by the Committee on Academic Affairs, April 28, 1972.)

**Staff Report to the Committee**

Southern Oregon College requests authorization to award the BA degree to students completing a 36-hour upper-division program in Spanish meeting requirements for a major in this area and institutional general education requirements for a baccalaureate degree in the liberal arts.

Board policy in respect to addition of undergraduate major programs in the liberal arts at the regional colleges (Southern Oregon College and Eastern Oregon College), first stated in 1965, provides that departmental major programs will be authorized in those fields in which the schools can demonstrate that resources are such that a program of some substance can be offered.

The fields in which Southern Oregon College and Eastern Oregon College have acquired departmental majors under this policy have been fields in which teacher education enrollments have been sufficient to enable the institution to develop teacher education programs sufficiently strong so that by dropping off the education courses the student not interested in teaching has a respectable departmental degree program in a subject field.
Southern Oregon College now schedules more instructional work in Spanish than is required to meet minimum norm requirements set by the State Board of Education. A student interested in study of the Spanish language can draw up a program providing 36 hours of upper-division course work in Spanish, the proposed requirements for the departmental degree, by taking care to enroll in upper-division courses as they are offered, usually on alternate years. Southern Oregon College asks authorization to award this student a baccalaureate degree without making him complete requirements for a major in secondary education (33 hours in education including practice teaching) or general studies (including the upper-division breadth requirements of this program).

The institution does not anticipate a great many students completing a departmental degree in Spanish – statistics show that most foreign language students are studying the language as a minor rather than a major program. But even a few additional upper-division students each year would improve the size of upper-division classes and help make language instruction at Southern Oregon College more economical.

Recommendation of Board's Office

The Board's Office recommended that Southern Oregon College be authorized to award the BA degree in Spanish to students completing 36 hours of upper-division course work in this language and meeting all general education and other requirements of the institution in the arts and sciences.

Committee Discussion

The Committee observed that foreign language study was most useful as a minor program, e.g., a student majoring in business interested in trade with the South American countries would find four years of study of the Spanish language an important part of his undergraduate studies. Oregon State University President MacVicar observed that for these few who wished to concentrate their studies in a language, designation of the language as a major, rather than education or something else, was important, especially if the student wished to go on to graduate study. Mr. Corey noted that authorization of the major would make increased use of the resources of Southern Oregon College in serving the southern Oregon region, without necessitating any increase in resources.

Recommendation by the Committee

The Academic Affairs Committee recommended that Southern Oregon College be authorized to award the BA degree in Spanish, effective with the 1972-73 year.

Board Discussion and Action

The Board approved the recommendation as presented. Mr. Mosser voted against the motion.

Mr. Mosser explained his vote by saying that this is a minimal program which would appear to be an adequate degree program but really would not be of interest to an advanced student of Spanish.
Mrs. Johnson said she had voted in favor of the program although she had reservations similar to those of Mr. Mosser. She said there is a national trend toward more interdisciplinary and less specialized programs. She said this is another instance of endorsing a specialized program whereas a bachelor's degree in general studies with a major emphasis in Spanish would be more appropriate at Southern Oregon College.

Report of Bids for Classroom Building, SOC

On September 7, 1971, when a report was made to the Board of the acceptance of the construction documents phase of planning for the proposed Classroom Building at Southern Oregon College, it was indicated that the expenditure limitation authorized by the 1971 Legislature for the project was $2,260,000. Of this amount, the direct construction costs were estimated to be $1,637,680. Although a request was presented to the State Emergency Board later that month to proceed with the project, favorable action was deferred until February 24-25, 1972. In the interim, a tentative commitment of grant funds totaling $396,712 was made by the U. S. Office of Education under the provisions of Title I of the Higher Education Facilities Act of 1963, as amended. The Emergency Board was advised that any amount of grant funds received for the project would be used to reduce the state funds requirements.

Immediately following the approval of the federal granting agency, construction bids were solicited and were received in Ashland on May 10, 1972. The sum of the lowest base bids was $1,938,144, or 18.3 percent above the pre-bid estimate. As adjusted to exclude work contemplated by three deductive alternates, which would omit a portion of the landscaping work, substitute certain less desirable interior finishes, and make other minor changes in the plans and specifications, the bids may be summarized as follows:

<table>
<thead>
<tr>
<th>Class of work</th>
<th>Number of Bids</th>
<th>Low Bid</th>
<th>High Bid</th>
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<tbody>
<tr>
<td>General work</td>
<td>5</td>
<td>$1,409,160</td>
<td>$1,648,000</td>
</tr>
<tr>
<td>Mechanical work</td>
<td>3</td>
<td>388,880</td>
<td>398,770</td>
</tr>
<tr>
<td>Electrical work</td>
<td>3</td>
<td>116,240</td>
<td>129,143</td>
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By exercising these alternates, by reducing substantially the amounts previously budgeted for movable equipment and for construction supervision and miscellaneous costs, and by limiting the contingency reserve to the normal amount of 2 percent of direct construction costs (as contrasted with the pre-bid budget figure of 5 percent for contingencies), it would be possible to proceed with construction within the total of $2,260,000, budgeted as follows:
Direct construction costs:

General work - Todd Building Company, Roseburg $1,409,160
Mechanical work - Patterson Plumbing Co. Inc., Medford 388,880
Electrical work - Steeck Electric Company, Medford 116,240

Total direct construction costs $1,914,280

Professional service fees 143,735
Furnishings and equipment 138,699
Construction supervision, inspection, testing, physical plant expenses and miscellaneous costs 25,000
Contingencies (2 percent of direct construction costs) 38,286

Total project costs $2,260,000

The proposed building would have a gross area of approximately 47,266 square feet. It was designed by Architects Campbell-Yost and Partners, Portland, and would be sited in the western portion of the campus, south of Siskiyou Boulevard, and east of Mountain Avenue, in close proximity to the new facilities for music and the College Union. The exterior of the two- and three-level building would feature reinforced concrete and brick bearing walls to blend in color and texture with other campus buildings. East of the main entrance and circulation hall, the structure would have three floors. The lowest level would contain the reading and speech and hearing centers, and the two upper levels would contain administrative offices for the education and psychology divisions and the counseling center. The larger portion of the building, west of the circulation core, would have two floor levels. The top floor would contain classroom and laboratory facilities, and the lower level would provide model classrooms, an early childhood education laboratory and laboratory production center.

A total of approximately 265 classroom and laboratory student stations and about 35 office stations would be provided within the facility.

Staff Recommendations

In order to proceed with construction promptly and have the classroom building available for use in the Fall Term 1973, if possible, it was recommended that the appropriate Board officials be authorized to award contracts in the total amount of $1,914,280 and approve the project budget of $2,260,000 as detailed above. To provide the resources needed to restore most or all of the work contemplated by the deductive bid alternates and reinstate a major portion of the amount budgeted originally for furnishings and equipment within the project, it was recommended further that a request be made to the State Emergency Board on or about June 22-23 to increase the expenditure limitation from $2,260,000 to $2,430,000. This increase of $170,000 would be provided from bid savings reported in a separate agenda item applicable to the Classroom Building at Eastern Oregon College. (It should be
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noted that if this adjustment is approved, the total state fund requirements for these two buildings will be $396,712 less than had been contemplated when the capital outlay program was approved by the 1971 Legislature, in view of the commitment of federal grant funds in this amount for the Classroom Building at Southern Oregon College.

RECAPITULATION UPON RECEIPT OF BIDS

Project - SOC Classroom Building

Architects - Campbell-Yost and Partners, Portland

Legislative authorization - Chapter 709, Oregon Laws 1971

Board's priority in 1971-1973 - Number 8 in listing of Educational and General Plant projects approved December 8, 1970

Approximate gross area - 47,266 square feet

Estimated total project cost (if expenditure limitation increase of $170,000 is approved by the State Emergency Board) $2,430,000

Estimated direct construction costs:
Per base bids (if three deductive alternates are restored):

| Total Building and fixed equipment - Total | $1,938,144 |
| Average (per square foot) - $38.81 | $1,834,205 |

Initial contract awards:
Total Building and fixed equipment - Total $1,914,280
Average (per square foot) - Data not available

Tentative schedule:
Contract award - May 1972
Completion - August 1973

Tentative financing plan:

<table>
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<tr>
<th>Initial Budget</th>
<th>Recommended Budget</th>
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<tbody>
<tr>
<td>General fund appropriation $931,644</td>
<td>$1,016,644</td>
</tr>
<tr>
<td>Article XI-G bond proceeds $931,644</td>
<td>$1,016,644</td>
</tr>
<tr>
<td>Federal grant from U. S. Office of Education under Title I of Higher Education Facilities Act of 1963, as amended</td>
<td>396,712</td>
</tr>
<tr>
<td>Totals $2,260,000</td>
<td>$2,430,000</td>
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Board Discussion and Action

The Board approved the recommendations as presented.
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Senior Year in Medical Laboratory Technology, OTI

(Considered by the Committee on Academic Affairs, April 28, 1972.)

Staff Report to the Committee

Oregon Technical Institute requests authorization to offer the senior year of the BT program in medical laboratory technology on the Oregon Technical Institute campus, as an option for those students who cannot find placement for professional training upon completion of three years of preprofessional work, or who prefer to enter professional training after completion of a baccalaureate degree.

The BT program in medical laboratory technology at Oregon Technical Institute now consists of the three years of preprofessional work. The senior year must be completed off-campus in a professional school of medical technology. Oregon Technical Institute is finding it increasingly difficult to place its three-year students in professional schools because schools in California, where Oregon Technical Institute traditionally has found placement, have moved to requiring the baccalaureate degree. Oregon Technical Institute has 25 students completing the third year this (1972) spring and another 25 students the next year. This is a much larger class than can be absorbed in Oregon schools of medical technology. Authorization of a four-year program on the Oregon Technical Institute campus would reopen California hospital schools to OTI students.

Fourth year students would be given opportunity to do some advanced work in individual study and research projects; and would be required to complete work in the humanities and social sciences not possible in the three-year program. Electives for those planning to spend four years on the Oregon Technical Institute campus would be increased from zero in the three-year program to 26 in the four-year program. Students would select their work from classes already regularly scheduled.

Board's Office Recommendation

The Board's Office recommended that Oregon Technical Institute be authorized to offer medical laboratory technology students the option of remaining on campus for a fourth year of work leading to the BT degree.

Committee Discussion

Mr. Layman observed that it did not appear appropriate to designate both the three-year plus 12-months at a school of medical technology and the four-year programs as medical laboratory technology, since the first program includes professional school training and the second does not. Mrs. Kahananui and Professor Bradford agreed that the major title might be confusing and suggested that a different, more general title be proposed when the recommendation was taken to the Board.
Recommendation by the Committee

The Committee recommended that Oregon Technical Institute be authorized to offer a senior year on campus as an option to students enrolled in the preprofessional program in medical laboratory technology. Oregon Technical Institute proposes that students completing the program as presently designed (three years at OTI and one year at a school of medical technology) continue to receive the BT in medical laboratory technology, and those completing the four-year program on campus receive the BT in allied health technology. The Board's Office concurs in this proposal.

Board Discussion and Action

The Board approved the recommendation as presented.

(Considered by the Committee on Academic Affairs, April 28, 1972.)

Staff Report to the Committee

Oregon State University requests Board authorization, effective with the 1972-73 academic year, to offer a BA/BS degree program in Atmospheric Science.

The Department of Atmospheric Sciences was established as a separate department in 1969 with graduate degree programs in several areas of meteorology and atmospheric sciences. The department offers a "Certificate of Professional Preparation in Meteorology" to undergraduates majoring in other fields who wish to gain some competence in meteorology. The "Certificate" program comprises 30 term hours of upper division courses in Atmospheric Sciences and is equivalent to an undergraduate major in meteorology. Unfortunately, the student wishing to become a professional meteorologist must obtain a bachelor's degree in some other field not related to his primary interests. The result is that the meteorology program in conjunction with the major in another field is far too demanding for the ordinary undergraduate student. Also, it is unfair to the undergraduate student wishing to become a meteorologist to have to burden himself with 30 term hours of upper division science courses (in Atmospheric Sciences) in addition to the requirements in his major field. If he completes the "Certificate" program in addition to his major he has in effect earned two bachelor's degrees. The proposed baccalaureate program would allow those students wishing to major in atmospheric sciences to do so without having to complete the requirements for a degree in another field.

At the present time about five students each year complete the 30 hours of course work in meteorology which, together with the baccalaureate degree, qualifies them for employment as meteorologists. It is expected that the number of students completing this preparation each year will increase to 10 if students are relieved of the obligation of completing, at the same time, upper-division major requirements in another field. Most of these students will be students already at
Oregon State University who will choose the atmospheric science major in preference to a major in physics or general science. However, since this would be the only opportunity in Oregon at the undergraduate level to prepare for a career as a meteorologist, some students will be attracted to the program who would not otherwise attend Oregon State University.

Cost of the Program

No increase in staff, library, or equipment and supplies will be required to implement the proposed program. Courses in atmospheric science open to undergraduates are being offered regularly with good enrollments.

The Board's Office does not contend that any great savings will accrue to the state by eliminating the double major arrangement, because the number of students who have actually completed the double major is small (5 a year), but the saving to the individual student in both time and money could be significant.

Board's Office Recommendation

The Board's Office recommended that the proposal to offer the BA/BS degree in atmospheric science be approved.

Committee Discussion

The Committee discussed possible cost increases. President MacVicar responded that no additional faculty would be required. When size of sections is increased, there is some additional cost, he said, but in this case, since the additional students will for the most part come from other science majors, this increase in cost in atmospheric science should be balanced by decreases in enrollment in other science courses. The important point, President MacVicar said, is that the degree in atmospheric science will give these graduates a distinct advantage in the market place over students with a degree in physics and 30 hours in meteorology.

Recommendation of the Committee

The Committee recommended that the Board authorize Oregon State University to offer BA/BS degrees in Atmospheric Science effective with the 1972-73 year.

Board Discussion and Action

The Board approved the recommendation as presented.
Staff Report to the Committee

Oregon State University requests Board authorization, effective with the 1972-73 academic year, to offer BA/BS, MA/MS, and Ph.D. degrees in Computer Science.

The Schools of Science and Engineering at Oregon State University are currently granting degrees in fields of computer science and engineering. These degrees are designated as BS, MS, and Ph.D. in Mathematics or Electrical and Electronics Engineering. Because of the lack of identity of a computer science program in mathematics, problems have been experienced in securing highly capable instructors, maintaining and developing a consistent educational program, and gaining outside support. The problems have been aggravated by rapidly burgeoning enrollments in computer science courses at all levels of instruction. This proposal is intended to bring together already existing parts of computer science in departments of the School of Science into a unit which can address itself to these problems, working cooperatively with a continuing computer engineering program in the School of Engineering.

In the initial years the program will be similar to the program now offered in the department of mathematics. Emphasis will be placed on computer programming and languages, numerical analysis algorithms, computer architecture, mathematical models, and simulation.

Graduate programs will be arranged individually by the student's degree committee much as they are now, making use of whatever resources of the institution are pertinent to the student's thesis interest and his background.

A survey of students enrolled in the department of mathematics shows that approximately one-third, 130 undergraduates and 16 graduate students are working in the computer science option. These students, together with some from the department of electrical and electronics engineering and possibly some from statistics would transfer to the new department.

Because of the rapid growth of computer-related activities, with resulting excellent opportunities for employment in both industry and government, and high student interest in the field, Oregon State University expects continuing enrollment growth, largely from students who would come to Oregon State University anyway and major in mathematics, business, engineering, or some other field, but also from students who would come to Oregon State University because it had an identified program in computer science.

Cost of the Program

Oregon State University will transfer instructional FTE and other budgetary items now allocated for service to computer science students to the new department. No additional transfer of funds is planned. Operating costs will remain the same because the two departments will continue to be serviced by a single departmental office.
Board's Office Recommendation

The Board's Office agrees with Oregon State University that management of computer science resources and instructional programs will be more efficient under the proposed arrangement. Students in computer science will particularly benefit by having programs more directly oriented to their occupational goals and by having these programs identified as computer science on their records. The Board's Office recommended that the request be approved.

Committee Discussion

President MacVicar commented that the proposal to identify computer science as a separate department had, for historical reasons, been somewhat late in coming considering the size of the instructional program. He said the importance of the proposal was emphasized by the fact that students are unnecessarily handicapped in achieving their vocational objectives by the fact that their degrees are designated as degrees in mathematics or statistics rather than degrees in computer science.

He added that the proposal, if approved, will simplify interdisciplinary machinery and eliminate some committee activity simply by putting the people who are working together in the field into a single department. At least for the immediate future, he continued, Oregon State University does not anticipate the department will necessitate the addition of any support services, since both computer science and mathematics will be serviced from a single, joint departmental office.

Recommendation of the Committee

The Committee recommended that the Board authorize Oregon State University to award the BA/BS, MA/MS and Ph.D. degrees in computer science, effective with the 1972-73 year.

Board Discussion and Action

The Board approved the recommendation as presented.

(Considered by Building Committee, April 27, 1972.)

Staff Report to the Committee

When the financing plan for the proposed Animal Disease Research Isolation Facility at Oregon State University was reviewed and approved by the Board on December 14, 1971, it was indicated that some revisions were being made in the architectural planning to give effect to modifications proposed by the staff of the institution subsequent to legislative authorization for the project in 1971. These changes and some of the background data concerning the project are described below.
As noted in the minutes of the March 10, 1969, meeting of the Board, the proposed facility would be located on a site of approximately 64 acres bounded on the west by 53rd Avenue, on the north by the extension of Campus Way, and on the south by the Southern Pacific Railroad right-of-way. This property is owned by the Board and constitutes part of the west campus of Oregon State University. It was indicated that only a small portion of the acreage would be developed with buildings and related parking, and that the remainder would be used as pasture. All of the building units were expected to be constructed of concrete in order to obtain durable, sanitary, and joint-free surfaces. According to the original schematic design phase of planning prepared by Architects Farnham-Peck-Associates, Portland, the initial units were to include the following:

<table>
<thead>
<tr>
<th>Building Type</th>
<th>Square Foot Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main laboratory building</td>
<td>3,870</td>
</tr>
<tr>
<td>Maximum isolation buildings:</td>
<td></td>
</tr>
<tr>
<td>Complete (5 @ 810)</td>
<td>4,050</td>
</tr>
<tr>
<td>Unfinished (3 @ 810)</td>
<td>2,430</td>
</tr>
<tr>
<td>Equipped for research personnel of both sexes (1)</td>
<td>1,000</td>
</tr>
<tr>
<td>Minimum isolation building</td>
<td>4,000</td>
</tr>
<tr>
<td>Decontamination Building</td>
<td>1,364</td>
</tr>
<tr>
<td>Feed Storage Building</td>
<td>448</td>
</tr>
<tr>
<td><strong>Total gross area</strong></td>
<td><strong>17,162</strong></td>
</tr>
</tbody>
</table>

In addition, a corral shed of approximately 900 square feet was planned for construction in the initial development. Of the estimated total project cost of $870,000 predicted at that time, it was indicated that the direct construction costs for the buildings and fixed equipment would be about $547,730, averaging $31.92 per square foot. Site work and utility service connections were estimated to be $171,139.

Although special legislation was introduced in the 1969 session to provide state funds for the planning and construction of the project, authorization to proceed was deferred until 1971. At that time, the Ways and Means Committee classified the project as an auxiliary enterprise and indicated that it should be financed from proceeds from the sale of bonds under the provisions of Article XI-F(1) of the Oregon Constitution. This financing plan was endorsed by the Board on December 14, 1971.

Because of the dissolution of the architects' partnership on August 1, 1969, the professional service arrangements were modified to reflect the prime responsibility of Neil Farnham, AIA, in the design and contract administration of the project. Mr. Farnham has completed the design development phase of planning for the proposed facilities and institutional officials have submitted the plans to the Board's Office with a recommendation for acceptance. Briefly, the modification from the earlier plan include the introduction of an intermediate (Class II) isolation building, a reduction in the number of maximum (Class I) isolation units, both initially and in the ultimate site development,
some changes in the design of the decontamination building to accommodate a cooler and a different type of incinerator, and rearrangement of the various building units within the complex. As revised, the initial project would include the following:

<table>
<thead>
<tr>
<th>Building Type</th>
<th>Square Foot Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main laboratory building</td>
<td>3,970</td>
</tr>
<tr>
<td>Maximum (Class I) isolation buildings</td>
<td>5,040</td>
</tr>
<tr>
<td>Intermediate (Class II) isolation building</td>
<td>2,635</td>
</tr>
<tr>
<td>Minimum (Class III) isolation building</td>
<td>3,750</td>
</tr>
<tr>
<td>Decontamination building</td>
<td>1,580</td>
</tr>
<tr>
<td>Feed storage building</td>
<td>450</td>
</tr>
<tr>
<td>Total gross area</td>
<td>17,425</td>
</tr>
</tbody>
</table>

In addition, the work would include a corral shed, feed tanks, and a manure pit.

Based upon the price level expected later in 1972 when the construction documents phase of planning is completed and bids are solicited, the direct construction costs of the buildings and fixed equipment are estimated to be $684,785, averaging about $39.30 per square foot. The site work and utility service connections are estimated at approximately $160,600, but some adjustment may be required following further investigation of sewer requirements. Institutional officials are working with the City of Corvallis to determine whether a connection can be made to the City's system. If a separate sewage treatment plant is required, it may be necessary to defer construction of one or more of the proposed maximum isolation buildings in order to provide sufficient resources for the utilities within the statutory expenditure limitation of $1,110,000.

The exterior walls of each of the proposed buildings would be of reinforced concrete with smooth finish, inside and out. The roofs of the Class I and II isolation units and the decontamination building would be of reinforced concrete also. The roofs of the laboratory building, the minimum (Class III) isolation building and the feed storage unit would be of wood frame with either plywood sheathing or 2" wood deck. All roofs would be finished with factory-finished metal roofing. Interior finishes would respond to the rigid requirements of sanitation applicable to this type of facility. The laboratory building would be completely air-conditioned. Within the maximum isolation units, each pen area would have a separate air conditioning system, consisting of heating, cooling and minimum humidity control. A negative pressure area would be created in the pen and inner dressing area drawing air from the outer dressing area through the shower into the inner dressing area. Supply and exhaust would be provided in the pen area, with excess exhaust to eliminate bacteria escaping from the pen area. High efficiency filters would be used on the pen exhaust system to prevent contamination of the outside air. Air velocities would be kept low in the pen areas, and warning lights would be provided in the entries to show filter condition.
and equipment malfunction. In addition, system warning lights and bell would be provided in the caretaker’s apartment to show system malfunction. Within the medium isolation unit, the laboratory animal areas would be air-conditioned, and the balance of the building would be provided with heat and ventilation by means of gas-fired heaters located above the central corridor. Emergency power would be provided to maintain the environmental integrity of the Class I isolation units, the laboratory animal rooms in the Class II isolation unit, and the two surgeries in the main laboratory building.

Staff Recommendation

It was recommended that the design development phase of planning for the proposed Animal Disease Research Isolation Facility, as prepared by Architect Farnham, be approved and that the appropriate Board official be authorized to instruct the architect to proceed with the construction documents phase of planning for the project based upon a direct construction cost allowance of $845,385, of which approximately $684,785 is expected to be required for the buildings and fixed equipment and the remainder for site work and utility services. The total project budget is not to exceed $1,110,000.

RECAPITULATION UPON COMPLETION OF DESIGN DEVELOPMENT PHASE OF PLANNING

Project - OSU Animal Disease Research Isolation Facility

Architect - Neil Farnham, AIA, Portland

Legislative authorization - Chapter 709, Oregon Laws 1971

Board's priority - No. 17 in 1971-1973 (educational and general plant; authorized by 1971 Legislature as an auxiliary enterprise)

Approximate gross area - 17,425 square feet

Estimated total project costs $1,110,000

Estimated direct construction costs:

- Buildings and fixed equipment only (excluding outside utility and site development costs)
- Total $845,385
- Average - $39.30 per square foot $684,785

Tentative schedule:
- Bidding - Late fall 1972
- Completion - Fall 1973

Tentative financing plan:
- Self-liquidating bond borrowings under provisions of Article XI-F(1) of Oregon Constitution $1,110,000
Committee Discussion

In response to a question during the Committee discussion, Mr. Hunderup stated that it was his understanding that the City of Corvallis has indicated informally that it will permit the connection of these facilities to the city sewer system. Written confirmation of the agreement with the City of Corvallis will eliminate the need to provide a septic system for sewer operation at the project site.

Mr. Hunderup also indicated that the potential for future expansion of facilities was available at the site; but that it was understood that the laboratory building would not be expanded.

Mr. Hunderup and President MacVicar said that the location of the Animal Disease Research Isolation Facility would be compatible with any future development of a School of Veterinary Medicine if a school were established at Oregon State University in the future.

Recommendation of the Committee

The Committee recommended that the Board approve the recommendations as presented.

Board Discussion and Action

The Board approved the recommendation as presented.

(Considered by Building Committee, April 27, 1972.)

Staff Report to the Committee

To provide the capability necessary for the study of environmental problems such as air pollution, estuarine water pollution, and technical aspects of coastal-use planning, and to provide instructional opportunities for students in engineering, oceanography, science, forestry, agriculture, etc., it is proposed that an Environmental Fluid Dynamics Laboratory be constructed on the campus of Oregon State University in Corvallis. Such a facility ultimately would include a wave tank, wind tunnel, model estuary and shore basin, shop, offices, and related service spaces, all enclosed within a building to be located near Jefferson Street (extended), west of 35th Street and immediately south of the National Environmental Research Center. It is probable that construction would be undertaken in two or more phases as gift and grant funds, including overhead, become available from private donors and public agencies. The estimated total requirements for the facility range between $800,000 and $1,000,000.

At the present time, there is no functionally comparable facility within the western portion of the United States and according to institutional personnel, there is no similar facility of any kind within the Pacific Northwest. There is, however, substantial interest in developing such a laboratory on the campus for interdisciplinary research and instruction, particularly to study fluid flow problems which are involved in environmental considerations.
For example, the following topics may be pursued: wave action on shore protection, dredging methods and effects, siting of power plants, sea-keeping capabilities of floating structures, diffusion and dispersion of surface pollutants in coastal waters, wind power generation, control of forest fires, wind forces on buildings, oil spill recovery, fluid transport of solid wastes, sand dunes stabilization, diffusion of smoke plumes, air-sea interaction, etc.

Tentative commitments for gifts totaling approximately $160,000 from Mr. O. H. Hinsdale and others have been made to the institution, either directly or through the University Foundation, Inc., for the engineering planning, the construction of the wave tank and auxiliary equipment, initial site work and a small enclosure for recording and control equipment, and for model testing. The concrete wave tank (also called a wave basin or wave channel) would be about 300 feet long by 12 feet wide by 12 feet deep. This initial installation would provide institutional personnel with the capability of undertaking various research projects, supported by various federal agencies and/or private firms or corporations, etc., including a study of wave forces on placed stone structures to be funded by the Bohemia Lumber Company, Inc.

Engineers Cornell, Howland, Hayes & Merryfield/Hill, Corvallis, have indicated willingness to donate their professional services for the design and contract administration of the wave tank facility. To assist them in siting the first construction phase, and in projecting the ultimate laboratory development, it is expected that an architectural firm would be commissioned as consultants to the engineers, with the cost of such consulting services to be reimbursed from resources available to the institution.

It should be noted that the two-acre site selected for the proposed laboratory is very near the Radiation Center and other research facilities and is, therefore, readily accessible to the students and faculty of Oregon State University. The campus planning consultant, Mr. Louis Delonente, has indicated his concurrence in this location.

Staff Recommendation

It was recommended that the concept of the proposed Environmental Fluid Dynamics Laboratory at Oregon State University be endorsed and that the appropriate Board officials be authorized to contract with Engineers Cornell, Howland, Hayes & Merryfield/Hill for professional services relating to the project with the understanding that their services relating to the wave tank and other items included within the proposed first phase of construction shall be at no cost to the Board. Provision shall be made, however, for reimbursement of the consulting services of architects from gift and grant funds available to the institution, including indirect cost allowances from instructional and research contracts and grants. Before a request is presented to the State Emergency Board for authorization to proceed with construction of any portion of the facilities, the plans, outline specifications and recommended financing plan for the project shall be subject to review and approval by the Building Committee of the Board.
Committee Discussion

In response to a question, Mr. Hunderup indicated that the project had not yet received legislative authorization but that if sufficient gift funds or other resources were to become available, the project could be submitted to the Emergency Board for its approval. He then asked Dr. John E. Nath, Research Associate in Oceanography, to describe the nature of the program in the proposed environmental fluid dynamics laboratory.

Dr. Nath explained that the first phase of the project involves wave basins. Subsequent phases would include the construction of a wind tunnel, and at that time it would be possible to study wind flow problems and wave problems.

Dr. Nath said the wave basin would have the capacity to generate waves of varying heights up to approximately five feet and would be used to study the stability of armor plating on such structures as jetties and off-shore islands. Research on the diffusion and dispersion of pollutants on the surface of the water could also be conducted. Mooring dynamics could be studied, particularly the engineering design phase of various types of moorings. In response to a question later in the discussion, Dr. Nath indicated that this research could be carried out when the first phase of the project is completed.

Dr. Larry S. Slotta, Associate Professor of Civil Engineering, mentioned the importance of the project with respect to the instructional program. He said Oregon State University is a center of excellence for studies of estuarine research in hydraulics. These studies are presently carried out along the coast and it would be desirable to have the facilities more conveniently available on the campus.

Mr. Hunderup stated that the proposed project is unique to the Pacific Northwest, and in fact, the only similar facility is located in the Netherlands. He said also that Mr. L. B. Day was expected to indicate by letter his enthusiastic support for the project.

Mr. Stewart indicated that he would like to be excluded from voting on the approval of the project because of the interest of the Bohemia Lumber Company in construction projects which will be made possible from the results of studies carried out in the proposed laboratory.

He explained that it is contemplated that offshore islands will be constructed in connection with the development of atomic energy plants and facilities for super oil tankers that will be excluded from harbors on the coast.

Mr. Mosser said that in his opinion the project was desirable but before the start of construction he would want an annual maintenance and operating budget for the building and a commitment from the School of Oceanography or University that if sufficient funds were not received from fees or other sources to meet these costs, an increase in the operating budget would not be requested to take care of these costs.
Meeting #403-25

May 22, 1972

Mr. Hunderup replied that it is projected that annual operating costs would be approximately $86,000 for the laboratory when it is in full operation. Of that amount, $18,000 would be related to work for campus assignments and would be billed to the University departments on an hourly basis. The remainder would be provided from contracts negotiated for individual research projects. The maintenance of the facility would amount to about $100 a month which Oregon State University has indicated a willingness to absorb within its operating budget if necessary. This is an activity that would be funded almost entirely from gifts, grants, service fees, and indirect cost allowances.

President MacVicar said that careful consideration had been given to the cost of operation and maintenance and the possibility of outside support diminishing. He said he was convinced the risk was relatively small and that otherwise he would not be requesting the projects because the institution is not in a position to permit the reallocation of significant resources even to a project of this importance. He emphasized the value of the research to be done in the laboratory in terms of future protection of the environment.

In response to questions, it was stated that the Western Interstate Commission for Higher Education would probably not be involved in this type of project because it has not been a coordinating force in the area of research structure. Several other agencies, both federal and private, have indicated research projects which would be funded for study in the proposed facility if it is constructed.

Mr. Joss appointed Mr. Corey to serve as a member of the Finance Committee in place of Mr. Stewart during the voting with respect to this project.

Recommendation by the Committee

The Building Committee recommended that the Board approve the recommendation as presented.

Board Discussion and Action

Mr. Hunderup said that subsequent to the preparation of the report, cost estimates for the first phase of the Environmental Fluid Dynamics Laboratory had been completed by Cornell, Howland, Hayes and Merryfield. These estimates were in excess of the gifts which have been committed to date. He indicated that it was his understanding that the recommendation of the institution is to provide approximately $90,000 to supplement the estimated gifts. The latter amount would be provided from indirect cost allowances available to the institution, from equipment overhead and building use credits. It would be necessary to take the project to the Emergency Board for approval. Since the Emergency Board meeting is scheduled just prior to the Building Committee meeting, a special Committee meeting to approve the plans and specifications would be required unless the Board is willing to authorize taking the project to the Emergency Board before the plans are brought to the Building Committee. No contracts would be awarded until after the June 27, 1972, meeting of the Building Committee.
After a brief discussion, it was agreed that there was so little opportunity for variation in the plans for the construction that it would be unnecessary to have a special Building Committee meeting to consider the plans prior to presenting the project to the Emergency Board. However, the plans would be presented to the regular Building Committee meeting during the week following the Emergency Board meeting.

Mr. Mosser said that the funding for the project has changed because it originally appeared that it would be constructed primarily from gift funds with no significant contribution from budgetary resources. However, it will now require approximately $90,000 in additional resources to supplement the amount of approximately $160,000 from gifts tentatively committed. He said he would oppose proceeding with the project without considering it in relation to other building priorities.

Mr. Hunderup said it was his understanding that Oregon State University attaches a very high priority to the wave tank in order to increase the potential of getting approximately one quarter of a million dollars in gifts and grants through the investment of $90,000 in resources available to Oregon State University, from the sources referred to above.

Mrs. Johnson said she also felt there was a need to refer the project back to the Building Committee to study the future implications of constructing the first phase of the project in terms of other capital needs of the institution and the State System.

Mr. Joss amended his motion for approval of the staff recommendation to include authorization to present the proposed project to the Emergency Board prior to approval of the plans and specifications by the Building Committee. The project would then be considered by the Building Committee following the Emergency Board meeting.

The Board approved the recommendation as presented. Mrs. Johnson and Mr. Mosser voted against the motion. Mr. Stewart was excused from voting because of the interest of his company in the project.
Reserve Base and Timber Harvest Tax for Forest Research, OSU

(Considered by Finance Committee, April 27, 1972.)

Staff Report to the Committee

The Forest Research Laboratory at Oregon State University receives financial support from a forest products harvest tax, authorized by State law on merchantable forest lands, at the rate of five cents per thousand feet, board measure. ORS 321.037 requires the Board of Higher Education to determine as of February 16 of each year the unexpended balance of funds in the "Forest Research and Experiment Account" and also the amount budgeted for expenditures for the remainder of the current fiscal year and for the following fiscal year. If the projected balance at the end of the following fiscal year remaining from the unexpended balance as of February 16 is not estimated to equal or exceed $400,000, then the tax during the following fiscal year shall continue at the maximum statutory rate of five cents plus a one-cent surcharge in the 1971-1973 biennium imposed by Chapter 49, Oregon Laws 1971. If the estimated balance exceeds $400,000, then there is to be a fifty percent reduction in the tax rate.

An examination of the financial condition of the Forest Research and Experiment account as of February 16, 1972, and projection of expenditures to June 30, 1973, using the formula prescribed by the statute, shows the following:

| Actual Unexpended Balance as of February 16, 1972 | $112,592 |
| Less - Budgeted Expenditures: | |
| February 16, 1972, to June 30, 1972 | $193,033 |
| July 1, 1972, to June 30, 1973 | $510,000 |
| Statutory Reserve Base as of February 16, 1972 | Negative ($590,441) |

Staff Recommendation

It was recommended that, pursuant to law, the State Tax Commission be notified that the Reserve Base as of February 16, 1972, has a projected negative balance of $590,441.

Based on provisions of ORS 321.037, it follows that the Forest Products Harvest Tax will continue to June 30, 1973, on merchantable forest lands at the rate of five cents per thousand feet, board measure, plus the one-cent surcharge. It is expected that the income from the tax during the entire period of February 16, 1972, to June 30, 1973, will total about $614,000.
Recommendation by the Committee

The Finance Committee recommended that the Board approve the recommendation as presented.

Board Discussion and Action

The Board approved the recommendation as presented.

Release of Board's Interest in Invention of David O. Zopf, OSU

Staff Report to the Committee

Oregon State University officials report that Mr. David O. Zopf, Research Assistant in Department of Oceanography, has discovered a process entitled, "Method of Measuring Ocean or Lake Wave Motions." The discovery was submitted to Battelle Development Corporation in accordance with the patenting and marketing agreement, but said corporation has declined to accept the process for patenting and developing because of doubtful patentability since existing hardware known in the art is utilized in the process. The inventor believes that some benefit can be derived from the development of this process by his own effort and expense.

Staff Recommendation

It was recommended that the Board authorize the release to Mr. David O. Zopf of any interest it might have in the invention in accordance with Section 64.140, paragraph 4, of the Administrative Rules of the Oregon State Board of Higher Education.

Recommendation by the Committee

The Finance Committee recommended that the Board approve the recommendation as presented.

Board Discussion and Action

The Board approved the recommendation as presented.

Site Certificates for Nuclear Installations, OSU

Staff Report to the Board

On April 5, 1972, there were forwarded to President MacVicar of Oregon State University from the State Nuclear and Thermal Energy Council two documents which constitute site certificates and operating agreements for two nuclear installations at Oregon State University, as follows:

1. The TRIGA Mark II research reactor located at the Radiation Center, and

2. The AGN-201 research reactor, also located in the Radiation Center.
The documents have been signed by the Governor and the Secretary of State for the State of Oregon and are to be executed by the Board of Higher Education and signed by the President and Secretary of the Board. The Assistant Attorney General assigned to the Board of Higher Education has indicated that the agreements should be signed by the President and Secretary of the Board, pursuant to a resolution by the Board, according to ORS 453.395, Oregon Laws 1971, Chapter 609, Section 12.

Staff Recommendation

It was recommended that in accordance with state law, the Board authorize the President and Secretary of the Board to execute and sign the site certificates and operating agreements concerning the two nuclear installations at Oregon State University referred to above.

Board Discussion and Action

The Board approved the recommendation as presented.

Proposed Sale of 17-1/2 Acres of Land, Eagle Point, Part of Beekman Professorship Endowment Fund, UO  

(Considered by Finance Committee, April 27, 1972.)

Staff Report to the Committee

The bequest of Carrie C. Beekman provided for the establishment of the Beekman Professorship of Northwest and Pacific History. Assets transferred in 1961 to establish the fund included approximately 17-1/2 acres of cutover hillside which has now grown to scrub oak and wild bush. The property is located about one mile northeast of Eagle Point, Jackson County, and about 1,400 feet south of the Eagle Point-Brownboro Road. The rectangular tract of property is entirely surrounded by the Landsburgh ranch, with no legal access to a public highway or other services.

Mr. Landsburgh, owner of the adjacent properties, has offered to purchase the property for $5,200 and has made a deposit of $500 as an indication of good faith. His offer is somewhat above the higher of two recent appraisals. In 1965, the Board declined to sell the property for $950.

Staff Recommendation

It was recommended that authorization be given to sell the property at a public sale in accordance with State law with a minimum acceptable bid of $5,200 cash, and, if more than one acceptable bid is received, the qualifying bidders would be given the opportunity to bid at an auction to be held immediately after the opening of the bids.

Recommendation by the Committee

The Finance Committee recommended that the Board approve the recommendation as presented.

Board Discussion and Action

The Board approved the recommendation as presented.
Staff Report to the Committee

The University of Oregon Dental School requests authorization for the University of Oregon to award the BS degree in Dental Hygiene to students completing the two-year program in Dental Hygiene who meet all requirements for a baccalaureate degree, effective June 1972. The degree would be awarded upon recommendation of the faculty of the University of Oregon Dental School.

The long-standing arrangement within the State System for preparation of dental hygienists at the baccalaureate level makes no provision for the student who undertakes the dental hygiene program after two or more years of college. The present problem arises from the fact that the University of Oregon does not award the degree in dental hygiene. Instead, dental hygiene students must complete a baccalaureate degree program in health education on the Eugene campus, or transfer to some other liberal arts institution and complete a degree in general science.

The Dental School admits 33 students each year to the first year of the two-year dental hygiene program. About half of these students have two or more years of college. Retention is excellent - 30-33 students complete the program each year. Twenty-one of the students completing the certificate program this June (1972) would be eligible for the proposed baccalaureate degree if it is authorized.

Board's Office Recommendation

By making the baccalaureate degree more readily accessible, the Dental School proposal will increase the number of baccalaureate degree dental hygienists available to the state, provide its graduates with recognition for their achievement which will open to them professional opportunities not available to the certificate dental hygienist, and save the state the cost of subsidizing these students for the additional time required to meet degree requirements in another field. The program is the same as has been offered for many years at the University of Washington, which has long required two years of college work for admission to its program in dental hygiene. However, the Dental School will continue to provide opportunity to those students who wish to do so to complete the certificate program without reference to requirements for the baccalaureate degree.

The Board's Office recommended approval of the request.

Committee Discussion

In response to questions from the Committee, Dean Terkla affirmed that one of the objectives of the Dental School is to develop a group of graduates who would qualify for admission to a graduate program to prepare teachers of dental hygiene, probably offered in cooperation with Portland State University. The immediate and most important objective,
however, Dean Terkla emphasized, is to remove a roadblock within the System which prevents a dental hygiene student from receiving the baccalaureate degree when she has earned the degree and met all requirements for it.

Recommendation by the Committee

The Committee recommended that the Board authorize the University of Oregon to award the BS in Dental Hygiene to graduates of the dental hygiene program who meet all requirements for the baccalaureate degree, effective with the June 1972 graduating class.

Board Discussion and Action

The Board approved the recommendation as presented.

Report on UODS Clinics

(Considered by Public Service Activities Committee, April 27, 1972.)

Staff Report to the Committee

The University of Oregon Dental School Clinics are essential to the preparation of young men and women to assume responsible and competent roles in providing oral health care services to society. The dental clinics function both as a classroom in which educational objectives are met and as a community center for the provision of oral health care services to the public.

Clinical Education

The vertical curriculum concept at the Dental School includes opportunities for students to be responsible for selected types of patient treatment as early as the second term of the first year. This early exposure offers immediate educational relevancy to the student of dentistry and the opportunity to integrate, in a meaningful way, the basic science knowledge which he is learning concurrently. By the close of the second year, the dental student is competent to administer local anesthetic injections and to perform a wide range of preventive and restorative services. Clinical experience is increased in breadth and depth during the third year. In the fourth year, the student spends most of his time for the comprehensive treatment of patients, and slowly he (she) is weaned of close faculty supervision as graduation nears. The patient-treatment environment is essentially a classroom in which students assume responsibilities for patient care while learning the fine art and science of dentistry under the mixed tutelage of highly qualified full-time clinical faculty and members of the profession who are practicing in the community. The essence of this classroom experience is one of "learning by doing" -- a type of semi-preceptorship. Although the dental curriculum prepares general practitioners, a small number in each graduating class will pursue advanced education in a clinical specialty such as pedodontics (dentistry for children), endodontics (treatment of diseases of the dental pulp), orthodontics (straightening teeth), periodontology (treatment of diseases of the supporting tissues of the teeth), and oral surgery.
The small graduate clinics associated with these programs provide advanced learning experiences in patient treatment for specialty students.

An integral part of dental education is student experience in the utilization of auxiliary dental personnel such as the dental hygienist, dental assistant and dental laboratory technician. Of the three, only the dental hygienist is licensed by law to treat patients within prescribed limitations. Her (his) education requires facilities in which she (he) may learn and practice clinical skills, using humans as patients. Although the dental assistant is not allowed to treat patients, the critical part of her (his) training occurs within the clinical facility where she (he) assists the dentist at chairside. The dental laboratory technician does not function within the patient operatory.

Instruction in the proper utilization of these auxiliary dental personnel as a team is an essential part of the dental student's clinical experience.

Oral Health Care Services to the Public

Oral health care services to the public are offered in the following facilities under the direction of Dental School personnel:

1. Main undergraduate dental student clinic -- 152 chairs
2. Oral diagnosis clinic -- 4 chairs
3. Emergency clinic -- 2 chairs
4. Prosthetic examination clinic -- 3 chairs
5. Oral radiology clinic -- 10 chairs
6. Oral surgery clinic -- 5 chairs
7. Oral surgery postoperative -- 2 chairs
8. Graduate periodontology -- 4 chairs
9. Graduate orthodontics -- 10 chairs
10. Graduate pedodontics -- 9 chairs
11. Continuing Education -- 12 chairs
12. Dental hygiene -- 33 chairs

The services offered in these clinics include diagnosis and treatment planning, preventive dentistry, radiology, restorative and prosthesis dentistry, periodontal treatment, routine and advanced oral surgery, orthodontic treatment, children's dentistry, endodontics, biopsy and clinical laboratory services, and consultations. Every effort is made to achieve comprehensive and complete treatment for each patient admitted to the clinics. An emergency clinic is staffed daily, weekends and holidays as a service to relieve persons in pain of oral origin, regardless of whether they are patients of the institution.

Each year, the Dental School

-- provides preliminary diagnosis and screening for 9,000 persons
-- accepts and renders treatment for 5,000 patients
-- accommodates 45,000 patient visits.
Whereas most of the persons screened would qualify for admission as regular patients, the school does not have the capacity to absorb them all. Consequently, priority is given to those persons who can afford the school's fees and whose treatment would have the greatest value in the clinical education of students. Once peak admissions occur, acceptable patients are placed on a waiting list in the order which they arrived for screening. Because of a mandatory fee-for-service policy, the school provides an insignificant amount of care to the medically indigent.

Budget

The operation of the patient-treatment clinics at the Dental School continues to be dependent upon the generation of adequate fee-for-service income. For 1970-71, the dental clinics budget was forecast at $391,131.

The fiscal year ended with a $39,899 deficit which was caused by several weeks of severe winter weather when patients were unable to reach the school. This deficit will be made up during 1971-1973 by reductions in expenditures, assuming that clinical income will be realized as projected.

1971-72 fiscal year

- 1970-71 dental clinics deficit ($39,899)
- 1971-72 expenditures (388,378)
- 1971-72 estimated income 406,770
- 1971-72 dental clinics deficit ($21,507)

As of March 31, 1972, 82.83 percent ($319,309) of the 1971-72 estimated income has been realized.

1972-73 fiscal year

- 1971-72 dental clinics deficit ($21,507)
- 1972-73 expenditures (385,263)
- 1972-73 estimated income 406,770
- 1972-73 dental clinics deficit -0-

The planned 1971-1973 expenditures in the amount of $773,641 are below the legislative biennial limitation of $799,522.

In 1972-73, the fee income derived from dental clinic services will support 1.00 FTE academic and 28.30 FTE classified personnel in addition to the services and supplies essential to operate these facilities.

Special Considerations

Clinical Fee Income. Continued dependence upon the generation of $400,000/year in fee-for-service income for the Dental School's operating budget must be examined in light of the demands which it imposes on student productivity and the restrictions which it places on
developing flexible clinical educational programs. It is educationally
unsound to establish clinical performance requirements on a unit basis
in order to meet a predetermined income. Yet, each clinical department
must require of every student a given number of treatment units such
as silver fillings, gold crowns, partial dentures, etc., in order to
meet its prorated share of clinical fee income. Students, therefore,
have a tendency to look upon patients as treatment units instead of
whole human beings who require comprehensive oral health care.

A typical example is a student who has met all of his requirements in
the treatment of diseases of the gums. He may find himself restoring
a patient's teeth in order to meet the departmental requirement for
fillings, but ignoring the patient's gum condition because he has com­
pleted requirements in that area. Faculty fear of ending a year in
deficit obstructs progressive change of this condition.

Further, under such a system, the clinical program cannot be modified
to accommodate changing philosophies of dental practice and dental
education which include the opportunity for students to serve the
community in settings outside of the four walls of the Dental School.
Should this be done in a neighborhood clinic established to treat
the economically and culturally disadvantaged, the dental clinics
income would show a drop proportional to the loss of productivity
by the students who have left the building. As a result of dependency
on high levels of clinical fee income, the Dental School is under­
developed grossly in its obligation to graduate socially sensitive
young men and women. Except for those who volunteer community
services in their "free" time, most students are incarcerated at
the school for the duration of their educations. This deficiency
in community dentistry experiences for students was noted by the
accreditation visiting team in November 1971.

Clinical Equipment. The 1969 Legislature approved a two-biennia
plan for the transfer of 7.30 FTE clinical teaching faculty from
clinical income support to state appropriation support, under the
conditions that patient fees would not escalate and the money released
by the transfer of faculty would be utilized for the replacement of
obsolete clinical equipment. Under such a program, it would take
approximately 11 years to complete the transition. During 1969-1971,
3.72 FTE clinical faculty were transferred; in 1971-72, 1.78 FTE
were transferred; the remainder, 1.80 FTE will be transferred during
1972-73.

Unfortunately, the money intended for the replacement of clinical
equipment had to be budgeted for classified staff wage and salary
increases, increases in other payroll expenses, salary increases for
those faculty waiting for transfer out of the dental clinics budget,
and inflationary increases in the costs of dental supplies and
materials. The proposed program of equipment replacement has been
at a standstill.
The clinical equipment at the Dental School is now nearly 16 years old. Most of it requires constant maintenance and many replacement parts must be customized. Since 1956, an equipment revolution has occurred and passed on by, leaving the Dental School with outmoded units which cannot be adapted to the teaching of contemporary methods for the delivery of oral health care. The teaching of sit-down, four-handed dentistry and the dentist-auxiliary team approach to the delivery of services cannot be accommodated, principally because most of the existing equipment is fixed to the floor and poorly designed. Further, as increased numbers of students enter the clinics, the lack of flexibility creates problems for the left-handed students who must operate at right-handed chairs. Modern equipment provides the flexibility to adapt to every variable.

Lastly, the number of chairs in the main undergraduate student clinic (152) is inadequate to accommodate the scheduling of the current student body. Facility expansion was requested in the last two biennia without success. The problem is more complex in the light of the faculty's consideration of the Comprehensive Health Manpower Training Act of 1971 (P.L.-92-157) which provides for federal capitation grants to schools willing to increase the size of their entering classes. To be eligible under this program, the Dental School would have to increase its entering class size from 80 to 94. The present clinical facility cannot accommodate them.

Committee Discussion

Mr. Mosser said that there are a number of problems at the Dental School, including the level of staff salaries, the size of physical space, and obsolete equipment. He asked if the operation of the school on a 12-months' rather than a 9-months' basis with fewer students from each class in school during a given quarter would offer any potential for the solution of some of these problems.

Dean Terkla said a 12-months' operation would present two main problems: (1) The exhaustion of the faculty and the lack of time for personal development; (2) the difficulty of recruiting qualified faculty into a 12-months' program unless they could be guaranteed time for personal professional development. He pointed out that many staff members already have a large number of student contact hours each week and to carry this load through a full year would be difficult.

Mr. Mosser said these problems might be met in a variety of ways and that really the teaching load would be distributed differently rather than increased. A smaller teaching load over a full year might be more attractive than a heavier student load for nine months. Dean Terkla said the proposal would be worth examining but an analysis was not presently available as to the impact of changing from a 9-months' to a 12-months' operation.

Mrs. Johnson asked if there were definitive studies as to the precise number of teaching chairs required to support certain programs. Dean Terkla indicated that such data would be available from the
results of a study conducted by the U. S. Public Health Service over
the last ten years. He said that in many instances the kind of pro-
gram affects the number of chairs needed. He noted that the vertical
concept of dental study which provides clinical experience early in
the training program requires more facilities.

There was general discussion of the relative position of the Dental
School tuition with respect to that of other dental schools across
the country. Mrs. Johnson said the need for improvements at the Dental
School was obvious and perhaps some of the resources should come from
increased student fees.

Mr. Corey asked about the possibility of providing more dental services
to the medically indigent. Dean Terkla said this could be done if it
were not necessary to provide the major financing of clinic operations
from patient fee income. He indicated that the present paying patients
come because the fees at the Dental School are lower than in private
practice and this provides the incentive for patients to come to the
clinic. This incentive could be diminished through a national health
insurance plan that would provide for dental care.

It was also indicated that a health program that provided dental care
would also affect the number of dentists needed to meet the patient
load. Oregon currently has an adequate supply of dentists to meet
its needs.

**Recommendation by the Committee**

The Public Service Activities Committee recommended that the Board
authorize a study to compare the costs of a 4-term program and its
physical requirements against a 3-term program and its physical
requirements.

**Board Discussion and Action**

The Board approved the recommendation as presented.

(Considered by the Committee on Academic Affairs, April 28, 1972.)

**Staff Report to the Committee**

Portland State University requests authorization to change its certifi-
cate program in law enforcement to a baccalaureate degree program in
Administration of Justice, effective 1972-73.

The certificate program as presently offered was approved by the State
Board of Higher Education in July 1965. The program requires the law
enforcement student to complete a baccalaureate degree in a social
science field (political science, psychology, sociology), approxi-
mately 42 hours of additional course work in the social sciences con-
sidered useful to the law enforcement officer, and 21 hours of pro-
fessional work in law enforcement. The program is extremely heavy,
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and thus difficult to get through in a normal 186 hours, and, by requiring completion of requirements for a major in a social science, forces the student into some courses which have little relationship to his educational and vocational objectives. The careful planning required to get through the program in a reasonable length of time has virtually cut off transfer from the community college programs and has been discouraging to employed law enforcement personnel who enter the program. The program has not been attractive to the young person interested in a law enforcement career, who, understandably considering the time and expense involved, prefers a program providing a clearly identified, direct route to his objectives.

The proposed program in administration of justice provides substantial work in the social sciences (39 hours) as well as a solid program of professional work (39 hours). Options are provided which permit the student to prepare himself for work in the law enforcement or correctional field. Requirements for the degree in the proposed program are:

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<tr>
<th>Institutional requirements</th>
<th>Health and physical education</th>
<th>English composition</th>
<th>English composition</th>
<th>Non-major requirements</th>
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<td>6</td>
<td>9</td>
<td>54</td>
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<thead>
<tr>
<th>Major requirements</th>
<th>Professional courses</th>
<th>Social science courses</th>
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<tbody>
<tr>
<td>78</td>
<td>39</td>
<td>39</td>
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The new program, in contrast to the present arrangement, provides considerable flexibility, and students deciding on this major after several terms of college work or transferring from a community college should have no problem graduating on time. The inservice student is not discouraged by being required to complete advanced theory courses designed to get him into a graduate program in a social science.

Cost of the Program

Administration of the baccalaureate program will be exactly the same as under present arrangements. The director of the program will receive no pay increase because of change of the program from certificate to degree status. The program can be initiated with the present staff of two full-time and seven part-time persons. The supplies and services budget for the program will be increased by $500 through internal adjustments in the budgets of Portland State University. The increase reflects in part correction of underbudgeting in this area in the past and in part services to the increased student enrollment expected as the result of the increased attractiveness of the degree program.

Board's Office Recommendation

The Board's Office believes that although any savings realized by making it easier for students to complete an undergraduate program in law enforcement within the normal 186-hour period will probably be offset by increased numbers of persons enrolling in the program,
some of whom would not otherwise come to Portland State University, the program should be approved for implementation in 1972-73. Portland State University is well equipped by staff and location to offer a major program in administration of criminal justice. The state's metropolitan institution should not be required to continue forcing students interested in this career area into an artificially restrictive and time-consuming arrangement. The change in the name of the program, from law enforcement to administration of justice, is requested to indicate that preparation is offered leading to careers in both the enforcement and corrections aspects of criminal justice.

Committee Discussion

The Committee discussed briefly the importance of educational programs in the improvement of law enforcement and correctional programs, and the encouragement given through the federal programs (LEEP) for in-service personnel to improve their educational backgrounds. It was observed that a strong educational program was particularly important in an urban institution.

Recommendation by the Committee

The Committee recommended that the Board authorize Portland State University to change its certificate program in law enforcement to a program leading to the BA/BS degree in administration of justice, as proposed, effective 1972-73.

Board Discussion and Action

The Board approved the recommendation as presented.

(Considered by Building Committee, April 27, 1972.)

Proposed Revisions in Urban Renewal Program & New Lease with Portland Student Services, Inc., PSU

Under the terms of the Urban Renewal program, all of the buildings acquired by the Portland Development Commission were to be razed so that the cleared land could be transferred to the Board for the development of Portland State University. Beginning in 1969, when
forecasts of enrollment growth and the potential of funding for major
physical expansion of facilities had diminished, arrangements were
made for the temporary use of the nine apartment buildings for student
housing. With the concurrence of the Department of Housing and Urban
Development and the Portland Development Commission, these buildings
were leased to Portland Student Services, Inc., a nonprofit corporation.
From time to time, reports have been made to the Board of the activities
of the corporation, including the construction of a new high-rise
apartment building in close proximity to the area of development of
Portland State University.

In view of the probability that the sites of the nine older buildings
now being leased for student housing will not be required for redevelop­
ment within the next few years, there have been discussions with repre­
sentatives of the Commission and the federal agency (DHUSD) about the
possibility of modifying the terms and conditions of the Urban Renewal
project to permit their continued use for student housing. There
appears to be a general consensus that mutually satisfactory arrange­
ments could be made through amendments to the Urban Renewal plan and
the "Disposition Agreement" which, among other matters, would incor­
porate the following:

1. The nine apartment buildings, plus the facilities currently
being acquired from the Fruit and Flower Day Nursery, and the
small office building at 1025 S.W. Harrison Street now being
used as a child care center, would be retained by the Board.
It is expected that the eleven buildings would be utilized
for student housing and child care facilities until such time
as the land is needed for redevelopment for Portland State
University or until the facilities are removed or used for
other institutional purposes. (It is anticipated that the
Fruit and Flower Day Nursery will be vacated by the present
operation about October 15, 1972, and thereafter it and the
small office building will be utilized as a child care center
under the auspices of Portland State University. The operation of
these facilities, as an auxiliary enterprise, would be financed
principally from federal grants, user charges, and student fees.)

2. The Portland Development Commission would be relieved of the
responsibility for the demolition of the eleven buildings.

3. For the purposes of the contract with the Portland Development
Commission, the economic value of the buildings would be estab­
lished on the basis of rental rate capitalization inasmuch as
there is evidence that the buildings are capable of producing
income sufficient only to fund estimated demolition costs after
a ten-year period. In anticipation of a nominal rental rate for
the apartment structures; and no net income for the two build­
ings to be used as child care facilities, the capitalization
for determination of value would be nil.

4. The project boundaries would be revised to exclude one or
more parcels not acquired by the Portland Development Commission.
5. The conditions applicable to the proposed ultimate use of the land acquired through the Urban Renewal program would be modified to be less restrictive, thus permitting use for academic purposes, student housing (within the existing apartment buildings), automotive parking, etc.

Subject to the formulation and acceptance of the proposed modifications to the Urban Renewal program, a lease would be executed with Portland Student Services, Inc., for the use of the nine apartment buildings for a ten-year period beginning June 15, 1972, under the following terms and conditions:

a. In addition to the considerations described below concerning repairs, improvements and ultimate demolition of the structures, Portland Student Services, Inc., shall pay rent to the Board in the amount of $10 per month.

b. Within the first eighteen months, Portland Student Services, Inc., shall make such repairs and improvements as may be necessary for the buildings to conform to state and local code requirements. It shall also be responsible for all other maintenance and repairs, including such re-roofing and boiler repairs as may be required to assure tenantable condition of the premises.

(It is estimated that the expenditure requirements for bringing the buildings up to code will be approximately $30,000, and that the costs of additional repairs and improvements to be undertaken by Portland Student Services, Inc., during the first eighteen-month period of the new lease will range between $60,000 and $80,000.)

c. During the term of the lease, Portland Student Services, Inc., shall make deposits to a trust account or fund for the future demolition of the buildings. Periodically, review of this procedure and of the amounts, shall be made to determine the adequacy of the payments to assure reasonably the accumulation of a fund sufficient to meet demolition requirements at the expiration of the lease (or earlier for two buildings which may need to be razed on or after September 30, 1975, if legislative authorization is obtained for a new building).

d. Portland Student Services, Inc., shall be responsible for the demolition of the buildings under the prescribed conditions.

e. Proposals for revisions in rental rates charged to student occupants by Portland Student Services, Inc., shall be subject to review and possible adjustment by officials of Portland State University on behalf of the Board.

f. Portland Student Services, Inc., shall be responsible for liability insurance and for reimbursement to the Board of premiums for fire and extended coverage insurance obtained through the State Restoration Fund or others.
g. Portland Student Services, Inc., shall be responsible for taxes, if any, assessed against the properties.

The terms and conditions of the proposed lease would be subject to the review and approval of the Board's attorney.

Staff Recommendation

It was recommended that the appropriate Board officials be authorized to execute such documents as may be required to amend the provisions of the contract with the Portland Development Commission for the Urban Renewal project benefiting Portland State University in order to permit the continued use of eleven buildings and to accomplish the objectives indicated above. It was also recommended that authorization be granted for the negotiation and execution of a ten-year lease with Portland Student Services, Inc., for the use of nine of these buildings for student housing under the terms and conditions summarized above.

Committee Discussion

Mr. Joss asked whether the agreement would require that the Fruit and Flower Mission ultimately would be demolished. Mr. Hunderup responded that this would not be required unless the site were needed for a different purpose in the future. With respect to the other structures covered by the lease with Portland Student Services, the corporation would be required to demolish them at the end of the ten-year period and to deposit funds to assure the adequacy of resources available to demolish them. Any future change in plans beyond the ten-year period would need to be reviewed with the Portland Development Commission.

Mr. Norman Boice, General Manager of Portland Student Services, Inc., stated that no problem is anticipated in terms of occupancy level because there is presently 100 percent occupancy of the units with a waiting list of approximately 800 students for available vacancies.

In response to a question from Mrs. Johnson concerning responsibility for standards of maintenance and the condition of the buildings, Mr. Hunderup indicated that it is required that the buildings meet the standards of various governmental agencies and they are inspected by them for compliance with health and safety regulations. He said the Board's staff would have the responsibility of making certain that these requirements are met and that Portland Student Services fulfills the contract obligations set forth in the lease.

In the event of a major catastrophe, a building might be demolished rather than restored, and the funds for demolition would then be provided from the restoration funds, but the obligation for maintenance and operation is the responsibility of Portland Student Services, Inc., under the lease with the corporation.

With respect to the expenses for the operation of the Day Care Center, it was indicated that the financial program was still under study and several possibilities were available, including voluntary support from user fees, federal funding, or incidental fees if the Day Care Center were determined to serve an educational purpose.
Mr. Hunderup said that in the discussion with federal and city officials concerning the Urban Renewal project and the continued use of the buildings, it was indicated that it would expedite the process of approving the proposed revisions if there were a statement of the Board's policy for student housing at Portland State University. He distributed a proposed statement for consideration.

Mr. Hosser commented that he did not believe that it should be indicated that the Board would never build, participate or encourage student housing in relation to Portland State University. He said urban transportation problems or other considerations might make it necessary to give future consideration to student housing, if not on the campus, in the near vicinity of Portland State University.

In response to this comment, Mr. Hunderup said that the statement "within the area of development of Portland State University" was specifically included in the statement. Mrs. Johnson indicated she also would be unwilling to restrict the opportunity for future housing projects at Portland State University.

Mr. Hunderup indicated that one or more of the buildings covered under the lease could be converted to a use other than housing or could be demolished if the site were needed prior to the end of the ten-year period. Under these circumstances, it would be necessary to adjust the demolition costs.

The Committee then discussed changes in the wording of the proposed statement to reflect the possibility of future housing projects in the vicinity of Portland State University. Mr. Hunderup said that federal and city officials were interested in a positive statement that recognizes that it is appropriate to use the buildings for student housing purposes, but neither group is concerned with imposing any restrictions. At the present time, the facilities are limited to use by Portland State University students, but 1971 legislative modifications may permit some change in this provision.

The statement as revised by the Building Committee appears below:

The long-range development plan for Portland State University, approved by the Board on October 24-25, 1966, recognized the limited site area available for academic and general purpose facilities for a potential full-time equivalent enrollment of approximately 20,000 students.

Consistent with this plan, the Board does not intend to construct student housing facilities within the approved area of development of Portland State University. It does, however, acknowledge that certain existing buildings which were acquired under the provisions of the Urban Renewal program and leased to Portland Student Services, Inc., may continue to be used for student housing until the sites are needed for redevelopment for Portland State University or until the facilities are removed or used for other higher education purposes.
Recommendation by the Committee

The Building Committee recommended that the Board approve the recommendations as presented, including the housing policy statement distributed by Mr. Hunderup and revised by the Committee.

Board Discussion and Action

The Board approved the recommendations as presented.

Mrs. Johnson said that in connection with the possible support of the Day Care Center from student incidental fees, consideration should be given to whether the Center serves an educational purpose.

Disposal of Former Westinghouse Property and Equipment, OEPBS

(Considered by Public Service Activities Committee, April 27, 1972.)

Staff Report to the Committee

At the meeting of the Board on March 28, 1972, approval was given following the recommendation of the Public Services Committee to declare this property and equipment surplus and to proceed with disposal. Reports of the two independent appraisers employed by the Department of Higher Education have been received.

The appraisers are Mr. William P. Allyn of Portland and Alan A. Paget of Lake Oswego.

The appraisals were such that the Board's Office is of the opinion that the fair market value of the property including the building and tower, antenna, coaxial cable and chain link fence have a fair market value of $53,000. The reports of the appraisers are on file in the Board's Office.

The Board's Office expects at least two bidders.

Staff Recommendations

1. The Board's Office be authorized to proceed with the required legal notices of sale, to appoint a time and place to receive sealed bids.

2. In the event that there is more than one bid in the amount of $53,000 or more, to conduct an oral auction at a time and place appointed by the Board's Office.

3. That the Committee on Public Service Activities recommend to the Board of Higher Education that the President and Secretary of the Board be authorized to execute the necessary documents to consummate the sale to the highest responsible bidder for a cash sale in the amount of $53,000 or more.
Recommendation by the Committee

The Public Service Activities Committee recommended that the Board approve the recommendations as presented.

Board Discussion and Action

The Board approved the recommendations as presented.

(Considered by Committee on Academic Affairs, April 28, 1972.)

Staff Report to the Committee

A comprehensive report, entitled Teaching Research, An Analysis of Activities and Outcomes, had been mailed to all Board members. The Teaching Research Division of the State System of Higher Education was established in 1960 to do basic and applied research in the "teaching-learning" process, with the objective of improving instruction. The Division has assembled a professional staff that has achieved recognition both nationally and within the state for its competency. This recognition has come in the very tangible form of contracts for research on aspects of the teaching-learning process in a variety of settings and applications. Principal users of the Division's expertise have been (1) the State System institutions and the Chancellor's Office, (2) the Oregon Board of Education, (3) the Oregon State Mental Health Division, (4) miscellaneous state agencies, and (5) national agencies and programs.

In terms of both numbers of programs and in money expended, the resources assembled by the Division have received greater recognition from outside the State System of Higher Education than from within. System funds from state sources expended by the Division have been at approximately $146,000 per year for the past three years, 1968-69, 1969-70, 1970-71. Funds from outside the System - state, federal, and private - have totalled over one million dollars each year for the past three years, for a total yearly budget of $1,200,000.

Board's Office Discussion and Recommendation

Chancellor Lieuallen observed that one issue the Board might want to face is whether in this time of financial difficulty, the Board wished to review the decision in 1960 that there be this sort of research arm related to the Board's Office. He said that it was the view of the Board's Office that Teaching Research will play an increasingly important role in improvement of instruction in Oregon during the next decade, and ought to be continued. If the Board concurs in this recommendation, he continued, the Board's Office recommends that the Division should focus more of its attention (1) on problems of the State System of Higher Education, and (2) on development of materials which have an impact on the teaching and learning process.
Committee Discussion

The Committee questioned Dr. Beaird concerning any difficulties he might see in focusing more attention on problems of the State System and the development of material that would be used at the post-high school level. Dr. Beaird responded that the agency is looking for ways in which to serve the State System, that it has a great deal of talent that could be directed toward the application of what is known about teaching and learning toward instructional problems, and that it would like a clear direction from the Board and the Board's Office defining the problems it would like the Division to attack.

The Chancellor said requests for services of the Division have come through a variety of routes, but if the recommendation of the Board's Office is approved, there will be an increased effort on the part of the Chancellor and Dr. Romney to identify with Dr. Beaird and the Teaching Research staff specific ways in which the Division can serve the System, both through research and through implementation of research findings in the institutions.

Recommendation by the Committee

The Committee recommended that the Division of Teaching Research be continued with the provision that the Division focus more of its attention on (1) problems of the State System of Higher Education and (2) the development of useful materials for the improvement of the instructional or learning process, and with the further provision that activities of the Division along these lines for the next biennium be identified as nearly as possible with a statement from the Teaching Research Division to the Board's Office, to be forwarded to the Board, of objectives and probable cost for each activity, for review of the Committee at an early date.

Board Discussion and Action

The Board approved the recommendation as presented.

Mr. Joss commented that there is probably a substantial amount of research already available in the areas of teaching and learning.

Staff Report to the Board

All candidates for licenses to practice medicine or other healing arts in Oregon are required by provisions of ORS 676.010 through 676.090 to take the Oregon basic science examination in six science subjects or obtain the Oregon certificate through reciprocity with certain other states or with Part I of the National Medical Board examination. The Oregon basic science law is administered by the Board of Higher Education through the Board's Office.

Staff Recommendation

To replace Dr. Arnold L. Soderwall, Professor of Biology, University of Oregon, who has acted as chief of the examining board, and who is resigning from that assignment as of May 31, 1972, it was recommended
that the Reverend James G. Anderson, C.S.C., Professor of Chemistry, University of Portland, be appointed as chief of the examining board, effective June 1, 1972. Dr. Soderwall has also been the examiner in pathology; and he is resigning also from that position effective May 31, 1972. The Rev. James G. Anderson has been the examiner in chemistry and will continue in that capacity.

To replace Dr. Soderwall as examiner in pathology, it was recommended that Stanley P. Snyder, D.V.M., Ph.D., Professor of Veterinary Medicine, Oregon State University, be appointed effective June 1, 1972, to the State of Oregon Basic Science Examining Committee to prepare and grade examinations in the subject of Pathology. Dr. Snyder has been recommended by Dr. Soderwall; and Dr. E. Edward Hedman, Head of Veterinary Medicine at Oregon State University, has also approved the appointment.

Board Discussion and Action

The Board approved the recommendation as presented.

Tuition Charges for 1972-73

(Considered by Finance Committee on March 7 and April 7, 1972, and by the Board on March 28, 1972.)

(This item is subject to hearing in accord with the Administrative Procedures Act. The "Staff Report," "Staff Recommendation," "Committee and Board Discussion," and "Committee Recommendation" sections of the March 7 and April 27 Committee agenda and the March 28, 1972, Board docket have been rewritten to consolidate and simplify the docket item.)

Staff Report to the Committee

ORS 351.070 (1)(c) gives the Board of Higher Education the authority to prescribe the tuition and fees to be charged at the institutions. It has been a power exercised by the Board with care and prudence. The Board has modified the tuition charges from year to year in accord with its view of appropriate policy. The present policy framework may be summarized as follows:

1. Fiscal adequacy. Tuition and fee income, together with other resources, should be sufficient to fund the approved program levels of educational service authorized in the budgets of the Department of Higher Education.

2. Resident undergraduate tuition should be related to the cost of instruction and maintained at the lowest level consistent with the requirement of fiscal adequacy.

   a. On January 25, 1971, the Board adopted the policy objective that resident undergraduate tuition be maintained at 25 percent of the cost of undergraduate instruction.
b. In July 1971, reflecting the budgetary constraints resulting from actions of the 1971 Legislative Assembly, the Board set resident undergraduate tuition at $130 per term (27.7 percent of the cost of undergraduate instruction). Following the Presidential declaration of price controls, the tuition was reduced to $126 (26.8 percent).

3. Nonresident undergraduate tuition should reflect the total cost of undergraduate instruction.

a. In the tuition charges imposed, this principle has been applied at the universities and Oregon Technical Institute but prior Board actions have provided a differential for nonresidents at the colleges. (At the universities and Oregon Technical Institute, $471 per term; at the colleges, $358 per term.)

b. In 1969, because of the lateness of tuition setting, returning nonresidents paid at the 1968-69 rate while new nonresidents paid at the same rate in 1970-71.

c. For 1971-72, the Board approved two rates for foreign nonresidents: (1) For returning students, the 1970-71 rate was authorized; (2) For newly enrolled foreign students, tuition was set at the same rate as for other nonresidents.

4. Graduate tuition has been subject to three basic decisions:

a. In January 1971, the Board set an objective for 1971-72 of a graduate tuition rate at 20 percent of the cost of graduate instruction. The rate set for 1971-72 after legislative adjournment is $180 per term (21.3 percent).

b. Foreign graduate students were placed on a two-rate system (see 2.b.). Returning students, $124 per term; new students, $180 per term.

c. Graduate assistants do not pay tuition.

5. Medical and dental students pay tuition on special schedules:

a. Nursing, dental hygienist, and medical technology students paid the same rate of tuition when these courses were offered exclusively at the Medical and Dental Schools. In recent years, nursing programs have been added at Oregon Technical Institute and Southern Oregon College and a dental hygiene program at Oregon Technical Institute. Tuition for these programs at OTI and SOC has been set at the rates charged
other undergraduate students at those institutions. The result is that while tuition per term is the same for resident students, there are three rates for nonresidents:

- At the Medical School: $269 per term
- At the Dental School: $269 per term
- At Southern Oregon College: $358 per term
- At Oregon Technical Institute: $471 per term

b. Resident students in the M.D. and D.D.S. programs have paid $237 per term; nonresidents have paid $426. Increases have been made in recent years, but without effort to relate tuition to the cost of instruction.

c. Graduate students at the Medical and Dental Schools pay the regular graduate tuition ($180 per term). An exception applies to the orthodontic and other clinical programs at the Dental School. (Orthodontic: $246 and $381; other: $206 and $241.)

6. Staff members pay tuition at $3 per credit hour (and have since 1946).

7. There is no special rate for persons over the age of 65 except for an experimental waiving of fees by the Division of Continuing Education.

8. The Division of Continuing Education charges $20 per credit hour for its regular courses, $17 for college correspondence study, and $38 per one-half unit of high school correspondence study.

The policy issues and alternatives

Consideration of tuition policies begins with two assumptions: that the rate of tuition has an influence on the numbers of students who will enroll; and that the budgeted level of institutional support affects the quality of the academic programs. The first assumption suggests that tuition adjustments should be incremental, rather than drastic, so that the impact on enrollment will not be calamitous. The second assumption implies that budget considerations should affect tuition decisions.

In planning for the 1972-73 budget, it has been estimated that tuition and fees would produce $28,001,348 at 1971-72 rates. State appropriations make $66,501,204 available; $175,000 is available in Federal appropriation to "land grant" institutions. The balance of the total preliminary budget total ($95,177,552) has been assumed to result from an estimated $500,000 in Federal aid to higher education under the terms of legislation now in a conference committee.
The fate of the Federal legislation is in substantial doubt. As a consequence of that doubt and the absence of other reserves on which to draw, it has seemed appropriate to consider changes in tuition and fee charges sufficient to produce approximately $500,000. In this connection, it is noted that the Ways and Means Committee at the 1971 Special Session of the Legislative Assembly indicated its recognition of the Board's action in September 1971 that reduced tuition by $4 per term. The Ways and Means action offered implied encouragement to the Board to restore the $4.

It should also be noted that the Emergency Board expected to allocate for 1972-73 an amount for classified pay adjustments and for subsidy of employee health insurance that would add as much as $1,250,000 to the $95.2 million preliminary budget.

Starting from the foregoing assumptions and premises, the following policy issues and alternatives deserve consideration:

1. Undergraduate resident tuition is now $126 per term (26.8 percent of the $471 per term cost of undergraduate instruction); Board policy is that tuition should be at 25 percent of the cost of undergraduate instruction. The policy choices include:
   a. Leave tuition unchanged. (each dollar increase is estimated to increase income by $110,500 per year.) At $126 per term, tuition would produce approximately 26.2 percent of the cost of undergraduate instruction.
   b. Reduce tuition to 25 percent of the budgeted cost for undergraduate instruction ($120 per term; $663,000 per year).
   c. Restore tuition to $130 (the level approved by the Board in July 1971. This would increase income by $442,000 (about 27 percent of the cost of instruction).
   d. Restructure tuition to establish a lower-division and upper-division differential, in recognition of the fact that the cost of upper-division courses tends to be higher than the cost of lower-division courses. On the average, the differential is approximately 25 percent. However, individual lower-division students take upper-division courses and vice versa. Also, the cost differential between programs may be more than 50 percent. The policy issue of charging tuition on a differential basis -- by level of student, level of course, by institution, or program -- has been approached by the Board with caution and restraint, with a tendency to favor substantial uniformity. Differentials now exist between undergraduate and graduate students and between the universities and colleges, and with separate tuition for the medical and dental programs.
It is sometimes urged that there should be a limit on the number of credit hours that should be subsidized by the State for undergraduate residents. The limit suggested would be at or near the total required for an undergraduate degree (normally 186 or 192 term credit hours). The policy should allow some latitude for changes of major, where such changes represent sound educational policy, and there should also be latitude for able students to undertake a reasonable amount of extra work.

A somewhat detailed study of the extent to which undergraduate resident students do enroll for courses substantially in excess of the number required for graduation has been initiated. A report will be made to the Board.

**2. U.S. nonresident undergraduate tuition**

U.S. nonresident undergraduate tuition is now at $471 per term at the universities (100 percent of the cost of undergraduate instruction). For 1972-73, the preliminary budget would increase the cost of instruction by $1 per term; later budget additions may add approximately $9 to the cost of instruction. The alternatives include:

- **a. Make no change** (and reduce the estimated income by $12,500).
- **b. Increase tuition $1 per term** (produces $12,500 in additional income).
- **c. Increase tuition by $4 per term** (as for resident undergraduates). Adds $50,000 to annual income.
- **d. Increase tuition by $10** (related to estimated final budget). Would add $125,000 to annual income.
- **e. Eliminate all or a portion of the $113 differential between the nonresident tuition at the universities and at the colleges. The total dollars involved amount to about $150,000 but elimination of the differential could affect enrollment adversely to the point of actually reducing total income.**

**3. Foreign nonresident undergraduate tuition**

Foreign nonresident undergraduate tuition is now on a two-rate system (1970-71 students continued at the 1970-71 rate of $431 per term at the universities and $318 at the colleges; others at $471 and $368 per term). This is administratively awkward and is in some instances inequitable. It is also affected by the present revaluation of the U.S. dollar in relation to foreign currencies. Alternatives include:

- **a. Fixing tuition for foreign nonresident undergraduates at $431 and $318. This would reduce tuition income by $50,000 to $55,000.**
b. Fix foreign undergraduate tuition at the level for other nonresident undergraduates. For 1970-71 students still enrolled in 1972-73, this would represent an increase of $40 to $50 per term (plus $113 if the university-college differential were eliminated), an increase of approximately $22,500.

c. It is desirable to encourage limited numbers of foreign and nonresident students to attend Oregon Institutions. One way to do this would be to allow a limited number of undergraduate foreign and U.S. nonresidents to pay the tuition rate applicable to Oregon residents. For 125 foreign and 100 other nonresidents (1/4 of 1 percent of the undergraduate enrollment) the cost would be approximately $225,000.

d. Graduate tuition is now $180 per term (21.3 percent of the cost of graduate instruction), except for returning (1970-71) foreign graduate students who pay $124 per term, and graduate assistants who receive free tuition as a part of their stipend. There is no distinction in tuition charged resident and nonresident students. The Board policy has been questioned by members of the Board and others. The policy has been defended primarily because it tends to assure the quality of the graduate student body and because of the technical difficulties of determining the domicile of graduate students. The policy has been criticized because it is inconsistent with the practice of institutions in other states and appears to limit opportunities for Oregon residents to gain admission to Oregon graduate schools. Special note has been made of the fact that applicants for admission to the University of Oregon Law School exceed vacancies by 13 to 1. The policy choices include:

a. No change, which would reduce the percentage to 20.7 percent of the cost of graduate instruction.

b. Establish a nonresident tuition at some other level. (e.g., cost of graduate instruction, $2,547; average cost of instruction, $1,538.) Were such a policy adopted, implementation might be achieved over a period of time, perhaps five years.

c. Increase tuition $4 per term (as for undergraduates) – $58,000 of added income.

d. Increase tuition to 25 percent of the cost of instruction ($212 per term). An increase of $32 per term could affect enrollment substantially – $460,000 unless enrollment is reduced.
Law School tuition could be set in relation to the cost of instruction (approximately $2,260 per student in 1971-72). Compared to the present rate ($180 per term), one-third of cost would be about $250 per term; one-half cost would be about $380 per term; full cost, about $760. Possible alternatives are:

(1) Establish a differential for nonresidents. In other institutions, the range is as follows:

<table>
<thead>
<tr>
<th>Resident Tuition and Fees</th>
<th>Nonresident Tuition and Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of California</td>
<td></td>
</tr>
<tr>
<td>(Berkeley)</td>
<td>$ 708.26</td>
</tr>
<tr>
<td>(Davis)</td>
<td>670.50</td>
</tr>
<tr>
<td>(Los Angeles)</td>
<td>696.00</td>
</tr>
<tr>
<td>University of Colorado</td>
<td>553.00</td>
</tr>
<tr>
<td>University of Idaho</td>
<td>346.00</td>
</tr>
<tr>
<td>University of Illinois</td>
<td>558.00</td>
</tr>
<tr>
<td>Indiana University (per credit hour)</td>
<td>27.00</td>
</tr>
<tr>
<td>University of Iowa</td>
<td>710.00</td>
</tr>
<tr>
<td>University of Michigan</td>
<td>920.00</td>
</tr>
<tr>
<td>University of Minnesota</td>
<td>1,500.00</td>
</tr>
<tr>
<td>University of Washington</td>
<td>555.00</td>
</tr>
<tr>
<td>University of Montana</td>
<td>446.00</td>
</tr>
<tr>
<td>University of North Carolina</td>
<td>420.00</td>
</tr>
<tr>
<td>Ohio State University</td>
<td>900.00</td>
</tr>
<tr>
<td>University of Texas</td>
<td>200.00</td>
</tr>
<tr>
<td>University of Utah</td>
<td>520.00</td>
</tr>
<tr>
<td>University of Wisconsin</td>
<td>610.00</td>
</tr>
<tr>
<td>University of Oregon</td>
<td>664.50</td>
</tr>
</tbody>
</table>

*Four of the 19 (Iowa State, Michigan State, Purdue, and Washington State) do not have law schools.

(2) Apply the new rates to all students.

(3) Apply the new rates to entering nonresidents only.

School of Oceanography students pay the same tuition as do other graduate students. In 1972-73, the State funds budget of the School is $258,833 and the school is expected to produce 2,665 term hours of graduate instruction and 2,750 credit hours of undergraduate instruction. Seven of the nine undergraduate courses may be taken for graduate credit. In State funds, the cost per credit hour is $47.80, or $2,151 per student per year. The staff of the school numbers 252 and the equipment inventory is valued at $5,150,000. Research and training grants in 1970-71 totalled $2,569,440.
Although the students benefit from these added (predominantly Federal) expenditures, it would be contrary to prior Board policy and the practice with respect to somewhat similarly situated programs to charge a higher tuition to students in the Oceanography program.

g. Charge graduate tuition to graduate assistants. It should be remembered that this affects a fringe benefit worth $540 a year to the graduate assistant. If an equal amount were not added to the stipend, there could be a decline in the quality of the graduate assistants.

h. For foreign graduate students:

(1) Continue the differential for 1970-71 students.

(2) Continue the 1970-71 rate for all foreign graduate students.

(3) Apply the same rate to foreign as to U.S. graduate students.

5. Medical and Dental School tuition rates reflect long-standing and substantial subsidies. Present methods of accounting do not afford specific information about the costs of the various categories of instruction. Consequently, the range of policy choices is somewhat limited. The 1971 Ways and Means Committee recommended that the Board set a nonresident tuition of not less than $1,800 per year for all newly-enrolled students.

a. Newly-enrolled medical and dental tuition at $600 per term.

b. Continue tuition for nursing, dental hygienist and medical technology resident students at the resident undergraduate rate. Increase the charge for nonresidents at the Medical and Dental Schools to the college rate ($368; an increase of $99 per term). An alternative would be to set the Medical and Dental School rate at $471 per term (as at Oregon Technical Institute and the universities).

c. Except for clinical programs at the Dental School, set tuition for graduate students at the rate charged other graduate students at the universities. Increase the charge to orthodontic and other dental clinical graduate students by an equal percentage or dollar amount.

6. Staff tuition has been set at $3 per credit hour. For full-time employees, approval of the institutional executive is required "generally for not more than three term hours of credit." A maximum of ten credit hours has applied to those employed half-time or more, but less than full-time. These credit hours are
included in the computation of the number of FTE students. Nearly 8,000 credit hours (approximately 175 FTE) are earned per year. Policy alternatives include:

a. Increase the fee to $5 per hour (reflecting the proportional increase since 1946 in other tuition charges).

b. Recognize the value of the staff fee as a fringe benefit and leave the rate unchanged.

c. Limit applicability of the rate to the first six, seven, eight, or nine credit hours.

7. Senior citizens have expressed the desire to attend courses without seeking credit toward a degree. It seems appropriate to permit such registration, on a "space available" basis, without incidental, building, or health service fees, and with charges for special materials, if applicable. Choices:

a. Charge no fee at all.

b. Charge a nominal fee (equal to the staff fee) to cover costs of registration materials and other overhead costs.

c. Such enrollments would not become a part of the student FTE calculations, although a record would be kept.

8. Division of Continuing Education tuition must permit self-support:

a. $20 per student credit hour (to a maximum of $180) is necessary for undergraduate courses.

b. Graduate tuition on a scale ranging from $67 for 1 or 2 credit hours to $223 for 9 or more credit hours is necessary.

c. Independent study rates are presently adequate.

9. Summer Session tuition has been distinguished from the tuition charged in other academic terms in two respects: (1) Nonresidents have not paid a special fee; and (2) The total of tuition and fees has been held at the level of the preceding term but lower charges for the building fee, health service, and incidental fees have resulted in crediting a larger amount to the tuition account. Board action has established certain guidelines for the procedures to be followed in setting the amount of the incidental fee. Board action has also set ranges for the incidental fee for the Fall, Winter, and Spring terms but not for the Summer term. For the 1973 Summer Session the alternatives include:

a. Increase of the tuition amount ($146) by the dollar amount of the 1972-73 increase of resident undergraduate tuition.

b. Retain the building fee at $4.
c. Authorize institutional determination of the health service fee.

d. Establish a range for the incidental fee of $5 to $15.

e. Limit the total of tuition and fees to the total of the preceding term.

10. Refund policy. Except for students withdrawing to enter military service, refunds of tuition are subject to schedules developed at each institution. For military withdrawals before the last four weeks of the term, a full refund (and no credit) is authorized; within the last four weeks, no refund but full credit if the student is doing satisfactory work. Except for the military withdrawals, it would be appropriate to have a standard schedule for refunds:

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before the beginning of classes</td>
<td>100%</td>
</tr>
<tr>
<td>Before the close of the 1st week</td>
<td>90%</td>
</tr>
<tr>
<td>Before the close of the 2nd week</td>
<td>75%</td>
</tr>
<tr>
<td>Before the close of the 4th week</td>
<td>50%</td>
</tr>
<tr>
<td>Before the close of the 6th week</td>
<td>25%</td>
</tr>
</tbody>
</table>

Staff Recommendations

It was proposed that the Committee on Finance make the following recommendations to the Board:

1. That resident undergraduate tuition be raised by $4 per term (to $130). $442,000

2. That nonresident undergraduate tuition be raised by $10 per term (to $481 at the universities and Oregon Technical Institute and to $368 at the colleges). 125,000

3. That the tuition differential for continuing foreign students who were enrolled in 1970-71 be revoked. 22,500

4. That graduate tuition be increased to 25 percent of the cost of graduate instruction (from $180 to $220 per term for year 1972-73). 580,000

5. That entering nonresident students in the dentistry and medicine programs pay tuition of $600 per term. Negligible

6. That other charges at the Medical and Dental Schools be increased $99 per term for nonresident undergraduates, and $20 per term for graduate students. 24,500
7. That staff tuition be increased to $5 per credit hour.

8. That senior citizens be authorized to attend classes on a "space available" (nonreimbursable) basis at a fee of $5 per credit hour plus a charge for special materials, if applicable.

9. That tuition for Division of Continuing Education students in graduate courses pay on a scale from $67 for 1 or 2 credit hours to $223 for 9 or more credit hours.

10. That tuition for the 1973 Summer Session be set at $150, (to correspond with total tuition and fees per term for year 1972-73).

11. That a standard refund policy be established for students withdrawing for reasons other than entry into military service:

<table>
<thead>
<tr>
<th>Period Before Class</th>
<th>Refund Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of Classes</td>
<td>100%</td>
</tr>
<tr>
<td>Close of 1st Week</td>
<td>90%</td>
</tr>
<tr>
<td>Close of 2nd Week</td>
<td>75%</td>
</tr>
<tr>
<td>Close of 4th Week</td>
<td>50%</td>
</tr>
<tr>
<td>Close of 6th Week</td>
<td>25%</td>
</tr>
</tbody>
</table>

Committee and Board Discussion and Recommendations

The formal actions of the Committee on April 27, 1972, took cognizance of prior actions of the Committee at the meeting on March 7, 1972, and of the Board on March 28, 1972. The agenda for the April 27, 1972, Committee meeting included a statement by University of Oregon President Robert D. Clark on the subject of Graduate Tuition Policy, and also a statement by Dean Eugene F. Scoles, University of Oregon Law School.

The Committee, acting on the assumption that Federal aid in the amount of $500,000 would not be available in 1972-73, took the following actions:

1. Reaffirmed the commitment to maintain tuition for foreign students enrolled in 1970-71 at the 1970-71 rates.

2. For other nonresidents, recommended nonresident tuition at $480 per term at the universities and $368 at the colleges (increases of $10 per term).

3. After consideration of the desirability of assessing a nonresident graduate tuition, tuition for all graduate students, except at the Medical and Dental Schools, was recommended at $210 per term (a $30 increase).
4. Tuition at the Medical and Dental Schools was recommended at $247 for residents (a $10 increase) and $600 for non-residents (a $174 increase).

5. Tuition for nonresident nursing, medical technology, and dental hygiene nonresident students at the Medical and Dental Schools was recommended at $368 per term (an increase of $99).

6. An increase of staff tuition from $3 to $5 per credit hour was recommended.

7. Authorization was recommended for attendance of senior citizens on a "space available" (nonreimbursable) basis at a fee of $5 per credit hour plus a charge for special materials, if applicable.

8. For summer session 1972, the distribution of total tuition and fees may include an incidental fee in the range of $5 to $15 and the health service fee shall be such as to make summer session health service self-supporting.

9. It was recommended that resident undergraduate tuition be increased by $2 per term (to $128 per term).

10. Authorization for Eastern Oregon College, Southern Oregon College, Oregon College of Education, and Oregon Technical Institute to enroll foreign students equivalent to one percent of the institutional enrollment at the same tuition rate as resident students pay, with the students to be chosen on the basis of ability to profit from the program, need, and the diversity that they will add to the campus.

Note: Item 10 was separately considered and approved by the Board and added to the list pursuant to Board discussion and action appearing on the following pages.
Recommendations, Summarized

The proposed changes and the fiscal impact thereof may be displayed as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>1971-72 Present Rate</th>
<th>1972-73 Committee Recommendation</th>
<th>Budget Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident undergraduate</td>
<td>$126</td>
<td>$128</td>
<td>$221,000</td>
</tr>
<tr>
<td>Nonresident undergraduate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Universities and OTI Colleges</td>
<td>471</td>
<td>481</td>
<td>125,000</td>
</tr>
<tr>
<td>Foreign (1970-71) Universities and OTI Colleges</td>
<td>431</td>
<td>431</td>
<td></td>
</tr>
<tr>
<td>Graduate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign (1970-71) Universities and OTI Colleges</td>
<td>124</td>
<td>124</td>
<td>435,000</td>
</tr>
<tr>
<td>Medical and Dental Schools</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident Nursing, medical technology and dental hygiene</td>
<td>237</td>
<td>247</td>
<td>21,570</td>
</tr>
<tr>
<td>Nonresident Nursing, medical technology, dental hygiene</td>
<td>426</td>
<td>600</td>
<td>Negligible</td>
</tr>
<tr>
<td>Clinical graduate (dental)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident Orthodontist</td>
<td>246</td>
<td>276</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>206</td>
<td>236</td>
<td></td>
</tr>
<tr>
<td>Nonresident Orthodontist</td>
<td>381</td>
<td>411</td>
<td>930</td>
</tr>
<tr>
<td>Other</td>
<td>241</td>
<td>271</td>
<td></td>
</tr>
<tr>
<td>Staff tuition (per credit hour)</td>
<td>3</td>
<td>5</td>
<td>28,000</td>
</tr>
<tr>
<td>Senior citizens</td>
<td>-</td>
<td>5</td>
<td>Unknown</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$833,500</td>
</tr>
</tbody>
</table>

The $833,500 is $333,500 above the amount required to balance the 1972-73 operating budget approved by the Board at its March 28 meeting. It was the import of the Committee discussion that the additional sum should be earmarked first as a tuition reserve against the possibility of 1972-73 enrollment below estimate and secondarily as a reserve for plant rehabilitation or other unforeseen contingencies.
Meeting #403-59

May 22, 1972

Board Discussion and Action

Mr. Mosser moved the adoption of the recommendations of the Finance Committee as listed in Items 1 through 9 under Committee and Board Discussion and Recommendations.

President Layman said that presentations in connection with the hearing on tuition charges for 1972-73 were in order. He recognized Miss Joan Eggleston, Chairman of the Interinstitutional Union of Students, for the purpose of making a presentation concerning tuition charges.

Miss Eggleston called the Board's attention to the following resolution recently adopted by the delegate assembly of the Interinstitutional Union of Students:

Whereas, the Finance Committee of the Oregon State Board of Higher Education has recommended tuition increases which are illogical and arbitrary, and

Whereas, differentiated tuition raises impose an unfair burden on specialized groups of students, i.e. graduate students, who are already on fixed incomes from sources such as V.A. benefits, and

Whereas, increased tuition rates are not being subsidized by financial aid increases, and do not take into consideration cost of living increases, and

Whereas, notable budgetary costs are already limiting the educational facilities and services provided to students in exchange for their tuition, specifically graduate programs,

Be It Therefore Resolved that the Interinstitutional Union of Students opposes the differentiated tuition increases as approved by the Oregon State Board of Higher Education Finance Committee, and is in favor of an across-the-board increase of $4.00 per student if any tuition increase is to be levied.

Miss Eggleston indicated that the Interinstitutional Union of Students is opposed to a differentiated tuition increase as approved by the Finance Committee of the Board, and favors instead an across-the-board increase of $4 per student, if an increase is necessary.

Miss Eggleston said that the financial dilemmas of the students and the threats of increased tuition seem to be unending and that students are again confronted with the problem of paying more tuition at the same time services are being decreased and the ability of students to pay has not improved. She noted that the job market for students, both on and off campus, is very limited, and that the cost of housing for all students will be greater.
Miss Eggleston said that a $30 increase for graduate students on a fixed income is not an incremental increase but an impossible one. For a foreign student, who is denied both the opportunity to work and the chance of scholarship aid to override the increase in the financial burden, the proposed rates are unconscionable.

Miss Eggleston said the recommendation of a $4 per term levy for all students would be more equitable than the differentiated tuition rates which impose an unfair burden on graduate students and foreign students. She said this would supply the necessary revenue and leave a small reserve for the Board. She indicated that last year 1,500 persons were priced out of an education and that to continue in this direction would result in the loss to the State of Oregon of one of its most valuable assets, its students.

Mr. Ron Saylor, President of the Graduate Student Council at the University of Oregon, indicated the support of that organization for the $4 across-the-board increase as the most equitable method of collecting the money required. However, if the across-the-board increase is not acceptable, Mr. Saylor proposed raising the resident undergraduate tuition by $4 rather than $2 per term, making the total tuition $130 per term for resident undergraduates. At the same time, the graduate tuition increase would be reduced to $15 instead of $30 per term. He said these changes would result in income of approximately $3,500 more than the amount projected for tuition by the Finance Committee. He also commented that the rates proposed by the Board did not represent merely small incremental increases but would create a substantial hardship for graduate students. Sharing the burden with a larger group of people through a small increase in undergraduate tuition would permit a major reduction of the increase for graduate students.

Mr. Bill Fidler, Director of the International Education Center at the University of Oregon, spoke on behalf of foreign students and pointed out that foreign students cannot receive financial aid nor can they work under the terms of most of their visas. He also favored the $4 increase for all students, including foreign students and said that this amount could be absorbed easily, but that the proposed rates were too large to be absorbed. In many cases, the students would be forced to return home or find another school to attend.

Mr. Fidler indicated his support for the attendance of a limited number of foreign students at the resident tuition level.

Mr. Courtney Walker, a graduate of Jefferson High School and an undergraduate student at Portland State University, said that the State System institutions are so exclusive academically that they are out of reach of many students who would like to attend. He emphasized that an increase in tuition of any amount would make it impossible for even more people who want and need an education to attend.
Mr. Bill Wyatt, President of the Associated Students of the University of Oregon, said that the effect of a tuition increase on enrollment is obviously adverse. He said the tuition increases to meet budget deficits, together with the legislature's use of enrollments as a major factor in funding could prove to be disastrous. The question is at what point does rising tuition result in diminishing returns for not only the revenue received but for the total quality of the educational program.

Mr. Wyatt indicated that at the present time the only means of meeting the budget deficit is with tuition but that in this connection two assumptions should be reviewed: (1) the rate of tuition has an influence on the number of students who are enrolled; and (2) the budget level of institutional support affects the quality of the academic programs. He stated that any tuition increase must be gradually incremental in order not to affect drastically either enrollment or the quality of the educational program. He urged that the Board seriously consider Mr. Saylor's alternative plan as an incremental increase which does not seriously discriminate against any one group of students.

Mr. Wyatt said that it is imperative to begin discussion and action on alternative methods of assessing tuition and alternative methods of funding higher education. He cited the case of Serrano v. California, in which it was stated that "Education must not be a function of the wealth of any one individual, but rather a function of the wealth of the state as a whole."

Mr. Wyatt therefore proposed that consideration be given to long-term, low-interest loans, state aid given directly to students rather than to the institutions, and tuition assessed on a graduated basis similar to that used for income tax purposes. He indicated that he anticipates completing studies and making recommendations with respect to these alternatives and having the report available for Board consideration by the middle of the summer.

Mr. Layman welcomed Mr. Wyatt as the new student body president from the University of Oregon.

Mr. Layman then indicated that since there were no other presentations, the public hearing was closed.

Mr. Mosser said that later in the agenda there would be a recommendation from the Finance Committee for a number of studies related to tuition. He said the present proposals apply to a budget that has been prepared for next year and that to adopt only a $4 increase for all students would (1) result in a very minimal Board reserve; and (2) depart from the general principle of charging nonresident students the cost of instruction as reflected in the $10 per term increase. In addition, he said the recommendation presented by Mr. Saylor misunderstands the Board's intent that there should not be a nonresident differential for graduate students and that it would be preferable to raise the cost for all graduate students. Tuition for graduate students provides 20 percent of cost and for undergraduates 25 percent. The figures proposed by the Finance Committee come closer to achieving the goal of 25 percent of cost for both groups of students.
Mr. Mosser indicated the Finance Committee had considered a recommendation to permit resident undergraduate tuition rates for 1 percent of the total enrollment for nonresident students to be selected on the basis of need and ability. This proved to be too costly. However, during the campus visitations, it was stated that students at Oregon College of Education, Eastern Oregon College, Southern Oregon College, and Oregon Technical Institute lack the general diversity of the student body which prevails on the larger campuses. If the lower rates were limited to those four campuses, the program would be much less expensive.

Mr. Mosser moved that Item 10 be added to the recommendations to authorize Eastern Oregon College, Southern Oregon College, Oregon College of Education, and Oregon Technical Institute to enroll foreign students equivalent to one percent of the institutional enrollment at the same tuition rate as resident students pay, with the students to be chosen on the basis of ability to profit from the program, need, and the diversity that they will add to the campus.

The program for the selection of the students would be administered by the individual institutions.

In response to various questions during the discussion, Mr. Mosser indicated that general guidelines could be issued by the Board's Office for the selection of such foreign students, if such guidelines were deemed necessary. However, the institution should administer the program because the applications for admission are processed by the institutions. He stated that the resident tuition rates would be available to both present students and incoming students within the limits specified above.

There was some discussion as to whether the one percent question should be considered at the May meeting because it had not been discussed at the Finance Committee meeting. It was pointed out that the question had been considered by the Finance Committee for implementation at all institutions but that the fiscal impact was too great. The proposal by Mr. Mosser would be limited to four institutions and would be less expensive.

Mr. Layman also indicated that any matter could be discussed by the Board even though it had not been introduced at a previous meeting, unless three members of the Board requested that the matter be deferred.

Mrs. Johnson said that the Board had previously indicated an interest in receiving information as to the actual financial need of foreign students and whether all of them would be in real financial difficulties as a result of increased costs.
In discussing the cost of implementing resident tuition for one percent of the foreign students, Mr. Mosser stated that the maximum cost would be approximately $100,000. However, it is also possible that the increased income as a result of retaining these students or acquiring new enrollments might mean that the differences in the amount of income would be insignificant.

President MacVicar said there is no philosophical difference between large and small institutions as to the desirability of having foreign students on the campuses. He also said it was his opinion that there would be little difference in income if the resident rate for a few foreign students were applied at all institutions. He said he would be willing to assure the Board that if the program were authorized for all institutions, Oregon State University would manage it in such a way there would be no loss of income.

Mr. Holmes moved to amend the proposed Item 10 to include all institutions in the State System. The motion was defeated.

It was agreed that proposals 1 through 9 would be considered separately from Mr. Mosser's 10th recommendation concerning foreign students.

Mr. Joss then asked the Chancellor what the staff recommendation would be with reference to increasing the resident undergraduate tuition by $4 per term instead of $2. The Chancellor said he had consistently favored an increase of $4 per term, or $12 per year, as authorized by the Special Session of the Legislature.

Mr. Joss moved that Item 9 be amended to increase the amount of the addition for resident undergraduate tuition from $2 per term to $4 per term with the total amount to be earmarked first as a tuition reserve against the possibility of a lower-than-estimated enrollment in 1972-73, and secondly, as a reserve for plant rehabilitation or other unforeseen contingencies.

He said he would construe unforeseen contingencies as areas where quality of programs is drastically cut to the detriment of the students.

Mr. Joss then asked for a comparison of the reserve for plant rehabilitation in the proposed budget and the reserves which have been available in the past.

Mr. Hunderup said that during the current biennium, $400,000 had originally been authorized for each year, but most of it was used during the first year to help meet the deficit from underrealized enrollments. He said it was his understanding that most of the funds for the second year have been budgeted for other purposes than plant rehabilitation. Consequently, plant rehabilitation and minor capital outlay are in a very destitute position.
It was indicated that the general reserve in the Board's Unappropriated Fund is $24,256 and for 1972-73 it is budgeted at approximately $100,000.

Mr. Mosser said that if the Committee's recommendations were adopted, the total Board reserves would be approximately $400,000 and the increase to $4 would provide a reserve of $625,000 or $650,000. This represents a total reserve which could be allocated to either purpose.

Mr. Joss said it should be emphasized that some of the reserve has gone to preserve programs, positions, and educational processes and thus is removed from availability for plant rehabilitation or to assist in offsetting enrollment decreases.

The motion to increase the addition to the resident undergraduate tuition rate from $2 to $4 was defeated by a vote of five to four.

The Board then approved the motion to adopt Items 1 through 9 in the Committee recommendations.

The Board then considered the motion to authorize special treatment at Eastern Oregon College, Southern Oregon College, Oregon Technical Institute, and Oregon College of Education to allow foreign students, to the extent of one percent of the student body, to pay resident tuition.

Mr. Stewart indicated he would vote against the motion because he did not believe the Board should subsidize foreign students when there was just barely enough money to run the schools. He said if the $4 increase had been approved he would then have voted for the present motion.

Mrs. Johnson said she would vote against the motion because she thought that it would be more appropriate to consider the recommendation for the biennial budget because it was already too late to be of much benefit for the present school year. Furthermore, it requires making some assumptions on the basis of incomplete information.

In response to a question from Mr. Snider as to the priority which the institutional executives would assign to the foreign student tuition proposal, President Rempel indicated he would agree that foreign students were a very vital part of the program and any proposal to increase the attendance of foreign students would have a very high priority.

The Board approved the motion with respect to resident tuition for foreign students as stated in Item 10. Mrs. Johnson and Mr. Stewart voted against the motion.
Summer Session  
Tuition and Fees, 1972

Staff Report to the Board

The subject of summer session fees is discussed generally in the preceding item on Tuition Charges for 1972-73; but separate consideration needs to be given to the matter of the distribution of fees for the 1972 summer session.

Staff Recommendation

The following were recommended for the 1972 summer sessions:

1. The total charges for full-time students shall be the same as the total charges assessed for the spring term, 1971-72.

2. The tuition is to be $146 for full-time undergraduate students and $200 for full-time graduate students.

3. Building fee, $4.00 (same as for 1971 session).

4. Incidental fee, $5.00 to $15 (range in 1971 session, $4.50 to $15).

5. Health service fee to be set at an amount to make the health service activity self-supporting.

Board Discussion and Action

The Board approved the recommendations as presented.

Other Student Fees for 1972-73

(Considered by Finance Committee, March 7 and April 27, 1972, and at the March 28, 1972, Board meeting. Action deferred to May Board meeting to permit hearing required by the Administrative Procedures Act.)

Staff Report to the Committee

The Board has fixed certain fees and provided for the fixing of certain other fees that are related to the instructional programs of the several institutions. These include the building fee ($10 per term, except for $4 in the summer session), the health service fee (determined by the institution and ranging from $9 to $12.50 per term at the four-year institutions and at $33 and $29 at the Medical and Dental Schools), and the incidental fee (for which the Board has set a range of $15 to $25 at the four-year institutions, $26 at Oregon Technical Institute, and $11 at the University of Oregon Medical School and University of Oregon Dental School).

The building fee in fall, winter, and spring terms is at the maximum permitted by law. Pending projects are expected to require earmarking of 1972-73 collections and all but approximately $150,000 of the present balances.

Health service costs have been increasing and it is expected that increases of up to $2 per term may be required.
Because of the decline in enrollment and increases in costs, Eastern Oregon College has requested a $1 increase in the range of permitted incidental fees. To fill a present policy void, an incidental fee range for summer session may be appropriate.

There are, in addition, a series of special fees and charges set by, or pursuant to, Board policy. These include:

1. Application fee (for admission) $10
2. Late application (less than 30 days before registration) 10
3. Advance registration deposit (institutional option) 75
4. Late registration fee $5 plus $1 per day
5. Returned (NSF) checks $5
6. Breakage deposit -
   a. At UO, OSU, PSU, SOC 25
   b. At UOMS and OTI 15
7. Placement Service -
   a. Original registration 0
   b. Reregistration 5
8. Examinations for credit (per credit hour) 5

The late application fee is useful in fall term but tends to be counter-productive in winter and spring. It produces $4,000 to $5,000 per year, $1,000 of it in winter and spring. The late registration fee has been circumvented in some cases by the use of invalid checks ($5 charge). For Portland State University and the Division of Education courses a somewhat milder penalty for late registration may be appropriate for students who are not on campus daily. The Oregon College of Education has expressed the need for a breakage deposit. Because of the budgetary stresses several institutions would prefer to charge a placement service fee, if the funds collected could be used to support placement service operations. Costs of administering examinations for credit are relatively fixed, regardless of the number of credits involved.

Staff Recommendations

It was proposed that the Committee on Finance make the following recommendations to the Board:

1. That the Dental School health service fee be set at the level provided at the Medical School ($33 per term).
2. That adjustments of not more than $2 per term in the health service fee at the other institutions be authorized.

3. That the Fall, Winter, and Spring term range for the incidental fee at the four-year institutions be set at $15 to $25 per term, except at Eastern Oregon College and Oregon Technical Institute. (See Board discussion and action following.)

4. That the late application fee be assessed only for fall term.

5. That the late registration fee be added to the returned check charge, where the returned check was used to pay tuition or fees.

6. That the Division of Continuing Education and Portland State University be authorized to assess an initial $5 late registration charge, plus $2.50 per week thereafter to accommodate special and part-time students who are not on campus daily.

7. That Oregon College of Education be authorized to require a $25 breakage deposit.

8. That institutions be permitted to collect and use for placement service operations fees related to the service provided. This is to be an experimental policy for 1972-73.

9. That institutions be authorized to assess a $15 fee for each examination for credit, without regard to the number of credit hours involved.

Committee Discussion

In response to questions from Board members, the following additional information was provided. The recommended upper limit per term for student incidental fees was changed from $25 to $26 to permit Eastern Oregon College to add $1.00 to its current fee to assist in financing the operation of the new student center. The incidental fee at Eastern Oregon College included $1.00 per term for OSPIRG during year 1971-72; a decision has not yet been made by the students on this item for year 1972-73. In item 6 of the recommendations, the charge of $5.00 for late registration, plus $2.50 per week thereafter was suggested because evening extension students are usually on the campus only one day per week and charging them $1.00 per day for each additional day of delinquency appears to be too heavy a penalty for them. The reason for adding the late registration fee of $5.00, plus $1.00 per day to the returned check penalty of $5.00 is that this is expected to reduce substantially the number of bad checks tendered at registration to avoid the late registration fee.

Committee Recommendation

The Committee recommended that the Board approve the recommendations as presented.
Board Discussion and Action March 28, 1972

Mr. Westerdahl moved that the question of other student fees, with the exception of the OSPIRG fee, be referred to the Finance Committee for further consideration and recommendation at the May 22, 1972, Board meeting; and that the OSPIRG fee be referred to the Academic Affairs Committee for similar consideration and recommendation at a public hearing at the May Board meeting.

The Board approved the motion as presented. It was understood that tuition for the Law School, when it changes to a semester basis from the quarterly basis, would be in proportion to that charged for students in other schools and departments.

Committee Discussion, April 27, 1972

Mr. Westerdahl said that, in his opinion, the whole concept behind incidental fees should be studied, including the incidental fees as a mandatory aspect of education.

Committee Recommendation, April 27, 1972

The Finance Committee recommended that the Board approve the staff recommendations pertaining to other student fees, with the exception of the OSPIRG fee referred to the Academic Affairs Committee, subject to public hearing at the May 22 Board meeting.

Board Discussion and Action

Mr. Mosser moved that the Board approve the recommendations of the Finance Committee.

President Layman said that presentations in connection with the hearing on other student fees for 1972-73 were in order. Since no one requested an opportunity to be heard, the Board then considered the motion.

Mrs. Johnson moved to amend the Committee recommendation of a $16 to $26 range for incidental fees to a range of $15 to $25. She stated that the increase had resulted originally from the OSPIRG fee and Board action earlier in the meeting had changed the relationship of OSPIRG to some extent.

President Purvine said that at Oregon Technical Institute the incidental fee was $26 without OSPIRG and the proposed amendment would have the effect of reducing the incidental fee by $1. He indicated this would be a serious matter with the small student body at Oregon Technical Institute. Mr. Holmer said the $26 amount needed also to accommodate the increased expenses in connection with the new student center at Eastern Oregon College.
Mr. Westerdahl commented that the incidental fee was really a part of the total amount paid by students and he was concerned with this total amount. He said he would favor the $25 limit with an exception made where there is a valid reason on an individual campus, rather than having the extra $1 applied to students at all campuses.

Mr. Mosser said he would support the recommendation of the Committee because the budgets have been prepared on that basis. A return to the $25 limit would have the effect of reducing the student activity budgets at Oregon Technical Institute and Eastern Oregon College. He said that in connection with the statute recently enacted by the Legislature, it would be necessary to consider those items the Board wants to include in tuition and the amount of fee that is going to be available for student government. Beyond that, he said, everything else will be voluntary starting next year. Consequently, a major review will need to be made before next year.

Mr. Joss moved that the motion be further amended to indicate a range of $15 to $25 for all institutions with the exception of Oregon Technical Institute and Eastern Oregon College, which could go to $26. The Board approved the motion. Mr. Mosser voted against the motion.

The Board then approved the original motion as amended so that the range of the incidental fee would be $15 to $25 for all institutions except Eastern Oregon College and Oregon Technical Institute which would have a ceiling of $26.

Residence Hall Charges for 1972-73

(Recommended by Finance Committee, March 7, 1972. Board action deferred until May 22, 1972, Board meeting on hearing as required by the Administrative Procedures Act.)

Staff Report to the Committee

Residence hall charges for 1971-72 were assessed at the 1970-71 rates, pay adjustments effective July 1, 1971, and anticipated for July 1, 1972, will have increased wage and salary costs by over 10 percent above those applicable in 1970-71. Food and other services and supply costs will have increased by a similar proportion.

During 1970-71 and in 1971-72, it has not been possible (under the existing rate structures) to achieve net operating income sufficient to equal 128 percent of the annual debt service. Finance Committee action at its February 23 meeting proposed that the net operating earnings requirements for 1972-73 be reduced to 100 percent of the 1972-73 debt service ($2,795,847). Even with this reduction, net operating income must be increased by $229,447 above that which would be produced under present rates.
Recognizing that increases in rates can result in a reduction of the number of students choosing to live in the residence halls and that the basic problem is one of marketing, it may be appropriate to allow substantial institutional flexibility in offering alternative services and methods of charge. One or more institutions may, for example, wish to offer:

Term-by-term, rather than annual, contracts
Reduce fall term contracts to 40 percent of the annual cost
(i.e., from the present 45-30-25 plan to 40-30-30 or another reasonable alternate)
Offer a "room only" contract
Offer alternate meal plans (e.g., 15 per week)
Include telephone service in the rooms as a part of the total charge.
Present expenditures by the institutions in residence hall operations show the following categorical distribution:

<table>
<thead>
<tr>
<th>Expense Category</th>
<th>FY 1970-71 Actual</th>
<th></th>
<th>FY 1971-72 Estimated</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>Total Expense</td>
<td>Expense per Occupant</td>
<td>Total Expense</td>
<td>Expense per Occupant</td>
</tr>
<tr>
<td></td>
<td>Percentage</td>
<td></td>
<td>Percentage</td>
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<tr>
<td>DOC</td>
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<td>$18,421 3.71% $34.18</td>
<td>$22,000 4.64% $46.12</td>
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<tr>
<td>Administration</td>
<td>18,421</td>
<td>3.71% $34.18</td>
<td>22,000</td>
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<td>Counseling</td>
<td>39,894</td>
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<td>40,000</td>
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<tr>
<td>Debt Service</td>
<td>89,958</td>
<td>18.11% $166.90</td>
<td>101,931</td>
<td>21.49% $213.69</td>
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<tr>
<td>Food</td>
<td>117,685</td>
<td>23.68% $218.34</td>
<td>105,000</td>
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<tr>
<td>Fixed Expenses</td>
<td>43,873</td>
<td>8.82% $81.40</td>
<td>45,404</td>
<td>9.57% $95.19</td>
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<td>Labor</td>
<td>130,935</td>
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<td>Other Expenses</td>
<td>56,217</td>
<td>11.31% $104.30</td>
<td>50,000</td>
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<td><strong>TOTALS</strong></td>
<td>$496,983 $100.00%</td>
<td>$922.05</td>
<td>$474,335 $100.00%</td>
<td>$994.41</td>
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| Misc. Income     | $27,896 $51.76   | $30,000 $62.89 |
| Regular Income   | 508,146 $943.76  | 450,765 $95.00 |
| **TOTALS**       | $536,042 $994.52 | $480,765 $1,007.89 |

| OTI              |                    |                |                    |                |
| Administration   | $17,877 4.18% $40.54 | $21,964 4.63% $49.92 |
| Counseling       | 21,668 5.07% $49.13 | 19,932 4.37% $40.75 |
| Debt Service     | 81,751 19.11% $185.38 | 99,454 21.49% $226.03 |
| Food             | 103,092 24.10% $233.77 | 110,712 25.09% $251.64 |
| Fixed Expenses   | 42,308 9.89% $94.54  | 51,864 11.78% $254.76 |
| Labor            | 106,300 24.85% $241.04 | 112,093 25.62% $254.76 |
| Other Expenses   | 54,730 12.80% $124.10 | 60,626 13.79% $131.79 |
| **TOTALS**       | $427,726 $100.00% | $969.90         | $474,645 $100.00% | $1,078.74 |

| Misc. Income     | $30,814 $69.87  | $45,000 $102.27 |
| Regular Income   | 401,749 $943.76 | 402,600 $950.00 |
| **TOTALS**       | $432,563 $980.77 | $447,600 $1,017.27 |

| OCE              |                    |                |                    |                |
| Administration   | $18,920 2.46% $19.94 | $24,000 3.22% $31.58 |
| Counseling       | 47,516 6.18% $50.07 | 52,000 6.97% $68.42 |
| Debt Service     | 192,040 24.98% $202.36 | 187,286 25.09% $246.43 |
| Food             | 198,281 25.79% $208.94 | 170,000 22.78% $223.68 |
| Fixed Expenses   | 68,655 8.93% $72.34  | 90,588 12.14% $119.20 |
| Labor            | 149,690 19.47% $157.73 | 139,000 18.62% $182.89 |
| Other Expenses   | 93,749 12.19% $98.79  | 83,474 11.18% $109.83 |
| **TOTALS**       | $768,851 $100.00% | $810.17         | $746,348 $100.00% | $982.03         |

| Misc. Income     | $27,706 $29.19   | $40,000 $52.63 |
| Regular Income   | 805,050 $843.31  | 646,000 $850.00 |
| **TOTALS**       | $832,756 $877.50 | $686,000 $902.63 |
### Expense Category

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Expense</th>
<th>Percentage</th>
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<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
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<td><strong>100.00%</strong></td>
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<td><strong>100.00%</strong></td>
<td><strong>$980.12</strong></td>
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<thead>
<tr>
<th>Category</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misc. Income</td>
<td>$380,102</td>
<td>10.00%</td>
<td>$103.06</td>
<td>$400,000</td>
<td>10.69%</td>
<td>$106.92</td>
</tr>
<tr>
<td>Regular Income</td>
<td>$3,421,575</td>
<td>96.00%</td>
<td>$927.76</td>
<td>$3,479,130</td>
<td>98.00%</td>
<td>$930.00</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$3,801,677</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,036.92</strong></td>
<td><strong>$3,879,130</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,058.90</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$67,135</td>
<td>2.33%</td>
<td>$23.76</td>
<td>$86,274</td>
<td>4.93%</td>
<td>$50.71</td>
</tr>
<tr>
<td>Counseling</td>
<td>$90,361</td>
<td>3.16%</td>
<td>31.25</td>
<td>$101,684</td>
<td>5.84%</td>
<td>31.92</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$224,983</td>
<td>8.17%</td>
<td>82.13</td>
<td>$251,684</td>
<td>14.32%</td>
<td>97.71</td>
</tr>
<tr>
<td>Food</td>
<td>$281,577</td>
<td>9.77%</td>
<td>93.76</td>
<td>$315,000</td>
<td>18.47%</td>
<td>104.24</td>
</tr>
<tr>
<td>Fixed Expenses</td>
<td>$113,028</td>
<td>4.08%</td>
<td>100.91</td>
<td>$125,300</td>
<td>7.28%</td>
<td>106.63</td>
</tr>
<tr>
<td>Labor</td>
<td>$253,983</td>
<td>9.19%</td>
<td>101.82</td>
<td>$260,000</td>
<td>15.16%</td>
<td>104.24</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>$181,310</td>
<td>6.39%</td>
<td>126.94</td>
<td>$235,000</td>
<td>13.63%</td>
<td>148.60</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$1,212,377</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$915.70</strong></td>
<td><strong>$1,347,984</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,058.90</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misc. Income</td>
<td>$126,744</td>
<td>10.00%</td>
<td>$95.73</td>
<td>$160,000</td>
<td>10.00%</td>
<td>$125.69</td>
</tr>
<tr>
<td>Regular Income</td>
<td>$1,207,384</td>
<td>91.32%</td>
<td>$911.92</td>
<td>$1,162,249</td>
<td>91.32%</td>
<td>$913.00</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$1,334,128</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,007.65</strong></td>
<td><strong>$1,322,249</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,038.69</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$195,226</td>
<td>7.46%</td>
<td>$67.97</td>
<td>$110,000</td>
<td>4.23%</td>
<td>$47.91</td>
</tr>
<tr>
<td>Counseling</td>
<td>$64,699</td>
<td>2.39%</td>
<td>26.59</td>
<td>$90,000</td>
<td>3.46%</td>
<td>39.20</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$503,339</td>
<td>18.93%</td>
<td>138.82</td>
<td>$508,703</td>
<td>19.56%</td>
<td>221.56</td>
</tr>
<tr>
<td>Food</td>
<td>$589,409</td>
<td>22.35%</td>
<td>220.45</td>
<td>$620,000</td>
<td>23.83%</td>
<td>270.03</td>
</tr>
<tr>
<td>Fixed Expenses</td>
<td>$251,080</td>
<td>9.23%</td>
<td>110.95</td>
<td>$277,542</td>
<td>10.47%</td>
<td>120.88</td>
</tr>
<tr>
<td>Labor</td>
<td>$526,501</td>
<td>19.95%</td>
<td>232.66</td>
<td>$575,000</td>
<td>22.10%</td>
<td>250.44</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>$377,260</td>
<td>14.04%</td>
<td>166.71</td>
<td>$420,000</td>
<td>16.15%</td>
<td>182.93</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$2,508,514</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,108.05</strong></td>
<td><strong>$2,601,245</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,132.95</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
<th>Total Expense</th>
<th>Percentage</th>
<th>Expense per Occupant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misc. Income</td>
<td>$201,543</td>
<td>10.00%</td>
<td>$89.06</td>
<td>$220,000</td>
<td>10.00%</td>
<td>$95.82</td>
</tr>
<tr>
<td>Regular Income</td>
<td>$2,292,773</td>
<td>100.00%</td>
<td>$1,013.16</td>
<td>$2,330,440</td>
<td>100.00%</td>
<td>$1,015.00</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$2,494,316</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,102.22</strong></td>
<td><strong>$2,550,440</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>$1,110.82</strong></td>
</tr>
<tr>
<td>Expense Category</td>
<td>FY 1970-71 Actual</td>
<td>FY 1971-72 Estimated</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------------</td>
<td>---------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Expense</td>
<td>Percentage</td>
<td>Expense per Occupant</td>
<td>Total Expense</td>
<td>Percentage</td>
<td>Expense per Occupant</td>
</tr>
<tr>
<td><strong>SUMMARY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>$428,987</td>
<td>4.84%</td>
<td>$46.61</td>
<td>$375,964</td>
<td>4.04%</td>
<td>$41.83</td>
</tr>
<tr>
<td>Counseling</td>
<td>415,424</td>
<td>4.69%</td>
<td>45.13</td>
<td>421,932</td>
<td>4.53%</td>
<td>46.95</td>
</tr>
<tr>
<td>Debt Service</td>
<td>1,715,338</td>
<td>19.36%</td>
<td>186.37</td>
<td>1,905,253</td>
<td>20.46%</td>
<td>212.00</td>
</tr>
<tr>
<td>Food</td>
<td>2,156,329</td>
<td>24.33%</td>
<td>234.28</td>
<td>2,190,712</td>
<td>23.53%</td>
<td>243.76</td>
</tr>
<tr>
<td>Fixed Expenses</td>
<td>830,544</td>
<td>9.37%</td>
<td>90.24</td>
<td>942,116</td>
<td>10.12%</td>
<td>104.83</td>
</tr>
<tr>
<td>Labor</td>
<td>2,128,895</td>
<td>24.02%</td>
<td>231.30</td>
<td>2,166,093</td>
<td>23.26%</td>
<td>241.03</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>1,186,497</td>
<td>13.39%</td>
<td>128.91</td>
<td>1,309,100</td>
<td>14.06%</td>
<td>145.67</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>$8,862,014</td>
<td>100.00%</td>
<td>$962.84</td>
<td>$9,311,170</td>
<td>100.00%</td>
<td>$1,036.07</td>
</tr>
<tr>
<td>Misc. Income</td>
<td>$794,805</td>
<td>$86.35</td>
<td>$895,000</td>
<td>$99.59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular Income</td>
<td>8,636,677</td>
<td>938.36</td>
<td>8,471,184</td>
<td>942.60</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$9,431,482</td>
<td>$1,024.71</td>
<td>$9,366,184</td>
<td>$1,042.19</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The following table, showing design capacity, marketed capacity and occupancy is also relevant:

<table>
<thead>
<tr>
<th>FY 1970-71</th>
<th>EOC</th>
<th>OTL</th>
<th>OCE</th>
<th>OSU</th>
<th>SOC</th>
<th>UO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design Capacity</td>
<td>627</td>
<td>558</td>
<td>1,023</td>
<td>4,122</td>
<td>1,515</td>
<td>3,143</td>
</tr>
<tr>
<td>Marketed Capacity</td>
<td>563</td>
<td>483</td>
<td>1,003</td>
<td>3,718</td>
<td>1,379</td>
<td>2,435</td>
</tr>
<tr>
<td>Occupants</td>
<td>527</td>
<td>436</td>
<td>936</td>
<td>3,643</td>
<td>1,309</td>
<td>2,254</td>
</tr>
<tr>
<td>Percentage Occupancy to Marketed Capacity</td>
<td>93.6%</td>
<td>90.3%</td>
<td>93.3%</td>
<td>98.0%</td>
<td>94.9%</td>
<td>92.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY 1971-72</th>
<th>EOC</th>
<th>OTL</th>
<th>OCE</th>
<th>OSU</th>
<th>SOC</th>
<th>UO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design Capacity</td>
<td>627</td>
<td>558</td>
<td>1,023</td>
<td>4,494</td>
<td>1,515</td>
<td>2,865</td>
</tr>
<tr>
<td>Marketed Capacity</td>
<td>558</td>
<td>473</td>
<td>963</td>
<td>4,090</td>
<td>1,319</td>
<td>2,321</td>
</tr>
<tr>
<td>Occupants</td>
<td>455</td>
<td>435</td>
<td>751</td>
<td>3,696</td>
<td>1,252</td>
<td>2,278</td>
</tr>
<tr>
<td>Percentage Occupancy to Marketed Capacity</td>
<td>81.5%</td>
<td>92.0%</td>
<td>80.0%</td>
<td>90.4%</td>
<td>94.9%</td>
<td>98.1%</td>
</tr>
</tbody>
</table>

Marketed Capacity is designed capacity less adjustment for rooms used as singles which were constructed as doubles, spaces utilized as offices, lounges and vacated spaces due to renovation.
INSTITUTIONS PROVIDING ALTERNATIVE RESIDENCE HALL SERVICES AND METHODS OF CHARGES

A. **BOARD ONLY** - $90/month (all institutions) - 15-meal plan (EOC) $78/month

B. **ROOM ONLY** - EOC proposes the following rates for Room Only Contracts:
   - Annually - $540 (double) $648 (single)
   - Term Contracts:
     - Double - Fall $273 - Winter $192 - Spring $135
     - Single - Fall $322 - Winter $224 - Spring $162

C. **TERM CONTRACTS** - OSU - Term Contracts available for Fall and Winter Terms to all students except Freshmen. Fall Term Contract is 40% of annual rate plus $50, and Winter Term Contract is 30% of annual rate plus $50.

   - EOC - Term Contracts available to all students at same rate as annual contract plus $50 for Fall and Winter Terms.

   - SOC - Term Contract available to all students. Fall and Winter Terms Contracts are $75 and $50 more than the Fall and Winter Terms rates for annual contracts.

D. **MEALS** - (15-meal plan) - EOC - Students will be charged $108 a year less than the normal 19-meal plan.

   - OSU - Students taking the 15-meal plan are charged $50 a year less than the normal 20-meal plan.

E. **PRORATION OF ANNUAL CHARGES** - All institutions will prorate the annual charges on a 45-30-25 percentage basis, except OSU which will allocate the annual charges on a 40-30-30 percentage basis and the UOMS Women's Residence Hall at 38-32-30.

F. **SUMMER TERM RATES** - A schedule is attached showing the rates for each institution.

G. **OTHER** - EOC policy states that if a student did not execute an annual contract or did not occupy a residence hall space in the preceding Fall Term, the Spring Term charge will be at Winter Term rates.
Staff Recommendations

It was proposed that the Finance Committee recommend the following policies relating to residence hall charges for Board approval:

1. That institutional plans for residence hall operations and institutional residence hall charges in 1972-73 have as their objective the production of net operating income sufficient to assure payment of the annual debt service.

2. That the institutions be encouraged, subject to the approval of the Chancellor as to the adequacy of the revenue safeguards, to experiment with alternative services and methods of establishing charges. For example,
   a. Term-by-term, rather than annual, contracts
   b. Reduce fall term contracts to 40 percent of the annual cost (i.e., from the present 45-30-25 plan to 40-30-30 or another reasonable alternate)
   c. Offer a "room only" contract
   d. Offer alternate meal plans (e.g., 15 per week)
   e. Include telephone service in the rooms as a part of the total charge.

3. That, subject to the preceding policies, residence hall charges be as follows:

<table>
<thead>
<tr>
<th></th>
<th>Double</th>
<th>Single</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOC</td>
<td>$980</td>
<td>$1,175</td>
</tr>
<tr>
<td>OTI</td>
<td>1,000</td>
<td>1,200</td>
</tr>
<tr>
<td>OCE</td>
<td>900</td>
<td>1,125</td>
</tr>
<tr>
<td>OSU*</td>
<td>978</td>
<td>1,225</td>
</tr>
<tr>
<td>SOC</td>
<td>960</td>
<td>1,200</td>
</tr>
<tr>
<td>UD</td>
<td>960</td>
<td>1,200</td>
</tr>
</tbody>
</table>

*OSU charges various rates at its residence halls, reflecting qualitative differences in the accommodations. The $978 and $1,225 rates compare to the rate to be charged by UO for similar residence hall services.

UOMS-UODS Women's Residence Hall

Room Only (With Linen Service)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Fall</th>
<th>Winter</th>
<th>Spring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple Occupancy</td>
<td>$465</td>
<td>$176</td>
<td>$150</td>
<td>$139</td>
</tr>
<tr>
<td>Single Occupancy</td>
<td>696</td>
<td>264</td>
<td>223</td>
<td>209</td>
</tr>
</tbody>
</table>
Note: Basically, rates are increased 15 percent to cover cost increases of 1971-72 and 1972-73 fiscal years. Currently, the UOMS-UODS Residence Hall reflects a deficit in operation of $5,000 covering the period July 1, 1971, through January 31, 1972. The Residence Hall had a $2,000 net profit for Fiscal Year 1970-71.

Committee Discussion

Vice Chancellor Holmer presented to the Committee a brief explanation, comparative data for years 1970-71 and 1971-72 and staff recommendations, as shown on the preceding pages.

Chairman Mosser referred to previous considerations by the Committee and the Board of policies to be followed in debt service coverage for residence halls and other self-sustaining auxiliary activities (see preceding docket item). Mr. Mosser inquired regarding a projection of residence hall operating expenditures for year 1972-73. Mr. Holmer responded that it was anticipated that the proportions of expenditures for administration, counselling services, food and other operating expenses in year 1972-73 would be about the same as during the two preceding years, but that the operating costs in total would be increased by at least 10 percent over the last complete fiscal year, 1970-71, because of continuing increases in wage rates and prices.

Mr. Holmer noted also that the institutions had been proceeding with changes resulting from market surveys, and that as one result some of the residence halls were offering single room occupancy in sections of buildings where previously only double occupancy had been offered, with higher rental rates per student for the single occupancy. The board only plan, the 15-meals-per-week plan and the room-only plan have been extended to more of the institutions.

Mr. Mosser called attention to the need for controlling expenditures so that quality of food services and other services would be maintained at the highest possible level and so that administrative and overhead costs would be kept at the lowest possible cost consistent with an acceptable quality of services to the residence hall occupants.

Mr. Westerdahl inquired regarding the nature of the expenditures classified as "fixed expenses" and "other expenses." Mr. Holmer responded that "fixed expenses" include fire insurance on buildings and equipment, building repairs and maintenance, and equipment depreciation. Depreciation on buildings is also calculated in the cost accounting used to determine board and room charges and to arrive at amounts to be accumulated to cover bond interest and principal payments. He said that "other expenses" include costs of utilities, janitorial services, laundry, equipment repairs and charges for accounting services.

Mrs. Johnson inquired whether there should be one person in the Board's Office who would be responsible for surveillance of the business and other operations of the residence halls. Mr. Holmer responded that there is an accountant on his staff whose duties include review of
dormitory operations and expenses and anticipation of problems. The
staff member referred to prepares monthly statements of expenditures
and attends the monthly meetings of the dormitory managers, where
they discuss and review the operational policies and problems on the
institutional campuses. By this means, the Board's Office of Admin-
istration does maintain surveillance of the dormitory operations.

Mrs. Johnson stated she was particularly concerned with counselling
services and further inquired whether the staff residents of the dormi-
tories were in fact providing a counselling service or were in effect
resident managers or assistant managers. University of Oregon Presi-
dent Clark asked whether the responsibility for this function should
not be assigned to the individual institutions, rather than to the
Board's central office. Mrs. Johnson said that she was interested
in knowing what residence hall counselling policies are actually
being followed at the institutions and the rationale for the exist-
ing policies at the institutions.

There were questions from Mr. Westerdahl and Mr. Mosser regarding the
adequacy of the data and evaluations furnished in support of the
Board's Office recommendations on 1972-73 residence hall charges.
Chancellor Lieuallen indicated that the Board's Office had supplied
extensive data on residence hall operations and costs, on the
financing of building bond interest and principal payments, and on
occupancy and market studies; but that the Board's Office will be
glad to undertake the compilation of more background data and further
analysis and evaluation of data to meet the Board's requests.

Committee Recommendation

Following a motion by Mr. Westerdahl, the Committee voted that the
staff recommendations for 1972-73 residence hall charges, as shown
on a preceding page, be recommended to the Board for its approval.
It was understood that this recommendation would be considered by
the Board at its March 28, 1972, meeting following Board considera-
tion of the preceding docket item on the subject of Residence Hall
Debt Service Coverage.

Board Discussion and Action, March 28, 1972

The Board approved a motion by Mr. Westerdahl that the matter of
residence hall charges for 1972-73 be referred to the Finance
Committee for further consideration and recommendation at a public
hearing at the May 22, 1972, Board meeting.

Recommendation by the Committee, April 27, 1972

The Finance Committee recommended that the Board approve the staff
recommendations as previously presented, subject to a public hearing
at the May 22 Board meeting.
Meeting #403--79

Board Discussion and Action

May 22, 1972

Mr. Mosser moved that the Board approve the recommendation of the Finance Committee as presented.

President Layman said that presentations in connection with the hearing on residence hall charges for 1972-73 were in order. He recognized Mr. Jeff Johnson, University of Oregon Delegate from the Interinstitutional Union of Students, for the purpose of making a presentation concerning residence hall charges.

Mr. Johnson said that the proposals for alternative services did not offer a realistic basis for attracting additional students to the dormitories for the following reasons:

1. Term contracts rather than annual contracts—Term contracts imply that the student may leave the dormitories at the end of any term.

2. Change in percentage of payment per term from 45-30-25 to 40-30-30—This is not a means of attracting students but merely a different method of making the payments.

3. Room-only contracts—Food service is an incentive for entering the dormitories because the food is prepared and it is cheaper than purchasing it individually. He said that he doubted that many students would choose the room-only plan even if it were available.

4. Alternate meal plan which would reduce the number of meals from 20 to 15—This merely provides a cost cut without adding any incentive for going into the dormitories.

5. Telephone service in the rooms as part of the total charge—This is the only alternative that might attract students but it is undesirable from the standpoint of installation costs and the increased likelihood of the dormitories being responsible for unpaid collect telephone calls.

Mr. Johnson said that the recommendation specified a 15 percent increase in dormitory charges and the actual amount needed for added costs was 10 percent. He proposed designating 1 or 2 percent of the 5 percent overhead surplus for improving the services offered, such as providing carpeting in the rooms or making other types of accommodations available because he believed these would be more likely to be an incentive for attracting students to the dormitories.

Mr. David Seideman, Past President of the Residence Hall Association at Oregon State University and Associate Member of the Finance Committee, said that students at Oregon State University have worked very hard to obtain the term contract and the 40-30-30 distribution of charges. He urged that these alternatives be approved.
Mr. Layman indicated that since there were no other presentations, the hearing on residence hall charges was concluded.

The Board approved the recommendations as presented.

Petition from OSEA for Amendment to Board's Declaration of Financial Exigency

(Considered by Finance Committee, April 27, 1972.)

Staff Report to the Committee

At its regular meeting on December 14, 1971, the Board of Higher Education adopted the following declaration of financial exigency:

For the fiscal years ending June 30, 1972, and June 30, 1973, a financial exigency does in fact exist in the Department of Higher Education and a finding by an institutional executive that a financial exigency exists at his institution shall be supplemented by detailed studies defining program and staffing priorities and establishing equitable criteria for the identification of staff members to be terminated.

On March 28, 1972, the Board's Office received from the Oregon State Employees Association a petition which is shown on the following pages, together with an amendment received from OSEA on April 13, 1972. In the petition, the Oregon State Employees Association requests that the Board adopt an amendment to its declaration of financial exigency. Mr. Gil Polanski has requested that he be heard on behalf of the Oregon State Employees Association regarding its petition for an amendment to the Board's declaration of financial exigency.

"Financial Exigency" is mentioned in Section 41.300 - Resignations and Terminations, in the Board's Administrative Rules as follows:

41.320 Termination Not for Cause

Termination not for cause is defined as any termination other than for cause as set forth in AR 41.325.

1. Staff Members with Indefinite Tenure

The appointment of an academic staff member with indefinite tenure will not be terminated for reasons other than for cause except for financial exigency. Before the appointment of any academic staff member on indefinite tenure can be terminated for financial exigency, a bona fide determination will be made by the institutional executive that such a financial exigency does in fact exist, and that no funds are in fact available for the payment of compensation for the position concerned. If the staff member cannot be retained either in the position in which presently employed or in some alternate position, maximum possible notice of termination shall be provided the academic staff member.
2. Staff Members Without Indefinite Tenure

Appropriate notice of termination shall be provided staff members without indefinite tenure as set forth in paragraph 41.310 of the Administrative Rules. If the employment of such staff member is being terminated for financial exigency so as to render impossible the provisions of notice as set forth in AR 41.310, maximum notice possible will be provided.

The above sections were contained in the original Administrative Rules adopted by the Board on December 8, 1970.

Staff Recommendation:

It was recommended that the Finance Committee recommend to the Board that it consider in a public hearing at its meeting scheduled for May 22, 1972, the petition from the Oregon State Employees Association requesting an amendment to the declaration of financial exigency adopted by the Board on December 14, 1971.
BEFORE THE OREGON STATE BOARD OF HIGHER EDUCATION

In the matter of the amendment of the Rule declaring a financial exigency.  

PETITION TO AMEND RULE DECLARING A FINANCIAL EXIGENCY

1. Petitioner's name is the Oregon State Employees Association and the address is 1515 State Street, Salem, Oregon.

2. Petitioner represents about fifteen hundred academic employees of the Board who are members of the OSEA and as such representative, is interested in the stabilization of morale and the improvement of conditions of employment of such employees.

3. Petitioner proposes that the rule declaring a financial exigency be amended so that no such declaration will apply to the fiscal year ending June 30, 1973. Such amendment will reduce the anxiety of academic employees based on the possibility of termination due to financial exigency during such fiscal year.

4. On December 14, 1971 the Docket of Business of the Board meeting of that date contained the following language: "The readjustments of the 1971-72 annual budget and the review of the preliminary budget allocations to the institutions for 1972-73 clearly portray a fiscal circumstance that must be dealt with in substantial part by reductions in program and staff... In the present fiscal situation, institutional determination of program priorities may require the termination of some tenured staff members, as well as the termination of some staff members without tenure...."

Being convinced of these circumstances, the following rule was recommended and adopted by the Board: "for the fiscal years ending June 30, 1972 and June 30, 1973 a financial exigency does exist in the Department of Higher Education..."

Prior to the adoption of this rule, a member of the faculty with indefinite tenure could be dismissed only for cause and other members of the faculty only with timely notice. In adopting the financial exigency rule, the intended result was to suspend these rules of tenure and notice thus leaving the faculty exposed to immediate dismissal regardless of their conduct or professional performance.

Now the Board has adopted a budget for the fiscal year ending June 30, 1973 which does not contemplate the "termination of some tenured staff members as well as the termination of some staff members without tenure."
Furthermore, petitioner's inquiries among the Institutions of the system and of the Chancellor have produced statements that with the adoption of this budget no further terminations for budgetary reasons are contemplated by any of the institutions.

Thus by adopting such a budget, the Board has removed the basis which, by its own statement, was the sole reason for the adoption of the financial exigency rule for that fiscal year.

5. Therefore, petitioner proposes that the rule adopted by the Board December 14, 1971, declaring a financial exigency be amended to read as follows:

For the fiscal years ending June 30, 1972 [and June 30, 1973]*
a financial exigency does exist in the Department of Higher Education...

*bracketed material to be deleted.

6. Petitioner has reason to believe that all employees of the Board with academic rank including those represented by petitioner, are interested in the proposed amendment to this rule.

Oregon State Employees Association
Gil Polanski, Representative

Amendment to Petition Regarding Declaration of Financial Exigency
(Received in Board's Office, April 13, 1972)

It is hereby found and declared that no financial exigency exists for the fiscal year 1972-73 except as to any positions not included in the budget now approved by the board for that fiscal year where the person holding or having held such position has already been given notice of termination because of financial exigency.
Committee Discussion

Mr. Gilbert Polanski, Field Representative for the Oregon State Employees Association, said that the petition attempted to explain the position of the Employees Association that the factors which originally caused the exigency to be declared no longer existed.

The April 13, 1972, amendment to the petition would specifically eliminate the application of the original amendment to those staff members who had already been notified that their services were to be terminated because their positions were not funded in the budget.

Dr. Whitney Bates, Professor of History at Portland State University, and representative of the Portland State Chapter of the American Association of University Professors, indicated its support of the OSEA statement.

He said the Portland Chapter of the American Association of University Professors would oppose the continuation of the present exigency for 1972-73 because on the basis of present projections, no exigency will exist for 1972-73. He said the continuation of the declaration of exigency could cause institutional officials to act in ways contrary to the best professional standards and in ways that would not meet the challenge of academic or legal process, and that this would further damage faculty morale. He said he could see a strong prospect of severe limitations on the activities or the State System if the exigency continues beyond the present fiscal year.

Recommendation by the Committee

The Finance Committee recommended that the Board's December 14, 1971, declaration of financial exigency be amended to include the following statement:

It is hereby found and declared that no financial exigency exists for the fiscal year 1972-73 except as to any positions not included in the budget now approved by the Board for that fiscal year where the person holding or having held such position has already been given notice of termination because of financial exigency.

The Committee recommended also that the Board consider the proposed amendment in a public hearing at its meeting scheduled for May 22, 1972.

Board Discussion and Action

President Layman said that presentations in connection with the hearing on the amendment to the Board's declaration of financial exigency were in order.
Mr. Gil Polanski, representative of the Oregon State Employees' Association, said that the adoption of the statement on financial exigency had effectively removed the tenure and timely notice provisions from the faculty in connection with termination of appointments and left them with little or no job security under the Board's rules. He said that all faculty members whose positions were to be eliminated have already been notified and that there appears to be no further basis for the suspension of tenure and timely notice. Therefore, it is requested that the declaration of financial exigency be amended to bring it to a conclusion.

The Board approved the recommendation as presented by the Finance Committee.

(Considered by Ad Hoc Committee on Procedures under State Administrative Procedures Act, April 27, 1972.)

Staff Report to the Committee

In accordance with provisions contained in the Board's Administrative Rules, Section 30.100 - Residence Classification, the Interinstitutional Committee on Residence Classification considers residence cases of unusual complexity and also considers requests for review of the residence classification of students who are dissatisfied with the classifications assigned by the admissions offices of the institutions. In connection with its consideration of cases of individual students, the committee has encountered some questions which are not covered by the Board's present rules. Also, the institutions have received requests from students or parents for exemptions from payment of nonresident fees under certain circumstances, which are not provided for in the Board's rules, but which appear to merit consideration by the Board. In view of the circumstances outlined above, amendments and additions to the Board's rules are proposed, as indicated in the following paragraphs. The proposed changes have been discussed with the members of the interinstitutional committee and with the Assistant Attorney General assigned to the Board of Higher Education.

Staff Recommendation

30.110 Nonresident Students (new material underscored)

A nonresident student is defined as:

1. An unemancipated student whose parent or legal guardian is domiciled outside of Oregon at the time of the student's registration; or
2. An emancipated student who is domiciled outside of Oregon at the time of his registration. An emancipated student is one who is over the age of 21 or, if under the age of 21, is married or has a domicile independent of that of his parent or legal guardian, and receives no financial support from his parents or guardian.

30.115 Payment of Nonresident Fee (new material underscored)

1. All students classified as nonresidents shall pay a nonresident fee.

2. Any student previously classified as a resident of Oregon who has his classification changed to that of a nonresident during the school year shall pay the nonresident fee beginning the fall term of the next school year. The student is obligated to notify the institution of any change of domicile.

3. Refunds of the nonresident fee may be granted if it is shown by the student that the classification previously assigned was in fact erroneous.

30.120 Changes in Domicile (new material underscored)

4. An emancipated student (as defined above) who comes to Oregon to attend an institution under the Board's control, and establishes an Oregon residence, shall pay a nonresident fee unless he establishes his Oregon residence at least six months prior to the time of this registration, and does not attend an Oregon institution of higher education, including a community college, during any part of such six-month period; provided, however, that an emancipated student who did not establish his Oregon residence at least six months prior to his initial registration at an institution under the Board's control, and who pays nonresident fees for an entire school year, or who resides continuously in Oregon during twelve months, may establish his domicile in Oregon for purposes of paying resident fees if the circumstances in his case are in accordance with the provisions of AR 30.125.

6. An unemancipated resident student, enrolled in an institution controlled by the Board of Higher Education, who remains in this state when his parents, having theretofore been domiciled in this state, move from this state, shall be entitled to classification as a resident of this state so long as his attendance (except summer sessions) at an institution in this state is continuous.
30.125 Determination of Residence (material to be deleted is bracketed)

[5. Marital status, in and of itself, shall have no effect in determining residence or domicile.]

30.126 Marital Status (added section)

1. A husband and wife shall be deemed to have the same domicile in the absence of substantive evidence to the contrary. See subsections 2. and 3. following.

2. If a resident male marries a nonresident female or if a resident female marries a nonresident male and both thereafter reside in Oregon, both spouses may be considered to be domiciled in Oregon, and either one or both may enroll in an institution under the control of the Board as resident students.

3. If a nonresident male and his nonresident wife move to Oregon, and if either or both spouses in less than six months enroll in a college in Oregon, they will be classified as nonresidents, and if the institution in which one or both spouses are enrolled is under the control of the Board of Higher Education, the spouse or spouses will be classified as nonresidents and will be required to pay the nonresident fee for at least one academic year or to reside in Oregon for at least 12 months before the spouse or spouses can be reclassified as residents of Oregon. If under this rule, one spouse is classified as a resident for fee purposes, the other spouse may also be classified as a resident.

30.127 Residence Classification of Federal Service Personnel (added section)

1. A person who is in the service of the federal government (either military or civilian) is qualified for resident classification for fee assessment purposes so long as he or she is assigned to duty in this state, performs his duties within the geographical limits of Oregon, and is residing within the state.

2. An Oregon resident entering the federal service retains his Oregon residence classification unless he takes voluntary action to relinquish his claim to Oregon residence.

3. An Oregon resident who has been in the service of the federal government and has been assigned to duty outside of Oregon is required to return to Oregon within sixty days after such federal service is terminated if he wishes to retain his classification as an Oregon resident.
4. Time spent in Oregon by a person stationed in Oregon while in the service of a branch of the U.S. military service or in the service of any other federal agency can be counted as residence time in Oregon to support a claim for classification as a resident of Oregon, following separation from the federal service, if the person continues to reside in Oregon.

30.128 Residence Classification of Aliens (added section)

1. An alien holding an immigrant visa (admitted for permanent residence in the United States) shall be regarded as a citizen for the purpose of determining his residence. Time shall be counted toward residence, beginning with the date of receipt of the immigrant visa.

2. An alien who possesses a student visa or other visa for a temporary purpose cannot be classified as a resident.

40.175 Privilege of Student Enrollment for Spouse and Dependent Children (added paragraph in section on staff compensation)

1. The spouse as well as dependent children of regular State System of Higher Education staff members, with a full-time equivalent of at least 0.50, may enroll as students in institutions under the control of the Board of Higher Education and be assessed resident fees.

2. The spouse as well as dependent children of State System visiting instructors from other countries or other states with a full-time equivalent of at least 0.50, may enroll in institutions under the control of the Board of Higher Education and be assessed resident fees during the terms that the parent, guardian, or spouse is serving a State System institution as a visiting instructor.

Staff Recommendation

It was recommended that the changes and additions to the Board's rules on residence classification as shown in the preceding paragraphs be recommended to the Board for approval.

Recommendation by the Committee

The Committee discussed each section of the proposed amendments to the residency classification regulations and made minor modifications in the wording. These changes have been incorporated in the Administrative Rules sections pertaining to residency classification as indicated above.

The Ad Hoc Committee on Procedures under the State Administrative Procedure Act recommended that the Board approve the above changes in the Administrative Rules as recommended and modified by the Committee, following a public hearing at the May 22 Board meeting.
Board Discussion and Action

President Layman said that presentations in connection with the hearing on proposed amendments to Board's rules on residence classification were in order. There being none, the Board considered the recommendation as presented.

The Board approved the recommendation as presented.

Pacific Rim Studies Center

President Layman said that a request had been received from a group of Portland State University faculty and students and others who wished to be heard on the question of the Pacific Rim Studies Center. The group was headed by Dr. Stephen A. Kosokoff, Assistant Professor of Speech.

Mr. Layman said that Governor McCall had requested the Board to consider the question of the Pacific Rim Studies Center. He indicated that a preliminary study has been made by the Academic Affairs Committee and this Committee has appointed an advisory committee of business and community leaders and educators to make recommendations. Mr. Layman said no recommendations had been made as yet and the Board had no proposals before it to establish any type of center or any conditions.

Dr. Kosokoff indicated that the group was opposed to the Pacific Rim Studies Center. He said the program is designed to promote trade for the benefit of United States businessmen and to the detriment of the people in the smaller countries involved in the plan. He also charged that the advisory committee is not representative of the faculty, students or people of the state but consists of businessmen and people from the universities who are not representative of those universities.

Mr. Gary W. Waller, Assistant Professor of Sociology, also indicated his opposition to the program on the basis of cost, regardless of how small that may be, and the fact that the proposal originated from the Governor's Office rather than from faculty and students. He also charged the United States with exploitation and imperialism with respect to smaller countries and stated that the proposed center would further such activities.

Miss Kathy Zeigler, who indicated she was a student at Portland State University, said that this project is not opposed just by students at Portland State University or people in Portland but as part of an international movement. She said wherever an attempt is made to start the program, it will be stopped.

The Board took no action regarding the proposed Pacific Rim Studies Center, pending the presentation of a report to the Board by the study committee appointed following the April 28, 1972, Committee meeting.
Academic Salary Scale 1972-73

(Considered by Finance Committee, April 27, 1972.)

Staff Report to the Committee

The salary scale for academic staff was last revised and approved by the Board of Higher Education in October 1969 for fiscal year 1970-71. To maintain a scale consistent with salary adjustments authorized for 1971-72 and planned for 1972-73 it is proposed that a revision be authorized to be effective for 1972-73.

The recommended revision will eliminate the first and add a top step to the current scale, with the designations retitled to maintain a 10-step schedule. In addition, a scale for vice presidents has been recommended to provide for staff members so designated. The proposed salary scale is attached.

Staff Recommendation

It was proposed that the Finance Committee recommend the revised scale for Board approval.
ORECON STATE SYSTEM OF HIGHER EDUCATION

Proposed Salary Scale for Academic Staff Effective for Year 1972-73

Note: Increments are equal to five percent of preceding steps. Amounts of steps are adjusted to secure divisibility by 18 for 9 months staff and by 12 for 12 months staff. The difference between salary steps for 9 months and 12 months term of service is approximately 22.2 percent.

<table>
<thead>
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<th>Rank</th>
<th>Number of Months Service per Year</th>
<th>1st Step</th>
<th>2nd Step</th>
<th>3rd Step</th>
<th>4th Step</th>
<th>5th Step</th>
<th>6th Step</th>
<th>7th Step</th>
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<th>9th Step</th>
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<td>12 mos.</td>
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<td>$9,828</td>
<td>$10,320</td>
<td>$10,836</td>
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<td>$12,552</td>
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<td>Assistant</td>
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<td>$12,276</td>
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<td>President</td>
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<td>$29,772</td>
<td>$31,260</td>
<td>$32,820</td>
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</table>

Note: In accordance with action by the Board at the time the original salary scale was adopted in July 1956, appointments may be made at salary rates below the indicated first steps and above-scale salary rates are to be permitted for a few outstanding staff members in each of the academic ranks.
Committee Discussion

In response to a question during the discussion, it was indicated that the salary schedule did not require mandatory placement at a particular step but was intended as a guide. It was indicated that most faculty members are paid within the scale for their particular rank. Further, automatic increases are not prescribed but the scale serves as a guide to institutions as to the range within which the salaries for a given rank would normally fall.

Mr. Westerdahl moved that the Finance Committee recommend approval to the Board with the understanding that the scale would be reviewed with the State Personnel Division for consistency with other branches of the state service.

The Chancellor said that there had never been a requirement for the salaries of academic personnel to be reviewed by the Personnel Division and that this separation should be retained. President Clark commented that in the case of classified staff there was a basis for comparison in other branches of the state service, but that this was not the case with academic personnel. A comparison with the 19 other institutions normally used for comparison would be more appropriate.

Recommendation of the Committee

The Finance Committee recommended that the Board approve the recommendations as presented, with the request that the scale be reviewed with the Personnel Division and additional information supplied to the Board prior to its consideration of the salary scale. This would include comparative data for the 19 other institutions.

Mr. Westerdahl asked for a matrix indicating the academic staff members at each step in the scale, or at least for vice presidents, deans and professors.

Mr. Mosser said that long-range planning should include institutional study of methods of keeping flexibility and movement in the academic ranks so that there will not be undue concentration of staff in particular ranks.

Board Discussion and Action

In response to a question concerning the review with the Personnel Division, the Chancellor said that there was nothing in the comments by the Personnel Division to indicate that the proposed salary scale was out of line with other state agencies. He also said that information would be provided to the Board as to the number of tenured staff by institution and rank.

The Board approved the recommendation as presented.
Academic Staff Salary Adjustments, 1972-73

Policy guidelines for academic salary adjustments for year 1972-73 were adopted by the Finance Committee of the Board on March 28, 1972. Following those guidelines, the institutions have presented salary recommendations consisting of proposed rates for Vice Presidents and Deans for Board approval, a report on proposed increases for staff members in excess of 7 percent, and a report of adjustments which exceed $600 for staff with an annual salary rate of $20,000 or more. The recommendations include an increase of $600 for Presidents and the Chancellor.

Institutional recommendations are displayed in a supplement to be presented with and to become a part of the docket item.

Board's Office Recommendation to the Board

The adjustments shown in the supplemental document, referred to above, were recommended for approval by the Board.

Board Discussion and Action

The Board approved the recommendation as presented.

The supplemental document on recommended individual salary adjustments for year 1972-73, referred to above, has been placed in the permanent Board file and is considered an integral part of the Board meeting minutes for May 22, 1972.

$3,400,000 State of Oregon, State Board of Higher Education Building Bonds, Series 1972 B, with a total par value of $3,400,000, pursuant to legislative action and in conformity with Article XI-F(1) of the Oregon Constitution. The bonds will be sold at not less than $98 for each $100 par value thereof. The Department of Housing and Urban Development has reserved funds for a Debt Service Grant for this project.

Staff Recommendation

It was proposed that the Board adopt the following bond resolution by roll call vote and that the Board's staff be authorized to advertise the bonds for sale, receive and tabulate bids, and make appropriate recommendation to the Board for the sale of the bonds on July 11, 1972.
WHEREAS, THE STATE BOARD OF HIGHER EDUCATION deems it necessary, pursuant to law, including Article XI-F(1) of the Constitution of the State of Oregon, Chapter 709, Oregon Laws 1971, and applicable provisions of ORS Chapter 351, to sell general obligation STATE BOARD OF HIGHER EDUCATION BUILDING BONDS, SERIES 1972 B, of the State of Oregon, in the principal amount of $3,400,000 to provide funds to plan, construct, alter, repair, furnish and equip buildings and other structures for higher education, to purchase and improve sites therefor, and for payment of costs incident to the sale and issuance of the bonds; and

WHEREAS, THE BOARD, as required by ORS 351.160 has determined conservatively that said buildings and other structures will be wholly self-liquidating and self-supporting from revenues to accrue from the operation thereof and from gifts, grants, or building fees, and from unobligated revenues of higher education buildings or projects of like character; and

WHEREAS, THE BOARD is authorized and directed by ORS 351.170 to establish such rates, charges, and fees for use of such buildings, structures or projects, including revenue-producing buildings and structures already constructed, as, in the judgment of the Board, shall provide the required revenues to make the new buildings, structures or projects self-liquidating and self-supporting, and as shall provide the funds with which to amortize the principal of and pay the interest on bonds issued to finance such buildings, structures or projects; now, therefore,

BE IT RESOLVED BY THE STATE BOARD OF HIGHER EDUCATION OF THE STATE OF OREGON, that, with the approval of the State Treasurer of the State of Oregon, THREE MILLION FOUR HUNDRED THOUSAND DOLLARS ($3,400,000) par value of bonds, authorized by law, including Article XI-F(1) of the Constitution of the State of Oregon, Chapter 709, Oregon Laws 1971, and applicable provisions of ORS Chapter 351, be issued and sold; and

BE IT FURTHER RESOLVED that the said bonds totaling THREE MILLION FOUR HUNDRED THOUSAND DOLLARS ($3,400,000) par value be issued and the proceeds from the sale of these STATE OF OREGON, STATE BOARD OF HIGHER EDUCATION BUILDING BONDS, SERIES 1972 B, be used to plan, construct, alter, repair, furnish and equip buildings and other structures for higher education, to purchase and improve sites therefor, and for payment of costs incident to the sale and issuance of the bonds, as provided by law, including Article XI-F(1) of the Constitution of the State of Oregon, Chapter 709, Oregon Laws 1971, and applicable provisions of ORS Chapter 351; and

BE IT FURTHER RESOLVED that the principal of and the interest on all of the bonds issued pursuant to this resolution be paid on the due dates thereof at the Fiscal Agency of the State of Oregon, in the City and State of New York, and that the said bonds be designated STATE OF OREGON, STATE BOARD OF HIGHER EDUCATION BUILDING BONDS, SERIES 1972 B, and be numbered consecutively; and
BE IT FURTHER RESOLVED that the said bonds be dated July 15, 1972, and be issued in denominations of $5,000 each, to mature upon the dates and in the principal installments herein after in this resolution set forth, subject to redemption in regular numerical order at par value and accrued interest on any interest-paying day or days on and after April 15, 1982, from the moneys and revenues indicated by law, including Article XI-F(1) of the Constitution of the State of Oregon, Chapter 709, Oregon Laws 1971, and applicable provisions of ORS Chapter 351, or through refunding; and

BE IT FURTHER RESOLVED that the maturity dates and principal installments of said bonds be as follows:

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<th>Amount</th>
<th>Date</th>
<th>Amount</th>
</tr>
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<td>April 15, 79</td>
<td>$70,000</td>
<td>April 15, 93</td>
<td>$140,000</td>
</tr>
<tr>
<td>April 15, 80</td>
<td>$75,000</td>
<td>April 15, 94</td>
<td>$145,000</td>
</tr>
<tr>
<td>April 15, 81</td>
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<td>April 15, 95</td>
<td>$155,000</td>
</tr>
<tr>
<td>April 15, 82</td>
<td>$80,000</td>
<td>April 15, 96</td>
<td>$165,000</td>
</tr>
<tr>
<td>April 15, 83</td>
<td>$85,000</td>
<td>April 15, 97</td>
<td>$170,000</td>
</tr>
<tr>
<td>April 15, 84</td>
<td>$90,000</td>
<td>April 15, 98</td>
<td>$180,000</td>
</tr>
<tr>
<td>April 15, 85</td>
<td>$95,000</td>
<td>April 15, 99</td>
<td>$190,000</td>
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<tr>
<td>April 15, 86</td>
<td>$100,000</td>
<td>April 15, 00</td>
<td>$200,000</td>
</tr>
<tr>
<td>April 15, 87</td>
<td>$105,000</td>
<td>April 15, 01</td>
<td>$210,000</td>
</tr>
<tr>
<td>April 15, 88</td>
<td>$110,000</td>
<td>April 15, 02</td>
<td>$220,000</td>
</tr>
</tbody>
</table>

BE IT FURTHER RESOLVED that the State Board of Higher Education furnish to the original purchaser of said bonds, without cost to him, the written opinion of accredited bond attorneys certifying to the validity and legality of the said bonds; and

BE IT FURTHER RESOLVED that the said bonds be the direct general obligations of the State of Oregon, and that, except as to variations of interest rates and maturities, they be of uniform tenor and be in substantially the following form, prepared by the Attorney General of the State of Oregon:

```
Número $5,000
UNITED STATES OF AMERICA
STATE OF OREGON
STATE BOARD OF HIGHER EDUCATION
BUILDING BOND
SERIES 1972 B

KNOW ALL MEN BY THESE PRESENTS, that the STATE OF OREGON acknowledges itself to owe and for value received hereby promises to pay to bearer the principal sum of $5,000 on the fifteenth day of April, 19 with interest on said sum from the date hereof until paid, at the rate of PERCENT (%) per annum, payable semiannually on the fifteenth day of April and the fifteenth day of October in each year, as evidenced by, and upon the presentation and surrender of, the interest coupons hereto annexed as they severally become due. Both the principal of and the interest on this bond are payable at the Fiscal Agency of the State of Oregon, in the City and State of New York, in any coin or
```
currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America.

The bonds of the issue of which this bond forms a part, maturing on and after April 15, 1983, may be redeemed at the option of the State of Oregon, on and after April 15, 1982, at par and accrued interest, on any interest-paying day or days in regular numerical order or in the entire amount of the issue outstanding at call date, upon notice given by the Treasurer of the State of Oregon at least thirty (30) days prior to the redemption date specified therein, by publication thereof in one issue of a newspaper or financial journal of general circulation printed and published within the City and State of New York, and one issue of a newspaper of general circulation printed and published within the City of Salem, Oregon. From the date of redemption designated in any such notice, interest on the bonds so called for redemption shall cease.

This bond is issued by the State of Oregon in conformance to its Constitution and under and by virtue of and in all respects in full and strict compliance with its laws, and in particular Article XI-F(1) of the Oregon Constitution, Chapter 709, Oregon Laws 1971, and applicable provisions of ORS Chapter 351, for the purpose of financing the cost to plan, construct, alter, repair, furnish, and equip buildings and other structures for higher education, to purchase and improve sites therefor, and for payment of costs incident to the sale and issuance of the bonds.

The faith and credit of the State of Oregon hereby are irrevocably pledged to the punctual payment of the interest on and the principal of this bond as the same become due and payable respectively.

IN TESTIMONY WHEREOF, the STATE OF OREGON has caused this bond to be signed by the Governor and by the Secretary of State with their facsimile signatures, and by the State Treasurer, and sealed with the seal of the State of Oregon, and has caused the annexed interest coupons to be executed with the facsimile signatures of its said officers, all as of the fifteenth day of July, 1972.

Governor

(SEAL)

Secretary of State

Treasurer
FORM OF COUPON
(For coupons maturing on October 15, 1972)

No. ________ On the fifteenth day of October, 1972, THE STATE OF OREGON will pay the bearer $__________ DOLLARS

at the Fiscal Agency of the State of Oregon, in the City and State of New York, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America, for three months' interest then due on State of Oregon, State Board of Higher Education Building Bond, Series 1972 B, No. ________

(facsimile) (facsimile) (facsimile)
State Treasurer Secretary of State Governor

FORM OF COUPON
(For coupons maturing on April 15, 1973, up to and including April 15, 1982)

No. ________ On the fifteenth day of April, 1973, THE STATE OF OREGON will pay the bearer $__________ DOLLARS

at the Fiscal Agency of the State of Oregon, in the City and State of New York, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America, for six months' interest then due on State of Oregon, State Board of Higher Education Building Bond, Series 1972 B, No. ________

(facsimile) (facsimile) (facsimile)
State Treasurer Secretary of State Governor
No. On the fifteenth day of October, 1982, unless the bond hereinafter designated shall have been called for previous redemption and due provision made for the payment thereof, THE STATE OF OREGON will pay the bearer $ DOLLARS

at the Fiscal Agency of the State of Oregon, in the City and State of New York, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America, for six months' interest then due on State of Oregon, State Board of Higher Education Building Bond, Series 1972 B, No._____.

(facsimile) (facsimile) (facsimile)
State Treasurer Secretary of State Governor

The foregoing bond and coupon forms hereby are approved as to legal form this day of 1972.

LEE JOHNSON, Attorney General of the State of Oregon

BE IT FURTHER RESOLVED that, as provided by ORS 351.430, the Secretary of the State Board of Higher Education be and he hereby is authorized to advertise the said STATE OF OREGON, STATE BOARD OF HIGHER EDUCATION BUILDING BONDS, SERIES 1972 B, for public sale thereof on or about July 11, 1972, at a price of not less than $98 for each $100 par value thereof, and the accrued interest thereon, and the notice of sale to specify that the Board reserves the right to reject any or all bids for the bonds; and

BE IT FURTHER RESOLVED that the Secretary and Vice Chancellor for Administration of the State Board of Higher Education be authorized to effect the necessary arrangements to deliver the bonds and to receive payment therefor.
Board Discussion and Action

Upon motion by Director Mosser, the resolution was duly adopted as read, with the following voting in favor of adoption: Directors Corey, Holmes, Johnson, Joss, Mosser, Snider, Stewart, and Layman.

Mr. Westerdahl was absent at the time of the roll call vote.

Those voting no: None.

The President of the Board then declared the above resolution duly adopted by a unanimous vote of those present.
Biennial Budget Policies, 1973-1975

(Considered by Finance Committee, April 27, 1972.)

Planning for 1973-1975 biennial budget preparation requires that instructions and policy guidelines be furnished to the institutions at an early date. Budget instructions have been received from the Executive Department. General instructions, subject to modification by Board action, have been provided to the institutions.

Budget planning has been developed on a timetable designed to complete a budget request to the Executive Department on the statutory due date of September 1, 1972. Target dates for the major phases of processing are proposed as follows:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget policies established by the Finance Committee</td>
<td>April 27</td>
</tr>
<tr>
<td>Program structure of budget presentation submitted</td>
<td>May 15</td>
</tr>
<tr>
<td>for Executive Department approval</td>
<td></td>
</tr>
<tr>
<td>Board review of policy guidelines</td>
<td>May 22</td>
</tr>
<tr>
<td>Institutional requests due in Board's Office</td>
<td>June 15</td>
</tr>
<tr>
<td>Request review and executive conferences completed</td>
<td>July 15</td>
</tr>
<tr>
<td>Budget Plan presentation to Finance Committee (at time of</td>
<td>July 24</td>
</tr>
<tr>
<td>regular Board Meeting)</td>
<td></td>
</tr>
<tr>
<td>Adjustments and summary preparation completed</td>
<td>August 15</td>
</tr>
<tr>
<td>Board review of biennial request</td>
<td>August 29</td>
</tr>
<tr>
<td>Request delivered to State Executive Department</td>
<td>September 1</td>
</tr>
</tbody>
</table>

Budget preparation is planned to conform to Executive Department directives and format. Except for special forms designed to accommodate Higher Education, the presentation is to be consistent with the information required of all state agencies. Executive Department instructions include the following basic requirements:

1. Approval of a program structure which continues and refines the emphasis initiated with the 1971-1973 budget.
2. Quantifiable measurements which relate program objectives to output indications and activity statements.
3. Budget classifications which display the requests for base budget (to continue current levels of service), workload increase (changes in volume, costed on the current level of service), and program improvement (expansion of service or programs, new programs, operation of new facilities).
4. Budget categories which reflect line item detail for personal services, services and supplies and capital outlay, accumulated for each account to a total by fund.

5. Revenue summaries to display the resources which support the respective programs.

6. Number of authorized headcount and FTE positions.


Policy guidance from the Finance Committee is requested on the following proposals:

1. Institutional Enrollment Limitations

By action of the Board at its meeting on March 28, 1972, notice has been given to the institutions that it is the intent of the Board to consider enrollment limitations at the three universities. It is to be expected that consideration will also be given to equivalent action affecting the colleges and Oregon Technical Institute. Two sets of limitations have been suggested: one for 1978-79; the other for 1984-85.

The purpose of this proposed Board action is to provide an appropriate framework and focus for budget planning for the 1973-1975 biennium. It is assumed that budgets prepared against established institutional enrollment maximums will reflect in 1973-1975 those incremental adjustments that are appropriate to orderly planning for most effective use of institutional resources in the 1977-1979 biennium. A lead-time of six years is essential for effective academic planning, but some actions can be taken at a fairly early date and these opportunities should be reflected in the budget for the first two years of the six-year cycle.

It is also noted that explicit enrollment objectives are essential to capital construction planning. Setting enrollment limitations may reduce the backlog of unfunded construction proposals.

It has been suggested that the enrollment limitations for 1978-79 be established in terms of Fall Term full-time equivalent enrollments (FTE). Using Fall Term (rather than three-term) FTE is intended to encourage institutional flexibility in planning within the limitation. For example, there may be emphasis on Summer Term growth or added Winter and Spring enrollments; there may be desirable changes in the mix of lower division, upper division, and graduate enrollments.
As a beginning point for Committee action, the following data are provided:

<table>
<thead>
<tr>
<th>Institution</th>
<th>1971-72 Fall Term Estimated FTE</th>
<th>1972-73 Fall Term FTE</th>
<th>1978-79 Fall Term FTE</th>
<th>1984-85 Fall Term FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Oregon</td>
<td>14,322</td>
<td>14,486</td>
<td>15,000</td>
<td>16,500</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>15,573</td>
<td>15,634</td>
<td>16,000</td>
<td>17,500</td>
</tr>
<tr>
<td>Portland State University</td>
<td>10,574</td>
<td>10,593</td>
<td>15,000</td>
<td>16,500</td>
</tr>
<tr>
<td>Oregon College of Education</td>
<td>3,791</td>
<td>3,771</td>
<td>(3,990)</td>
<td></td>
</tr>
<tr>
<td>Southern Oregon College</td>
<td>4,394</td>
<td>4,487</td>
<td>(5,015)</td>
<td></td>
</tr>
<tr>
<td>Eastern Oregon College</td>
<td>1,587</td>
<td>1,576</td>
<td>(1,741)</td>
<td></td>
</tr>
<tr>
<td>Oregon Technical Institute</td>
<td>1,609</td>
<td>1,653</td>
<td>(1,721)</td>
<td></td>
</tr>
</tbody>
</table>

To the extent that 1978-79 limitations are established, it is expected that program planning can be evaluated in terms of consistency of such plans with the enrollment restriction.

2. Graduate student enrollment goals for 1973-1975 are proposed for the six colleges and universities at a composite total of 5,150 three-term FTE. This level of graduate instruction maintains the graduate programs at the budget level planned for 1972-73 and is consistent with the graduate enrollment target set by the 1971 Legislature for the current biennium. These limits produce a graduate enrollment which is below the number estimated by free-flow projection by a biennial average of approximately 850 three-term FTE for 1973-1975.

3. Tuition and Fees

a. Tuition rates effective for 1972-73 are scheduled for Board review in May 1972. It is proposed that tuition levels to be established by the Board for year 1972-73 be continued in determining the tuition resources available for budget support in 1973-1975, subject to directives by the Board for specific adjustments or maintenance of rates at a percent of the cost of instruction.

b. It is proposed that residence hall policies governing the 1972-73 budget be continued for budget purposes in 1973-1975, including the practice of utilizing reserves to meet the requirement of net income in excess of debt service requirements.
4. Faculty Centered Issues
   
a. Student-teacher ratios approved by the 1971 Legislature are proposed as the basis for teaching staff requests for 1973-1975. This proposal entails the request for base budget staff at the levels budgeted within expected resources for 1972-73 and program improvement staff to regain the authorized ratios.

b. Salary adjustments requested for academic staff have been based on achieving UO/OSU parity with nineteen institutions and maintenance of the dollar differential for the colleges and Oregon Technical Institute. Improvement of the Portland State University average toward that of the University of Oregon has been achieved at the rate of about 10 percent of the difference per year. It is proposed that the 1973-1975 request include an amount to attain parity with the nineteen institutions by 1976-77 and to continue the dollar differential policies in effect during 1971-1973.

c. Additional teaching positions have been approved during the past four years to prepare for increased enrollments at the Medical School. Additions of about twelve positions per year have been funded, as part of a six-year development plan. It is assumed that the plan is to be carried through to completion during 1974-75.

5. Program Improvement Requests

Limited state resources have resulted in reduced budgets and impaired services for all state agencies. There is little reason to believe that the situation will be other than moderately improved during the coming biennium. Yet each institution can show serious deficiencies and unmet needs in many areas of activity.

A budget which displays nonlimited program improvement appears to be a futile exercise. Further, it can be assumed that such a presentation will not highlight the most urgent deficiencies or assign the proper priorities to the most significant needs of an institution. To enable the institutions to concentrate their efforts on high priority improvements, it is proposed that an improvement limit of 7 percent of the 1971-1973 budget be established for Education and General Services. State-Wide Public Service Divisions would generally follow a similar policy. It is expected that this proposal would generate no more than $13,000,000 of improvement requests for the Education and General Services Program. Academic salary adjustment and classified pay increases would be excluded from the limitation.

Within the $13,000,000 total, it is proposed that an institution-wide request for teaching staff under the student-teacher ratio be identified as the highest priority before institutions apply the remainder to institutional priorities.
Institutional requests for improvements which cannot be accommodated within the seven percent limit may be proposed in separate program memoranda.

6. **Specific Budget Information Requests**

Board members have indicated a desire to review specific budgets for certain of the activities carried on by the institutions. It is proposed that summer session budgets and the University of Oregon School of Law budget be presented as separate elements of the request. Information reports will be provided to the extent possible for selected graduate programs.

7. **Division of Continuing Education**

   a. The self-support concept for the Division of Continuing Education is proposed to be continued in 1973-1975. No State General Fund appropriation support will be requested.

   b. Transfer from Division of Continuing Education to Portland State University on-campus credit course instruction for students in the Portland area is proposed at the rate of about 300 FTE students per year. The long-range goal of assigning this activity to Portland State University is expected to be accomplished in from four to six years at the proposed rate of transfer.

8. **Separate Budgets by Institution**

Movement away from formula budgeting toward program budgeting leads to in-depth analysis of budget requests which is not possible with a consolidated, system-wide presentation. Clarity of presentation is considerably enhanced by use of detailed institutional budgets. The capability for response to requests for information, particularly concerning the relationship of budget plans to programs, is similarly improved. It is proposed that institution budgets be presented as the analytical documents from which a system-wide request is produced.

Within these constraints it is proposed that institutional and divisional budget requests be prepared under the direction of the institutional executive and forwarded to the Board's Office of Administration for review. At completion of the review and conferences with the institutional executives, the Chancellor will recommend a budget plan for Finance Committee and Board approval, to be presented to the Governor and to the Legislature as the Department of Higher Education's Biennial Request for 1973-1975.
Committee Discussion and Recommendations

The identification of the 1973-1975 biennial budget policy and procedure items in the following paragraphs follows the outline and item numbering used in the April 27, 1972, Finance Committee Agenda, as shown in the pages immediately preceding.

TIME SCHEDULE, CATEGORIES AND GENERAL PROCEDURES IN PRESENTING BUDGET REQUESTS

Committee Recommendation

Recommended by Committee as presented.

Board Discussion and Action

The Board approved the Committee recommendation as presented.

POLICIES AND BASES TO BE FOLLOWED IN FORMULATING BUDGET REQUESTS

1. Institutional Enrollment Limitations

Chairman Mosser stated that available population information indicates a levelling off in numbers of persons in the college-age group during the current decade. He said any substantial increases in Oregon higher education enrollment will probably occur in the community colleges, because of the cost factor and growth in the demand for vocational training. He said another factor which may affect future enrollments is the consideration now being given to year-round operation of institutions, which might result in lowering enrollments during fall, winter and spring terms and bring summer term enrollments up nearer to those for the other three quarters. Mr. Mosser distributed to Board members a paper entitled, "Some Considerations for Enrollment Limitations," which is attached as Appendix A. He suggested approximate limitations as of year 1978-79 in terms of fall full-time equivalents as follows: University of Oregon, 15,000; Oregon State University, 16,000; Portland State University, 15,000; Oregon College of Education, 4,000; Southern Oregon College, 5,000; Eastern Oregon College, 2,000; and Oregon Technical Institute, 2,000. He said that in applying the limitations, controls will need to be exercised on graduate enrollments, but that enrollments in the upper-division should be free flow.

President MacVicar said that the proposed limitations on enrollment appear reasonable and realistic for planning purposes at Oregon State University; and that he would encourage the Board to suggest to the State Board of Education and to the State Educational Coordinating Council that they establish similar enrollment targets for the community colleges, so there can be a planned, coordinated system of post-secondary education in Oregon. He said this could be an important step in getting Oregon higher education into a position where it can defend itself against criticism which is becoming increasingly more serious.
President Clark of the University of Oregon and President Rice of Oregon College of Education concurred in the proposed limitations as realistic and useful for planning at the institutions.

Chancellor Lieuallen said that if the universities should reach a point where numbers of students applying for admission were greater than could be accommodated under the prescribed enrollment limits, it might be necessary to adjust the limits of some of the institutions in the State System. Mr. Mosser suggested that the enrollment limits be reviewed after each two years and that he would expect that some adjustments in limits might be indicated as the result of developments in the state, especially in the colleges and Oregon Technical Institute. He said it appeared to him that total enrollments in the State System will not increase more than ten percent by the end of the current decade and that they might then decrease by ten percent in the 1980's.

Committee Recommendation on Total Enrollment Limits

The Committee recommended that the Board approve the following totals as the approximate enrollment limits:

<table>
<thead>
<tr>
<th>Institution</th>
<th>1978-79 FTE Limits</th>
<th>1984-85 FTE Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Oregon</td>
<td>15,000</td>
<td>Limits expected</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>16,000</td>
<td>to range from</td>
</tr>
<tr>
<td>Portland State University</td>
<td>15,000</td>
<td>10% above to</td>
</tr>
<tr>
<td>Oregon College of Education</td>
<td>4,000</td>
<td>10% below</td>
</tr>
<tr>
<td>Southern Oregon College</td>
<td>5,000</td>
<td>year 1978-79</td>
</tr>
<tr>
<td>Eastern Oregon College</td>
<td>2,000</td>
<td></td>
</tr>
<tr>
<td>Oregon Technical Institute</td>
<td>2,000</td>
<td></td>
</tr>
</tbody>
</table>

#All limitations to be reviewed and reconsidered in view of developments at two-year intervals.

Board Discussion and Action

The Board approved the recommendation as presented.

2. Limits on Graduate Enrollments

Chairman Mosser said that in setting graduate enrollment limits at Portland State University, account should be taken of the fact that as Continuing Education students are assigned to Portland State University, this group of added students will probably include some graduate students. Chancellor Lieuallen stated that in such a case the limit on graduate students at Portland State University should be raised, but without corresponding reductions in the graduate student quotas at Oregon State University and the University of Oregon.
Mr. Mosser stated that the numbers of graduate students assigned for each institution should be classified into doctoral candidates, master's candidates, professional degree candidates and other students holding baccalaureate degrees. Mrs. Johnson said there is evidence from California universities that some students admitted to doctoral programs are not seriously contemplating the earning of a doctor's degree, but are merely employing the experience to further their general education.

President Clark of the University of Oregon stated that it would be preferable to set the limits for graduate students in terms of totals only, in order to preserve needed flexibility in the graduate programs. He said he hoped, if limits should be set by categories, that they would not have to be regarded as sharp, fixed limits. In this connection, Dr. Clark said that in the face of the present contraction in federal support of graduate fellowships, there may develop a shortage within the next five or six years in the numbers of persons with doctor's degrees. Mr. Mosser said that quotas of candidates for doctorates, masters' degrees, etc., could be adjusted from year to year as developments and needs indicate.

Mr. Joss said he doubted the value of putting strict quotas on the different categories of graduate students, but that he thought the categorical quota method might be tried out and explored to learn how it would operate.

The question of the appropriate classification of post-baccalaureate students, not candidates for advanced degrees, was discussed. Mr. Mosser said such students, who might be enrolled only in undergraduate courses, could be occupying spaces in the graduate quotas, thus closing out opportunities for persons who seriously desire to work for advanced degrees. He said it might be preferable to classify such students as undergraduates. Note: Under present procedures, all students holding baccalaureate degrees are classified as graduate students, and present graduate quotas include the post-baccalaureate students, who may be in and out of advanced degree programs during any academic year.

Dr. Hugon, faculty representative, inquired whether the purpose of ruling out optimistic estimates of enrollment was to reduce the budget requests of the institutions. Mr. Mosser said that the reasoning behind the policy of announcing enrollment limits is that the institutions should not ask for new or enlarged programs or added physical facilities based on expected growth in enrollment that probably will not occur. He said that institutions might, however, ask for funds for internal growth or enrichment of programs. Dr. Hugon said it was important to note that in the case of the projected Pacific Rim Program, for instance, it is the State Executive Department, and not the institutions which is requesting the new program. Dr. Hugon said also that if growth occurs during the near future in gross national product and in personal incomes, the institutions should be able to expect that their future operating budgets would include restoration of amounts of state support now being lost through budget reductions.
Committee Recommendation on Graduate Enrollments

The Finance Committee recommended that the total enrollment goal for graduate students should be 5,150 three-term average FTE, as shown in the staff proposal, with upward adjustment in the total as indicated in the transfer of responsibility for Division of Continuing Education students to Portland State University. The graduate quota set for each institution is to be broken down by classification showing estimated numbers of doctoral candidates, masters' degree candidates, professional degree candidates by schools, and others, including post-baccalaureate students not admitted to candidacy for advanced degrees.

Board Discussion and Action

In response to a question concerning the graduate enrollment quotas, it was indicated that the quota was an overall quota but that a breakdown of graduate students by classification would be made. The categories would include doctoral candidates, master's degree candidates, professional degree candidates by schools, and other post-baccalaureate students not admitted to candidacy. Once this breakdown is available, the overall quota might be modified.

The Board approved the recommendation as presented.

3. Tuition and Fees

Chairman Mosser said that he favors projecting in the 1973-1975 biennial budget the fee rates which are recommended by the Finance Committee for year 1972-73, but that he also suggests that the following alternates be explored and discussed with members of the 1973 Legislature:

a. Tuition rates graduated in accordance with ability to pay.

b. Increased tuition rates, together with provision of opportunities for students to earn part of their fees.

c. A proposed contingent plan to provide against judicial decisions or other developments which might prohibit the assessment of differential fees to nonresident students.

President Clark presented a prepared statement pertaining to graduate tuition policy. A copy of the statement is available in the Board's permanent file.

Mrs. Johnson said she believed there should also be study of a plan to require students to pay full cost after they had accumulated a certain number of term credit hours. Mr. Joss inquired whether the circumstances referred to by Mrs Johnson affect a substantial number of students. President Clark of the University of Oregon responded that a study was made of winter term 1971-72 seniors who had accumulated 192 or more term credit hours, and it had been found that about three percent of the seniors were in that category, but that about half of this group was in the Architecture five-year program. Some of the students were
found to be transfer students who had to fill in group requirements in order to graduate. Only 13 seniors were found who could be characterized as "professional" students.

Dr. Clark said that added administrative costs in identifying the students and collecting special fees from them might consume nearly all of the additional income collected. He said one method of handling such students might be to transfer them to the Division of Continuing Education, which is now required to charge full cost for its courses.

President MacVicar of Oregon State University said that at Oregon State University there are some undergraduates who find through experience that they did not as beginning students choose a goal that was right for them, and they found it necessary to change their directions. He said he believes the people of Oregon are anxious to see that type of opportunity extended to students when it is needed.

Mr. Holmer said his office will assemble information from other institutions as to their experiences and policies regarding undergraduates who have accumulated large numbers of student credit hours.

Mr. Joss said that the prepared report presented by Dean Scoles on tuition and other matters in the University of Oregon Law School was a well-reasoned statement, which convincingly set forth the serious problems facing the Law School, especially in library resources. Dean Scoles' statement has been placed in the Board's permanent files. Mr. Joss said he would like to see a study prepared in depth for each institution by its staff and the Board's staff, rather than just general references to the fact that there are great accumulated needs.

Mrs. Johnson pointed out that serious needs exist also in the Schools of Medicine and Dentistry. Chairman Mosser noted that the Legislature has requested development of programs under which a larger percentage of costs would be assessed to medical and dental students with a forgiveness to those graduates who provide service to certain communities or areas urgently in need of medical or dental services.

Mrs. Johnson observed that there is need to recognize the fact that operating costs have escalated more rapidly than the ability to fund them. Mr. Mosser said that the fact that state aid to students has not kept up with inflation is causing increases in costs which must be met by the students.

Committee Recommendation on Tuition Rates for Biennium 1973-1975

The Committee recommended that the Board project in its 1973-1975 operating budget the tuition rates which have been recommended by the Finance Committee for year 1972-73, but with studies and presentations by the Board's staff of the following alternate plans for financial support of the institutions, to be discussed with legislators:

a. Tuition rates graduated in accordance with ability to pay.
b. Increased tuition rates, together with provision of opportunities for students to earn part of their fees.

c. A proposed contingent plan to provide against judicial decisions or other developments which might prohibit the assessment of differential fees to nonresident students.

Board Discussion and Action

During the Board discussion, Mrs. Johnson suggested the following additional studies:

1. Possible differential in tuition between lower- and upper-division students.

2. Law School tuition, particularly as it relates to the proposals submitted by the Law School for organizational changes.

3. Medical and Dental School tuition in terms of available financial aid.

4. Number of hours at certain degree levels to be subsidized by the state.

5. Projected income from various sources for support of budgets of institutions and divisions in the State System.

6. Financial implications of removing the residency requirement and discontinuance of higher fees for residents of other states and countries.

Mr. Joss suggested that the institutions study the implications of possible departures from the general tuition scale in order to meet special problems at particular institutions.

The Board approved the recommendations as presented.

4. Faculty Centered Issues

In the discussion on staffing and salary levels to be projected in the 1973-1975 operating budget requests, Chairman Mosser stated that he believed that each institution should develop plans for keeping flexibility in the faculty personnel situation to the point where reductions can be made when necessary; also, that there should be provided for legislative consideration a plan for early retirements of older staff members, together with an actuarial calculation of the costs of an early retirement plan. Chancellor Lieuallen said that a conference on the subject of personnel problems has been scheduled by the Oregon Education Association and the Oregon State Employees Association, to be held on June 10, 1972.
Committee Recommendations on Faculty-Centered Issues

The Committee recommended that the staff proposals under item 4, in the Finance Committee on a preceding page be approved by the Board as follows:

a. Student-teacher ratios to be projected or restored to ratios provided in operating budgets recommended by the Finance Committee for year 1972-73.

b. Salary adjustments to be requested on basis of UO/OSU parity with nineteen other state universities; salary dollar differentials from UO/OSU to be maintained at the three colleges and Oregon Technical Institute; and improvement of Portland State University salaries in relation to the University of Oregon be continued.

c. Plan to add teaching positions at the University of Oregon Medical School at rate of about twelve per year to prepare for increased enrollments to be continued through year 1974-75.

d. Plans to be developed and discussed with Legislature regarding early retirement of some older staff members in the institutions, including estimated cost.

Note: See item 4, of Finance Committee Agenda on a preceding page for further details.

Board Discussion and Action

The Board approved the recommendations as presented. Mr. Joss said that he would appreciate receiving a detailed analysis of the disparity of Portland State University salaries compared to those of the other two universities.

5. Program Improvement Requests

Chairman Mosser referred to the staff proposals as shown in item 5, of the Finance Committee Agenda, as shown on a preceding page, and noted that the 7 percent limit on program improvement is not intended to apply to each individual program - that some are expected to go up, others to go down. He said he felt that there are some programs which should either be improved or discarded.

Mr. Holmer stated that it would be helpful if each institution would hold to the 7 percent limit overall for program improvements, and list separately any requests in excess of the 7 percent limit.
Committee Recommendation on Program Improvement Requests

The Committee recommended to the Board that requests be limited to 7 percent of the approved 1971-1973 budget in Education and General Services, with Statewide Public Services to follow a similar policy. Academic salary adjustments and classified staff pay adjustments would be separate requests, not included in the 7 percent limitation. It is understood that the institution-wide request for teaching staff under the student-teacher ratio approved by the Board will be identified as the highest priority in program improvement.

It is understood also, that the 7 percent for program improvements will not apply uniformly to all departments or programs - that the budgets in some departments or programs may be decreased or eliminated.

Board Discussion and Action

The Board approved the recommendation as presented.

6-7. Specific Budget Information Requests, including Continuing Education

Chairman Mosser said that it is desirable for the Board to have separate budget reviews for such divisions as summer sessions, University of Oregon Law School, certain other graduate programs, transfer of students from the Division of Continuing Education to Portland State University, and the Division of Continuing Education. He said it was understood that the Division of Continuing Education was expected to continue its operation on a self-sustaining basis, but that a request has been made to the State Educational Coordinating Council to study adult education programs and a possible need for some financial support for those programs which are conducted both by the State System and by the community colleges.

Committee Recommendation for Separate Budget Reviews for Certain Programs, Including DCE

The Committee recommended to the Board that it approve separate reviews for certain programs and divisions as proposed in the preceding paragraph, including a report to the Board on the study by the Educational Coordinating Council on the conduct of adult education programs by the State System and the community colleges, and the possible need for some state support for those programs.

Board Discussion and Action

The Board approved the recommendation as presented.
8. Separate Budgets by Institutions

Chairman Mosser referred to item 8. in the Finance Committee Agenda shown on preceding pages. He stated that data are being separately prepared for each of the institutions. He suggested that at least one of the institutions should present its biennial budget on two different bases: (1) on the present academic schedule with the regular 3-term academic year and a separately budgeted summer session, and (2) on a 4-term schedule designed for year-round operation, with a fourth regular term during the summer. He suggested that Portland State University undertake the formulation of a second alternate budget based on four regular terms. Vice President Lemman of Portland State University inquired whether teaching staff cost for the fourth (summer) term should be included on the same basis as for the fall, winter, and spring terms, which would mean that one-third of the regular 9-months' salary would be budgeted for the summer term. Mr. Mosser noted that 30 percent is presently being budgeted for the 11-weeks' summer session, and 22 percent for the 8-weeks' session. President MacVicar said one-third of the regular 9-months' salary should be budgeted if a fourth regular term is to be tried out.

Mr. Lemman said Portland State University could estimate the summer term student credit hours by student level converted to FTE students, and apply the student-teacher ratios in the fourth-term budget as authorized for the fall, winter and spring terms. Mr. Mosser said the bases for the alternate fourth term budget could be worked out by Vice Chancellor Holmer and Vice President Lemman. Mr. Holmer said he thought Portland State University should have its biennial budget plan, together with the 4-term alternate plan, completed in time for the budget plan presentation to the Finance Committee, scheduled for July 24, 1972.

Committee Recommendation on Separate Budgets by Institutions

The Committee recommended to the Board that it approve the plan for presentation of separate biennial budget data for each institution and principal division in the State System, with a separate alternate budget plan to be presented for Portland State University providing for the operation of a regular fourth term during the summer, as discussed in the preceding paragraphs.

Board Discussion and Action

The Board discussed the advisability of presenting budgets by institutions and whether this would limit the Board's flexibility in allocating and transferring funds.

President Clark pointed out that this could cause a return to the situation which prevailed before the State System was organized when each institution sought funds for its own operations directly from the Legislature.
The Chancellor said that it was his understanding the instructions for budget preparation would include a request from both the Executive and Legislative Departments to present the State System budget by institutions.

Mr. Mosser said that the State System should strive aggressively to preserve the lump sum appropriation which allows adjustments during the biennium to meet the needs of the institutions. However, he said the presentation of institutional budgets may be more effective in convincing the legislature of the requirements of the institutions if specific programs for each institution are discussed.

The Board approved the recommendation by a vote of four to three.

Other items discussed by the Finance Committee in connection with preparation of the 1973-1975 biennial budget included the policy of State Emergency Board approval of applications for grants by institutions and divisions in the State System and the need to explore needs and to assemble preliminary data in connection with needed new academic programs.

Regarding State Emergency Board approval of applications of grants for special projects by the institutions, Chairman Mosser stated that in response to a request from the Ways and Means Committee of the 1971 Legislature, complete listings of federal grants and contracts now in existence will be provided quarterly, so the Legislature will have information regarding the large numbers of projects financed by grants. Mr. Mosser said he believes the Board should take a firm position in the matter of grant applications and contract projects. He said that a requirement of prior Emergency Board approval for each one of the hundreds of grant applications could have a serious budget impact on the programs of the institutions. He said the Board should explore with the legislators the factors about which they have special concern, such as long-term programs which might result in major commitments not funded for the future, as contrasted to equipment items or other items which do not have long-term budgetary implications. Mr. Mosser said that it is important that the Board learn which matters are of great interest to the Legislature and that the Board seek to preserve the maximum amount of flexibility in grant applications.

Regarding explorations of needs and preliminary planning for needed new academic programs, Chairman Mosser mentioned professional training in veterinary medicine, and Mrs. Johnson mentioned also physical therapy training. Dean Holman of the Medical School said a request for a physical therapy program had been presented to the 1969 Legislature and had not been approved. At that time legislators advised that Oregon students could obtain physical therapy training through the WICHE student exchange program. Mr. Mosser said that since student enrollments will be levelling off, plans should be made early to explore with legislators the provision of needed academic programs not now provided in Oregon Colleges and universities.

Note: Board action has been indicated for each of the preceding sections.
Consideration
of Adoption
of Attorney
General's
Model Rules
of Practice
& Procedure
Under
Administrative
Procedure Act

(Considered by Ad Hoc Committee on Board Procedures, April 28, 1972.)

Staff Report to the Committee

The State Attorney General has issued to all state boards and commissions a document entitled, The Attorney General's Model Rules of Practice and Procedure under the Administrative Procedure Act, which was prepared and issued in accordance with ORS 183.340, as amended in Sec. 6, Oregon Laws 1971. The bulletin referred to has been sent to all members of the committee and to the President of the Board.

Through the Assistant Attorney General assigned to the Board of Higher Education, comments and suggestions regarding the Model Rules were obtained from Mr. Al Laue, Assistant Attorney General in the Salem office of the Justice Department. Mr. Laue indicated that the Administrative Procedure Act is concerned with three activities of state boards and commissions: (1) rule making; (2) declaratory rulings; and (3) handling of contested cases. He said the purpose of the law requiring preparation of the Model Rules is to provide uniform rules of procedure for adoption by the state boards and commissions which are required to operate under the Administrative Procedure Act.

Mr. Laue stated that it would be advisable for all state boards and commissions to adopt in toto the rules set forth in the Model Rules document, so that approved procedure would be available for the various types of actions and cases illustrated in the document. Mr. Laue also stated that the Model Rules can be adopted by the Board in its regular public meeting without arranging for a special public hearing, since a public hearing was previously held on the Model Rules before they were published.

Mr. Laue indicated that he would be glad to appear at the Committee meeting to answer questions from Board members. President Layman and Chairman Corey have extended an invitation to Mr. Laue to be present at the Committee meeting.

Staff Recommendation

It was recommended that the Committee recommend to the Board adoption of the rules contained in the document entitled, The Attorney General's Model Rules of Practice and Procedure under the Administrative Procedure Act, and the addition of the following paragraph in the Board's Administrative Rules, under Section 10.200-Board Meetings and Procedures:

10.246 Rules of Practice and Procedure under the Administrative Procedure Act

In complying with the provisions of the Administrative Procedure Act, as amended in Chapter 734, Oregon Laws 1971, the Board of Higher Education will follow the rules of practice and procedure set forth in the document entitled,
The Attorney General's Model Rules of Practice and Procedure under the Administrative Procedure Act, dated October 1, 1971. The rules and procedures set forth in that document are considered to be an integral part of the Board's Administrative Rules.

Committee Discussion

Assistant State Attorney General John Leahy stated that the Board's Administrative Rules provide procedures for contested cases, but they do not provide procedures for rule making or for declaratory rulings. Mr. Leahy suggested that the Committee might wish to adopt the Model Rules as proposed by the State Attorney General and to repeal its present rules on contested case.

Mr. Mosser said that he saw no objection to the proposed Model Rules, but that there might be merit in adopting also the equivalent of a certiorari procedure which would authorize the President of the Board, in cases where there are appeals to the Board, to refer such cases either to a single Board member or to one of the standing committees of the Board for review and a recommendation as to whether the Board should formally consider the case or allow the decision below to stand without any further formal review by the full Board. Mr. Leahy said he thought such a procedure would be desirable and that he would prepare a rule for Board consideration.

Mr. Al Laue, Assistant Attorney General in the Appellate Division of the Justice Department, said that he thought the procedure proposed by Mr. Mosser and Mr. Leahy would not be in conflict with the Administrative Procedure Act or the Model Rules. He said that the Board would probably need to provide in its own rule for the proposed procedure, since the Model Rules were not intended to cover a particular situation in the Oregon State System of Higher Education, which would not be common to all state boards and commissions.

Committee Recommendation

Mr. Joss moved that the Committee recommend to the Board that it adopt the Attorney General's proposed Model Rules, that it also adopt the proposed section 10.246 to be added to the Board's Administrative Rules, as shown in the staff recommendation, preceding, and that the Board repeal subsections 41.405 through 41.475 in section 41.400 on the subject of contested cases in the Board's Administrative Rules.

In connection with the aboverecommendation, the Ad Hoc Committee on Procedures under the State Administrative Procedure Act is presenting in the following docket item a recommendation for additions to the Board's Administrative Rules to provide a procedure for handling appeals which may come to the Board in connection with contested cases.
Board Discussion and Action

During the discussion, it was indicated that the intent of the proposed action was to obtain uniformity among state agencies and to expedite cases and that any changes made by the Board would not apply to any cases presently pending.

President Clark raised the question of possible implications for tenured staff and suggested that these implications should be considered by the interinstitutional faculty senate. However, any recommendations for rule changes would require formal notice in the Administrative Rule Bulletin and hearing before action could be taken. It was agreed that action on the adoption of the Attorney General's Model Rules of Practice and Procedure and the proposed addition to the Board's Administrative Rules pertaining to appeals to the Board in connection with contested cases be deferred. It was understood that these two matters would both be deferred for consideration at later meetings of Board Committees and the Board, together with any further recommendations which might result from a study of tenure implications, after appropriate notice and public hearing.

Proposed Addition to Board's Administrative Rules - Appeals to Board in Connection with Contested Cases

(Considered by Ad Hoc Committee on Procedures under State Administrative Procedure Act, April 28, 1972.)

Staff Report to the Board

In the preceding item, the Ad Hoc Committee has recommended to the Board that it adopt The Attorney General's Model Rules of Practice and Procedure under the Administrative Procedure Act, and that it repeal subsections 41.405 through 41.475 in section 41.400 on the subject of contested cases in the Board's Administrative Rules. It is understood that the rules on contested cases contained in the Model Rules will replace the Board's rules on that subject.

During the Board committee discussion on April 27, 1972, it was suggested that the Board should adopt rules that would provide a procedure for handling appeals to the Board in contested cases, whereby the Board could refer such cases either to a single Board member or to one of the standing committees of the Board for review and a recommendation as to whether the Board should formally consider the case or allow the decision below to stand without further formal review by the full Board.
Committee Recommendation to the Board

Accordingly, the Board's Committee recommended to the Board that it adopt the following addition to the Board's Administrative Rules:

Section 41.400 - Contested Cases

41.405 Review by Board of Order of Executive Head of an Institution

Any order by the executive head of any institution in the Department of Higher Education in a contested case, except residency matters, may be reviewed by the Board of Higher Education. Any party aggrieved by such an order may petition in writing for review by the Board of Higher Education. The Petition for Review shall be filed with the Secretary of the Board within 20 days of the date of the order. The Board of Higher Education may affirm, modify or reverse the order of the executive head. The Board's decision shall be on the record only, unless otherwise ordered by the President of the Board.

In the event that no Petition for Review is filed within 20 days of the date of the order, the order shall be the final order of the Board of Higher Education and may be judicially reviewed as provided by ORS 183.480.

Because of the necessity of having the above-proposed rule become effective at the same time that the proposed Model Rules become effective, it was recommended that the Board declare that the preceding rule on the handling of appeals to the Board in contested cases is to become effective upon its adoption by the Board, and that a public hearing on the proposed rule will be scheduled to be held during the Board's meeting scheduled to be held on July 24, 1972.

Board Discussion and Action

Consideration of the proposed addition for appeals in contested cases was deferred until a later Board meeting as indicated in the Board discussion and action on the Attorney General's Model Rules of Procedure. (See the item immediately preceding.)

President Layman announced that the next meetings of the Board's Committees would be held on June 26-27, 1972, on the campus of Portland State University.

There will be a special Board meeting on July 11, 1972, at 11 A.M. in the Division of Continuing Education Building, and the next regular Board meeting will be held at Portland State University on July 24, 1972.
Commencement President Layman then announced the following Board members who Representatives would represent the Board at the commencement exercises of the various institutions:

- Southern Oregon College, June 3: Elizabeth H. Johnson
- Eastern Oregon College, June 3: George H. Corey
- Oregon State University, June 4: Philip A. Joss
- Oregon Technical Institute, June 4: John W. Snider
- Oregon College of Education, June 9: George H. Layman
- University of Oregon Medical School and University of Oregon Nursing School, June 9: Loran L. Stewart
- Portland State University, June 11: Robert D. Holmes
- University of Oregon Law School, June 10: George H. Corey
- University of Oregon, June 11: George H. Layman
- University of Oregon Dental School, June 11: Edward G. Westerdahl II

These Board members will act for the Board in approving candidates for degrees and diplomas.

Meeting of Committee on Academic Affairs, Personnel, and Public Affairs was held April 28, 1972, in Room 294-296, Smith Memorial Center, Portland State University, at 9:00 A.M.

The Committee considered the following matters:


   The Committee approved the recommendation of the Chancellor that the Committee designate two members of the Board to work with the Board's staff to develop alternate proposals concerning OSPIRG. Mr. Corey and Mr. Joss were appointed to serve in this capacity. The statement of alternative proposals is presented to the Board for its consideration elsewhere in this docket.

2. Presentation of a Petition Concerning the Status of the General Science Department at Portland State University.

   The petition, containing 2,666 signatures and requesting either reinstatement of the general science department at Portland State University or establishment of a permanent committee of general science personnel to maintain the integrity of the general science offerings in Portland State University's College of Science, was presented by Miss Rhonda L. Huston, Portland State University student. Mrs. Johnson thanked Miss Huston for her presentation. She explained that since the problem concerned the internal administration and organization of Portland State University, it would be inappropriate for the Board to act as proposed in the student's petition.
President Wolfe and Dr. Karl Dittmer, Dean of the College of Science, affirmed that the College of Science was concerned about and did not intend to abandon or diminish instruction in science for nonmajor students, but this concern had not been communicated effectively to many students.


The Committee approved the recommendation of the Board's Office, which it presents to the Board elsewhere in this docket for consideration and adoption.

4. Request for Authorization for Institutions To Award Certain Degrees in Fields Where Present Degree Requirements Unnecessarily Handicap the Student in Reaching his Vocational or Educational Objective in the Most Expeditious Manner.

Requests considered by the Committee were:

a. BS in Dental Hygiene, UODS
b. BA/BS in Administration of Justice, PSU
c. BA/BS in Atmospheric Science, OSU
d. BA/BS, MA/MS, and Ph.D. in Computer Science, OSU
e. Senior Year in Medical Laboratory Technology, OTI
f. BA in Spanish, SOC

The Committee presented to the Board elsewhere in these minutes its recommendations for approval of the above requests.


The Committee accepted the report.

The reports referred to in items 1, 3, 4, and 5 above, and the Report of the Meeting of the Board's Committee on Academic Affairs, April 28, 1972, are bound in a separate volume and are considered integral parts of the minutes of the May 22, 1972, meeting of the Board.

Board Discussion and Action

The Board accepted the report as presented.

Report of Land Staff Report to the Board Acquisition, SOC

Pursuant to authority granted by the Board, arrangements have been made for the acquisition of the Johnson property at 633 Indiana Street, Ashland. The option price of $13,250 was in line with appraisals obtained by Southern Oregon College. The property consists of a lot containing approximately 6,500 square feet, improved with a two-bedroom house with partial basement and an attached carport.