OREGON STATE BOARD OF HIGHER EDUCATION

Minutes of Board Meeting Held on July 20 and August 24, 1976

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A regular meeting of the State Board of Higher Education was held in Room 167, Erb Memorial Union, University of Oregon, Eugene, Oregon.

The meeting was called to order at 9:00 A.M. (P.D.T.), July 20, 1976, by the President of the Board, Mr. George H. Layman, and on roll call the following answered present:

Mrs. Jane H. Carpenter
Mrs. Betty Feves
Mr. Edward C. Harms, Jr.
Mr. Robert C. Ingalls
Mr. Philip A. Joss

Mr. Marc F. Maden
Miss Valerie McIntyre
Mr. W. Philip McLaurin
Mr. Louis B. Perry
Mr. Loran L. Stewart
Mr. George H. Layman

Absent: None.

In addition, the following newly-appointed Board members were present: Mrs. Ruth Daniels, Mr. Loren Wyss, and Mr. Jonathan A. Ater. Their appointments are effective as of July 21, 1976.

Centralized Activities—Chancellor R. E. Lieuallen; Secretary D. R. Larson; Mr. Freeman Holmer, Vice Chancellor for Administration; Mr. J. I. Hadnerup, Vice Chancellor for Facilities Planning; Dr. Miles C. Romney, Vice Chancellor for Academic Affairs; Mr. W. T. Lomman, Jr., Vice Chancellor for Personnel Administration; Mr. Edward Branchfield, Assistant Attorney General; Mr. Richard Zita, Director of Publications; Mr. John Richardson, Assistant to the Chancellor; Mr. Keith Jackson, Budget Director; Mr. Arthur Mancl, Director of Campus and Building Planning; Mr. John L. Watson, Controller; Dr. Richard S. Perry, Director, Administration and Analytic Services Division; Dr. Don Bryant, Director, Oregon Educational and Public Broadcasting Service; Miss Wilma Foster, Assistant Board Secretary; Miss Francetta Carroll, Administrative Assistant.

Oregon State University—President R. W. MacVicar; Dr. Milosh Popovich, Dean of Administration; Mr. S. M. Metzger, Associate Director of Facilities Planning; Dr. D. A. Buoy, Director, Planning and Institutional Research; Dr. David Carlson, Professor of Mathematics.

University of Oregon—President William B. Boyd; Dr. Gerald Bogen, Vice President for Student Services; Dr. Ray Hawk, Vice President for Administration and Finance; Dr. Diane L. Reinhard, Assistant Dean, College of Education; Dr. Glenn Starlin, Vice Provost for Academic Affairs; Mr. Robert Bruce, Director, News Bureau; Mr. Steve Miller, Assistant to the Vice President for Student Services; Mrs. Muriel K. Jackson, Director, University Relations; Dr. R. C. Littman, Professor of Psychology; President Emeritus Robert D. Clark; Dr. Daniel Pope, Professor of History; Dr. Becky Sisley, Head, Women's Intercollegiate Athletics; Dr. Robert Mazo, President, University of Oregon Chapter, American Association of University Professors; Mrs. Myra Willard, Affirmative Action Director.

University of Oregon Health Sciences Center—Mr. Robert Peterson, Vice President for Administration and Finance.

Portland State University—President Joseph Blumel; Dr. James Todd, Vice President for Finance and Administration.

Oregon College of Education—President Leonard W. Rice; Dr. Ronald Chatham, Assistant to the President.
Meeting #432-2

Southern Oregon State College--Mr. Donald E. Lewis, Dean of Administration;
Dr. Richard Colvard, Professor of Sociology; Mr. Robert McCoy, Chairman, Faculty Senate.

Eastern Oregon State College--Mr. James C. Lundy, Business Manager.

Oregon Institute of Technology--Mr. W. M. Douglass, Administrator in Charge;
President Emeritus W. D. Purvine.

Others--Mr. Glenn Randall, Secretary-Treasurer, AFL-CIO; Mrs. Edith Maddron, Member,
Oregon Educational Coordinating Commission; Mr. Bill Nelson, Executive Secretary,
American Association of University Professors; Mrs. Barbara Mitchell, Assistant
Director, Oregon Educational Coordinating Commission; Mrs. Deanne Kinsey, Administrative
Assistant, Interim Committee on State Government; Mr. Daniel Dorritte, Faculty
Representative, OSEA; Mr. Dennis Mulvihill, Coordinator, Associated Oregon Student
Lobby; Mr. Kirby Garrett, Legislative Coordinator, Associated Oregon Student Lobby;
Mrs. Ruth Edwards, Executive Director, Lane County 4 C's; Mrs. Rita Kendrick,
Children's Program Coordinator, Lane County 4 C's; Janey Dudman, Eugene; Wanda
Venturacci, Director, Child Care and Development Center; Catherine Loomis,
Administrative Assistant, Child Care and Development Center; G. Demus, Administrative
Assistant, Child Care and Development Center; Mr. Edd Casto, Director, Child Care
Program.

STUDENT REPRESENTATIVES: University of Oregon: Jim Bernau, Gary Kim, Linda Peterson,
Doug AlbARES, Sidney Whitten, Mary Gillian, Myrina Harding, Doug Benson, Andrea
Gellaty, Michael Connelly, Susan Mag, Gail Sercombe, James Burns, Deborah Healey,
Daisy Reed, Karen Alvarado, Jan Oliver, Robert Nagler; Oregon State University:
Dave Gomberg, Chris White, Joan Zurcher; Oregon College of Education: Cris C. Vaughan.

Introduction of New Members

Mr. Layman announced that three new members had been appointed to the Board, effective
July 21, 1976. He commented that the terms of the President and Vice President of
the Board expired on June 30, 1976, with no opportunity to elect new officers until
July 20. Therefore, the Governor agreed that the President and Vice President would
serve through the July 20 meeting to prevent a vacancy in these offices for a short
period of time.

Mr. Layman then introduced and welcomed the following newly-appointed Board members
who were present at the meeting: Mrs. Ruth Daniels, replacing Mr. Marc Maden;
Mr. Loren Wyss, who succeeds Mr. Joss; and Mr. Jonathan Ater, succeeding Mr. Layman.

Resolution in Memory of R. Holmes

At the request of President Layman, Mr. Joss read the following certificate of resolution
in memory of Mr. Robert D. Holmes:

Certificate of Recognition
Honoring
Robert D. Holmes

July 20, 1976

The members of the Oregon State Board of Higher Education wish to pay
tribute to a distinguished former colleague and friend, Robert Holmes,
who died recently.

Bob served with distinction on the Board from 1969 to 1974, and his wise
guidance and counsel contributed greatly to the advancement of quality
education and educational opportunity in Oregon. Throughout his tenure,
he was a passionate advocate of causes which he felt were just.

Bob charted his own course through life, and he met acclamation and
adversity with the same humility, good cheer and optimism. His life was
one of service -- to his community and to his state -- always exemplifying
two principles that single out the uncommon man -- courage and concern.
His dedication to these principles led him to become the author of an early chapter of what has come to be known as the "Oregon Story" -- a story which builds on human and natural resources, and which derives its strength and integrity from a concerned and independent citizenry.

Oregon is deeply indebted to Bob Holmes. His outstanding contributions as legislator, governor and citizen not only have helped make Oregon a better place in which to live, but in which to learn.

The members of the Board wish to make official recognition of his dedicated public service, and to extend sympathy to his wife, Ellen; his mother Mrs. Amy C. Holmes, and the other members of his family.

Upon motion by Mr. Joss, the Board adopted the above certificate, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

The President declared the motion duly adopted and directed that the certificate be delivered to the family.

The Board voted to dispense with the reading of the minutes of the last regular meeting held on May 25, 1976, and the emergency meeting held on June 25, 1976, and approved them as previously distributed, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Committee on Staff Report to the Committee
Intercollegiate Athletics - The Chancellor presented the following proposed statement, "A System-Wide Policy Modification of for Intercollegiate Athletics," for consideration by the Committee. The policy would be applicable uniformly throughout the State System and would be effective with the beginning of fall term 1977:

Introduction
Intercollegiate athletic programs are considered by the Board to assist the colleges and universities in achieving their goals. They

- contribute to the instructional programs by providing highly competitive opportunities for those students who excel in the various physical education activities;
- enable the institutions to prepare professionals to serve the schools and colleges as athletic coaches;
- provide many students opportunities, especially in football, basketball, and baseball, to prepare for careers in professional sports;
- provide many students with spectator satisfaction and with an opportunity to identify with their institutions outside the classrooms and laboratories; and
- enable the institutions to involve many persons, not otherwise related to the institutions, in the lives of the colleges and universities.

Categories
Two categories of intercollegiate athletic activities are established to include (1) major revenue-producing athletic activities and (2) other athletic activities.
Major revenue-producing athletic activities are defined as those which, in the judgment of the president of the institution (concorded in by the Board) are expected to be individually or collectively capable of producing revenue in excess of operating and capital expenditures.

**Financing**

Major revenue-producing athletic activities are, by definition, fully self-supporting from gate receipts, television and radio income, conference income, and contributions. Any incidental fees used to support major revenue-producing athletic activities will be assumed to be for the purpose of buying student tickets. No state tax funds, appropriated for education and general purposes, are to be used for either operating or capital expenditures. "Operating expenses" include salaries and applicable physical plant costs.

Other athletic activities are to be financed from student incidental fees, gate receipts, contributions, and state funds appropriated for education and general purposes. Salaries for administrators and coaches of "other athletic activities" and associated physical plant costs are appropriate charges against state funds appropriated for education and general purposes.

Mr. Hams said the proposed policy appeared to be a rational approach to what recently has been a serious problem, particularly at the universities.

Mr. McLaurin said he had some concern about the cost aspect of the policy statement and about the adoption of a statement that basically outlines goals without dealing with the immediate problem that created the need to consider the policy statement.

The Chancellor said the problem is basically one of the rising cost of doing business which has eroded the capacity of football and basketball to support the other activities. Three factors have contributed to the rising costs: (1) inflation; (2) the requirements of Title IX with its emphasis on equal treatment of women in intercollegiate athletics; and (3) the emergence of athletic powers which seem to have an almost unlimited capacity to extend their competitive position.

The Chancellor said the policy was designed to involve the Board more intimately in the activities of the athletic departments, to establish a specific policy, and on the basis of that policy, if it is appropriate, to develop suggestions for actually financing intercollegiate athletics in a more satisfactory way.

It was pointed out further by the Chancellor that there are differences in the treatment of intercollegiate athletics at the colleges and universities and between them and the public schools and community colleges. The Chancellor said the Board has never established a policy prohibiting the use of educational and general purpose funds for the support of intercollegiate athletics. At the three state colleges and Oregon Institute of Technology, the salaries of the coaches and physical plant maintenance costs are provided from this source. However, at the universities, football and basketball have been capable of providing the revenue that would enable the universities to support all of the intercollegiate athletic activities without the use of educational and general services money. Consequently, it is difficult to change this tradition of not paying coaching salaries from educational and general services money unless additional financial support is provided, because it would require taking dollars from other departments. This tradition has not been established at the colleges and the salaries of the coaches are paid from educational and general services money. In addition, the coaches are not assigned full-time coaching duties at the colleges as they often are at the universities.

The financing of athletics in the public schools and community colleges also varies from the universities. In the public schools and community colleges, state or local tax funds support intercollegiate athletics, but this has not been done at the three universities.
Mr. Harms said the material presented for consideration was not intended to do more than level out the competitive imbalance. There was no intention of placing Oregon institutions in a competitive position with the super athletic powers.

Mr. Ingalls asked whether the committee wished to consider the assumption that a major athletic program as presently conceived was in the best interests of the citizens of Oregon and the students in the colleges and universities.

Mr. Harms said it was implicit in the policy statement, if it were recommended to the Board for adoption, that intercollegiate athletic programs would continue at a similar level.

Mr. McLaurin and Mrs. Feves expressed concern about the funds which would be designated for athletics in relationship to the other urgent priorities and the increasing costs to students.

Dr. Ray Hawk, Vice President for Administration and Finance at the University of Oregon, commented on the public interest in sporting events and said that one way of encouraging support for the institutions from the general public is through sporting events. It is also true, he said, that intercollegiate athletics is important in the development of young people and many students do participate in the programs.

Dr. Hawk said the University of Oregon was extremely limited in terms of funding and it is only the earnings from the Olympic trials which will probably prevent a deficit in this year's budget.

Dr. Hawk stated that the most critical thing is providing equal opportunity for women. The impact of Title IX on the institutions is not yet clearly understood. It appears unlikely that the men's program can generate enough revenue to support the women's programs. At present there is not sufficient public interest in women's athletic events for admission to be charged. This interest will develop, but it will take time. The athletic activity fee does not change the student fees that much. Dr. Hawk said it was his hope that the student contribution would generate enough interest on the part of the Board to provide the necessary advocacy to obtain legislative assistance for the athletic programs in the State System.

In commenting on the concept of the plan, Dr. Hawk said the athletic activity fee is not new in the State System. The proposed action eliminates the necessity of reviewing the question each year with a different group of students who may have new interests or may not reflect totally the attitude of the student body. He referred to a study of attitudes toward athletics made about four years ago by an independent opinion polling firm in Portland which indicated that at that time 79% of the students at the University of Oregon preferred that the institution remain in the Pac-8 conference, and two-thirds of the students said athletics should be funded at least at the current level or more. The firm found similar results at Oregon State University.

Mr. Milosh Popovich, Dean of Administration at Oregon State University, said three nonrevenue-producing sports had already been dropped at that institution, although one had since been reinstated on a minimal basis. Another year like the last one with respect to the relationship of income and expenses would result in eliminating other sports that are unable to provide financing for themselves. He said more aggressive fund raising and ticket sales campaigns will be conducted but it did not appear that it would be possible to obtain adequate resources from all of these efforts at the institutions.

Dr. JoAnne Trow, Associate Dean of Students and a member of the Women's Intercollegiate Athletic Board, said the plan provides support for women's athletics. All funds for women's athletics have been provided previously from incidental fees and the proposed policy would result in a more secure source of funding. She pointed out that there are a number of unmet needs in women's athletics because it is a new and growing program.
In response to questions, Dean Trow indicated that over 400 women participated in the intercollegiate program in nine sports at Oregon State University. It is anticipated that additional funding would permit greater student participation.

Mr. John Caine, the new athletic director at the University of Oregon, contrasted the Oregon and California situation with respect to the funding of athletics. He indicated that California provides state support and it is possible to fund both men's and women's programs. He said if Oregon institutions are to participate at the Pac-8 level and if the requirements of Title IX are to be met, it will require a total effort from everyone to provide the necessary financial support. He urged the committee to recommend approval of the proposal under consideration.

Mrs. Jan Oliver, President of the Associated Students of the University of Oregon, referred to a statement that student government was not representative of the total student body because of the small percentage of students who elect the student body officers. Although the number of students voting in an election may be small, she said, a recent poll indicated that 80% of the students surveyed agreed most of the time with the decisions and views reflected by the student association. She asked whether the proposal would require students to contribute both incidental fee money and an athletic fee. The Chancellor responded that the money now being contributed to athletics from the incidental fee would be transferred into the athletic activities account. The proposal would not add to the student contribution.

In response to a question from Mrs. Oliver concerning the control students would have over benefits received from the fee, the Chancellor said there would be a diminution of direct annual influence of students. Student influence would be greater in determining where the money would go in terms of athletic activities than it would be in determining the amount.

Mr. Ingalls said the committee was first considering the concept and the details would be worked out later. Mrs. Oliver then raised a number of questions concerning details of the financing of athletics and the philosophy of the proposal. She said these details might be resolved later but they were major concerns to students.

The Chancellor said greater Board involvement in athletic policy and decision-making would result inevitably in some erosion of the freedom athletic departments have had in the past. There will be greater control and greater surveillance of the budget.

Mr. David Gomberg, President of the Associated Students of Oregon State University, said he supported sports in general, including funds for minor sports and women's programs. However, he also questioned details of the allocation of revenue and the establishment of reserve funds.

Mr. James Todd, Vice President for Finance and Administration at Portland State University, said he supported the principles incorporated in the proposal as a direct and equitable approach to the problem. Nonrevenue-producing activities have been self-supporting at Portland State University. The proposal would have a major impact on the minor sports programs and has tremendous merit for Portland State University. Presently, a major portion of the incidental fee support is used for women's intercollegiate athletics.

Mr. Donald Lewis, Dean of Administration at Southern Oregon State College, said he would concur in many of the comments made by other administrators. He said there is a strong justification for general fund assistance in the support of athletics on the basis of their importance to teacher education. Individuals who will be coaches or physical education instructors should have some college experience in playing in the major sports.

The financial problems at Southern Oregon State College are so serious in athletics that it will be necessary to discontinue several minor sports or a major sport. Mr. Lewis also urged that the Board develop general guidelines for the institutions but not be too specific in terms of the details required to implement the program.
Mr. W. M. Douglass, Administrator in Charge at Oregon Institute of Technology, commented on the requirement that schools participating in the Evergreen Conference maintain four major sports in terms of the financial situation in athletics. He stated also that the proposal would result in students at Oregon Institute of Technology paying higher fees than are paid at the universities. He said the concept was good but requested the fee be studied further if the concept is adopted.

Mr. James Lundy, Director of Business Affairs at Eastern Oregon State College, said he favored the concept but agreed that there should be individual differences with respect to the details of the plan because there are different problems at the various institutions.

In response to a question, it was indicated that the proposal referred only to intercollegiate athletics. The intramural programs usually are financed from incidental fees.

Mr. Harms said the presentations made during the meeting indicated support of the statement of policy but raised questions concerning details resulting from the implementation of the policy. He said it was important to consider the question of priorities in order to determine the place of athletics in the total educational program. The proposal involves substantially less than one percent of the total budget for higher education, he said.

Mr. Harms moved that the committee adopt the proposed system-wide policy for intercollegiate athletics dated July 15, 1976, as set forth above.

Mr. McLaurin said the Title IX legislation made it imperative to develop a system-wide policy for intercollegiate athletics. However, he said funding for men's intercollegiate athletics should be studied closely to see if money could be released in those programs. Furthermore, it is uncertain whether the proposed policy would put the State System in compliance by 1978. He indicated he would vote for adoption of the policy outlined by the Chancellor but there would eventually need to be a full discussion of the terms involved in the implementation of the policy.

There was consensus that further information and detail would be required concerning implementation of the policy and the present funding of men's and women's programs prior to seeking legislative assistance for the athletic programs.

Mr. Harms said solid athletic programs should be available to offer both men and women the opportunity to participate in intercollegiate sports.

Miss McIntyre raised the question of duplication of programs in athletics and asked whether all institutions should participate in all sports.

Mrs. Feves said the statement had been made in the case of the University of Oregon and Oregon State University that the institution in general was enhanced by membership in the Pac-8 conference. She asked if this argument were valid if Portland State University has not suffered educationally because it did not belong to the Pac-8. Mr. Harms said they would suffer from leaving the conference once they had belonged.

Mr. Ingalls asked what the results would be if the policies were not adopted. He was particularly concerned with whether it would mean the end of all sports, including football and basketball, and whether alumni support would be lost, not only for athletics but for general academic and other institutional programs.

The Chancellor said if the Board decided to retain the status quo, it was probable that an increasing number of the minor sports would be discontinued at all of the institutions. The Chancellor said he did not predict disaster if the policy were not adopted or if the Legislature declines to appropriate the requested funds. He did predict evolutionary reduction in the intercollegiate athletic programs. If additional revenues are not found, there will be an equalizing force between men's and women's athletics which will result in the reduction of men's athletics in order to balance the women's programs.
The committee adopted the state-wide policy for intercollegiate athletics as presented by the Chancellor.

Board Discussion and Action

Mr. Ingalls moved that the Board approve the state-wide policy for intercollegiate athletics as adopted by the committee. He further recommended that the Ad Hoc Committee on Intercollegiate Athletics be continued to implement that policy.

The Board approved the motion as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

At the time further consideration is given to the implementation of the policy the following staff report and recommendations will be discussed. This material was available to the Ad Hoc Committee on Intercollegiate Athletics at the July 19, 1976, committee meeting.

Staff Recommendation to the Committee

It was recommended that the Board authorize an extra-budgetary request to the 1977 Legislative Assembly for support of other than revenue-producing intercollegiate athletics and that the request propose three concurrent actions, effective July 1, 1977:

1. Establishment at each institution of an auxiliary enterprise account or accounts for the support of other than revenue-producing intercollegiate athletics;

2. Assessment of an "athletic activities fee" in the amount of $6 per term at the universities, $9 at Southern Oregon State College, $10 at Oregon College of Education and $12 at Eastern Oregon State College and Oregon Institute of Technology. These amounts approximate that portion of the incidental fee assessed at the institution for support of intercollegiate athletics. The fee would be adjusted annually to reflect changes in the consumer price index; and

3. Annual appropriation to each institution of the sum of $10 per budgeted three-term full-time-equivalent student for the support of other than revenue-producing intercollegiate athletics.

Staff Report to the Committee

The recommendation seeks to alleviate the fiscal pressures that have been forcing reduction in the programs of intercollegiate athletics which, until recent years, have been supported in part by revenues from football at the universities and from basketball at the University of Oregon and Oregon State University. The action is further justified by the necessity for elimination of sex discrimination in athletics, as required by Title IX of the Education Amendments of 1972.

The recommendation assumes continued self-support of football at all three universities and basketball at the University of Oregon and Oregon State University. Revenues of such sports in excess of expenses would be used first to establish reserves against cost increases or revenue declines and then to support of "other" intercollegiate athletics.

The recommendation calls for establishment of a new (athletic activities) fee, permitting a corresponding reduction in the incidental fee. Institutions may sell student tickets to athletic events or may allocate additional incidental fee support to intercollegiate athletics, subject to the Board's final review of institutional budgets.
The sums envisioned in the new fee and the proposed appropriation would be approximately equal to the sums presently being expended by the universities on "other" sports.

Table I shows the proposed sharing of support by appropriation and the new athletic activities fee. Table II shows the 1975-76 level of salaries expended at the universities, to which must be added the costs of equipment, supplies, travel and physical plant costs properly attributable to these sports.

### Table I
Proposed Annual Support for "Other" Sports

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<tbody>
<tr>
<td>University of Oregon</td>
<td>14,873</td>
<td>$148,730</td>
<td>$18</td>
<td>$416,444</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>15,011</td>
<td>150,110</td>
<td>18</td>
<td>420,308</td>
</tr>
<tr>
<td>Portland State Univ.</td>
<td>9,375</td>
<td>93,750</td>
<td>18</td>
<td>262,500</td>
</tr>
<tr>
<td>Oregon College of Education</td>
<td>3,111</td>
<td>31,110</td>
<td>30</td>
<td>124,440</td>
</tr>
<tr>
<td>Southern Oregon State College</td>
<td>3,835</td>
<td>38,350</td>
<td>27</td>
<td>141,895</td>
</tr>
<tr>
<td>Eastern Oregon State College</td>
<td>1,317</td>
<td>13,170</td>
<td>36</td>
<td>60,582</td>
</tr>
<tr>
<td>Oregon Institute of Technology</td>
<td>1,912</td>
<td>19,120</td>
<td>36</td>
<td>87,952</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>49,434</strong></td>
<td><strong>$494,340</strong></td>
<td></td>
<td><strong>$1,514,121</strong></td>
</tr>
</tbody>
</table>

### Table II
Coaches' and Pro-Rated Administrative Salaries

"Other" Sports, 1975-76

<table>
<thead>
<tr>
<th>Institution</th>
<th>Coaches' FTE</th>
<th>Coaches' Salaries</th>
<th>Pro-Rated Administrative Salaries</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Oregon</td>
<td>8.46</td>
<td>$144,654</td>
<td>$67,502</td>
<td>$212,156</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>8.50</td>
<td>$152,162</td>
<td>$67,843</td>
<td>$220,005</td>
</tr>
<tr>
<td>Portland State Univ.</td>
<td>3.25</td>
<td>$67,057</td>
<td>$18,831</td>
<td>$83,938</td>
</tr>
</tbody>
</table>

To these salaries must be added a share of physical plant costs, plus equipment, supplies, and travel to arrive at total budgets, exclusive of scholarships.
Meeting #432-10

Educational Services in Southern Oregon

The Chancellor reported that a subcommittee on post-secondary education of the Inter Committee on State Governmental Operations had met in Ashland on the previous Friday. Mrs. Carpenter, Mr. Maden and the Chancellor were present. There was extensive discussion at the meeting of ways in which the state might meet the educational needs in southern Oregon, particularly in terms of community college services.

President Sours presented a report on the steps being taken by Southern Oregon State College to improve the level of educational services off-campus and in the Medford area.

Representative Rick Gustafson, Chairman of the Subcommittee on Post-Secondary Education, presented a concept of proposed legislation which called for the creation of individual governing boards at three State System institutions--Eastern Oregon State College, Southern Oregon State College, and Oregon Institute of Technology. These boards would be composed of four elected persons from the region and three persons appointed by the Board of Higher Education. The proposed legislation is based on the concept that local boards would permit the institutions, by virtue of their local involvement, to be much more responsive to local educational needs than is presently the case. The Chancellor said no action was taken on the proposal but the Board should be aware of the prospect that such a bill might be introduced in the 1977 Legislative Assembly.

Summer Session Enrollments

The Chancellor reported that the overall summer session enrollments upon which the budgets were based was just slightly less than 2% of the estimates.

Assessment for Improvement of S. W. 15th Street in Corvallis, OSU

(Considered by Committee on Finance, Administration, and Physical Plant, June 21, 1976; present--Perry, Ingalls, McIntyre, McLaurin, Stewart, Carpenter, Feves, Layman.)

Staff Recommendation to the Committee

It was recommended that the appropriate Board officials be authorized to allocate approximately $18,303.85 from excess sinking fund reserves accrued from commingled student building fees to pay an assessment by the City of Corvallis for the proposed improvement of Southwest 15th Street adjacent to that portion of the campus of Oregon State University which is located on the west side of the street between Western Avenue and Highway 20.

Discussion and Recommendation by the Committee

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

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Committee

Officials of Oregon State University have been advised that the City of Corvallis plans to improve Southwest 15th Street between Western Avenue on the north and Highway 20 on the south. The improvements will consist of excavating and grading the street area, placing gravel base materials, constructing curbs and gutters, and such other drainage facilities as are required, constructing an asphaltic concrete pavement and doing such other work as may be necessary for the completion of the project.

Inasmuch as the street borders approximately 614.58 feet of University property, acquired in 1950 and now being used for student recreational purposes, it is proposed that the assessment for the improvements be financed from excess sinking
fund reserves accrued from commingled student building fees. Tentatively, it is estimated that the University's pro-rata share of the assessment will be $18,303.85, but the amount will be determined after the improvements have been completed and all actual costs have been recorded.

(Considered by Committee on Instruction, Research, and Public Service Programs, June 22, 1976; present--Carpenter, Feves, Harms, Maden.)

In accordance with the Committee's wishes, there was presented a review of the centers and institutes currently in being at the University of Oregon. The complete report entitled, "Review of Centers and Institutes - University of Oregon," is on file in the Board's Office.

This is the third in a series of reviews of centers and institutes being conducted by the Board's Committee on Instruction, Research, and Public Service Programs.

The first (October 1975) was a general overall review of the forces and influences that have shaped the development of centers and institutes in the State System of Higher Education, and the purposes these centers and institutes have been created to serve in the several institutions.

The second (December 1975) provided the Board the opportunity to review the Oregon State University centers and institutes.

Staff Recommendation to the Committee

The Board's Office recommended:

1. That the Board accept the report relating to the University of Oregon's centers and institutes as the second of a series of reviews in response to a budget note from the 1975 Legislative Assembly.

2. That if, in the Board's examination and discussion of the brief resumes of the University of Oregon centers and institutes provided, it develops that there is Board interest in having more complete and detailed written information concerning the objectives, activities, funding, or achievements of given University of Oregon centers or institutes, the Board's Office be directed to provide that information for consideration by the Board's Committee at its next meeting.

Discussion and Recommendation by the Committee

Dr. Aaron Novick, Dean of the Graduate School, said institutes and centers are created when the needs of the institution cannot be met readily within the regular departmental structure. These needs may involve instruction, research, or public service. In the case of instruction, the centers or institutes involve interdisciplinary programs which do not fit the standard academic department. In many instances, centers and institutes serve all three functions. They are created for fixed tenure and have no permanent regular academic status. In general, the institutes and centers at the University offer no formal teaching; any course work is offered through the departments. Any instruction in a center or institute is of a research nature and provides research training. Characteristically institutes and centers are responsible for interdisciplinary courses if the required courses do not fit any existing department. In discussing funding of centers and institutes, Dr. Novick said there are two types of expenses, overhead expense and direct expense. State money, if used as overhead for outside-sponsored research, is refunded by the federal agency. Those costs, although they appear in the budget as state money, are subject to reimbursement and represent no cost to the state. If those expenses should be terminated, the reimbursement would be terminated also, and thus there would be no savings. In general, the money that comes for direct costs supports individuals teaching in one of the departments.
Dr. Novick then described the Institute of Molecular Biology as an example of the development and operation of an institute. Dr. Novick explained that teaching faculty in the Institute are paid from regular departmental budgets for their teaching activities during the regular nine-month academic appointments. Remuneration for research activities during the summer is paid from the Institute budget with funds obtained from research grants. A similar arrangement exists for most centers and institutes.

The Committee reviewed several of the centers and institutes in detail, with particular attention to similar centers or institutes on other State System campuses. It was indicated that there is usually an opportunity for the interchange of information among the institutes or centers on the various campuses which are engaged in topics of mutual concern.

Mr. Harms asked as to the value to the University of Oregon or the State System in maintaining centers or institutes which have little or no funding. Dr. Novick said some of these should be reviewed.

Dr. Robert Schwarz, Director of the Center for Human Development, described the work of the centers and institutes related to the College of Education.

The Committee recommended that the Board accept the staff recommendations as presented.

Board Discussion and Action

Mr. Ingalls asked whether the centers and institutes continued indefinitely.

Mr. Harms replied that most of these programs start with outside money, but they normally do not continue if the outside funding is no longer available. In a few instances where state money has been used, the continuation was well-justified.

The Chancellor indicated that two centers at the University of Oregon have had special attention and do involve substantial amounts of state funds. The Bureau of Governmental Research and Service was examined carefully by the Board and the Legislature before the Legislature decided that it should be a continuing service. The Institute of Marine Biology is under the surveillance of an interinstitutional committee which maintains constant oversight of the program.

The Board approved the staff recommendations as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Committee

The Board's Office believes: (1) that the University of Oregon has an effective review process through which proposals for establishment of new centers and institutes must pass before being approved; (2) that the centers and institutes established by the University of Oregon are within the mission assigned the University by the Board; (3) that centers and institutes, as they have developed at the University of Oregon, are designed to permit the University (a) to utilize its faculty and other resources more effectively in the accomplishment of its teaching, research, and public service functions, particularly when multidisciplinary approaches are necessary, and (b) to secure necessary additional nonstate funding for the University of Oregon's programs and services; (4) that the University's continued evaluation of existing centers and institutes to assure their continued vitality is both useful and necessary.

The nature and extent of the information supplied the Board as the basis for its review of the University of Oregon centers and institutes is similar to that which formed the basis for the Board's review of Oregon State University's centers and institutes in December 1975. New or additional information will be provided if desired by the Committee.
In earlier reports to the Board (December 1975) there was discussed in some detail (1) the impetus for creation of centers and institutes, and (2) the salient characteristics of centers and institutes in the State System of Higher Education. Those discussions will not be repeated but there will be reviewed the University of Oregon centers and institutes, responding to a number of key questions, as follows:

1. Is there evidence that the University has a systematic, orderly plan for examining critical proposals for the establishment of new centers or institutes?

2. What are the principal purposes of specific centers or institutes?

3. What are the sources of center and institute funding?

4. Does the center or institute seem appropriate to the mission and the goals of the University as assigned by the Board?

5. Does it appear that the centers or institutes are duplicated unnecessarily in any degree at other institutions in the State System?

The Role of Centers and Institutes in the University of Oregon

Centers and institutes have been a part of the University of Oregon scene for more than forty years. They have served, and continue to serve, a variety of purposes which cannot be as well served by the regular academic departments.

- Center and institute activities are often research-oriented, although public service and selected instructional functions (e.g., research, instruction) are also often served by centers and institutes. The research activities thus carried on are not easily housed in regular academic departments because they usually involve multidisciplinary activity involving faculty from several different departments, schools, or colleges within the University.

- Centers and institutes are viewed as being less permanent, more flexible than regular academic departments. They may be created to serve a particular institutional need, and that need having run its course, the center or institute to which it gave rise may be discontinued by the institution with an ease quite uncharacteristic of academic departments. Faculty having regular academic rank who are assigned to centers and institutes normally hold academic appointments in academic departments.

- Because of their greater flexibility, centers and institutes often serve as testing grounds where it may be ascertained whether given activities or programs warrant a more permanent status in the University.

- Centers and institutes also give increased visibility to certain areas of academic activity where interaction with federal and state agencies, private foundations, and with the general public may be important to the institution.

University of Oregon Procedures for Establishment of Centers and Institutes

The University of Oregon has well-developed administrative procedures governing the establishment of centers and institutes. Proposals for the establishment of a center or institute are developed, reviewed, and acted upon by institutional authorities in the following manner:

- The possible need for creation of a center or institute is identified by faculty and administrators.
A study committee is formed under authority of the appropriate University official (e.g., the dean of a school or college, dean of the graduate school, vice president of the University) to examine the extent and the nature of the need, alternative ways of meeting the need, and the resources required to mount the proposed center or institute.

The recommendations of the study committee are reviewed by appropriate faculty, department heads, and deans. If this review leads to a further affirmative recommendation, the proposal is passed on to the Vice President for Academic Affairs for consideration, and ultimately to the President, and to the Board.

(Prior to November 1975, if the proposed center or institute did not contemplate the introduction of a new curricular program, final authority for establishment of the center or institute rested with the Vice President for Academic Affairs.)

Directors of centers or institutes are appointed for three-year terms. Except for a review at the time directors are appointed, there is no regular schedule of reviews by University officials. In practice, however, scrutiny is given to those centers which have not become soundly established and to those which appear to have become less active than formerly.

The full report included a brief overview of the University of Oregon centers and institutes and a brief report concerning each of the University of Oregon centers and institutes.

University of Oregon Centers and Institutes, 1975-76

Table I presents in tabular form the University of Oregon centers and institutes as they were in 1974-75, and as they are in 1975-76. Indicated in the table are: (1) the dates of establishment of each center or institute, (2) the amount and the sources of financial support for each center and institute in 1974-75 and as budgeted in 1975-76.

From Table I data, the following observations are warranted:

- Dates of establishment. Existing centers or institutes were established over the period 1933 to 1975. The Bureau of Governmental Research and Service, and the DeBusk Memorial Center were both established in the 1930's. Those most recently established (1975) are: Evaluation Center, Institute for Land Use Research, and the Institute for Social Science Research.

- Sources of funds - in the aggregate. In the aggregate, the funds for support of existing centers and institutes at the University of Oregon are derived principally from federal and other gift, grant, and contract sources.

  In 1974-75, 89.7% ($6,782,615) of the income ($7,564,755) came from gifts, grants, and contracts, and it is estimated that the corresponding figures for 1975-76 will be 89.1% ($6,886,420).

- Source of funds - individual programs. The proportion of the total income for each University of Oregon center and institute which was derived from gift, grant, and contract sources in 1974-75, and which it is estimated will be derived from these sources in 1975-76, ranges from 100% to zero.

Seven of the 27 centers and institutes (25.9%) were funded totally from gift, grant, or contract sources in 1974-75. Corresponding figures for 1975-76 were eight (29.6%).
<table>
<thead>
<tr>
<th>Centers/Institutes</th>
<th>Date Established</th>
<th>Income 1974-75</th>
<th>Income 1975-76</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau Governmental Research and Service</td>
<td>1933</td>
<td>$165,123</td>
<td>$204,975</td>
</tr>
<tr>
<td>Career Information System</td>
<td>1971</td>
<td>189,000</td>
<td>227,000</td>
</tr>
<tr>
<td>Center for Capital Market Research</td>
<td>1973</td>
<td>92,500</td>
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</tr>
<tr>
<td>Center for Educational Policy and Management</td>
<td>1964</td>
<td>329,844</td>
<td>329,032</td>
</tr>
<tr>
<td>Center for Environmental Research</td>
<td>1968</td>
<td>3,835</td>
<td>3,989</td>
</tr>
<tr>
<td>Center for Gerontology</td>
<td>1968</td>
<td>348,787</td>
<td>7,874</td>
</tr>
<tr>
<td>Center for International Business Studies</td>
<td>1967</td>
<td>49,747</td>
<td>5,265</td>
</tr>
<tr>
<td>Center on Human Development</td>
<td>1972</td>
<td>2,556,078</td>
<td>2,789,841</td>
</tr>
<tr>
<td>Center for Media Research</td>
<td>1965</td>
<td>5,265</td>
<td>5,265</td>
</tr>
<tr>
<td>Center for Sociological Study of Women</td>
<td>1973</td>
<td>231,000</td>
<td>443,000</td>
</tr>
<tr>
<td>Center for Volcanology</td>
<td>1965</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Community Parent-Teacher Education Center</td>
<td>1958</td>
<td>1,935</td>
<td>1,935</td>
</tr>
<tr>
<td>DeBussk Memorial Center</td>
<td>1930's</td>
<td>1,935</td>
<td>1,935</td>
</tr>
<tr>
<td>Environmental Studies Center</td>
<td>1971</td>
<td>1,935</td>
<td>1,935</td>
</tr>
<tr>
<td>Evaluation Center</td>
<td>1975</td>
<td>1,935</td>
<td>1,935</td>
</tr>
<tr>
<td>Experimental Center for the Advancement of Invention and Innovation</td>
<td>1973</td>
<td>2,340</td>
<td>235,656</td>
</tr>
<tr>
<td>Forest Industries Management Center</td>
<td>1958</td>
<td>7,776</td>
<td>7,776</td>
</tr>
<tr>
<td>Institute for Community Art Studies</td>
<td>1965</td>
<td>26,472</td>
<td>23,624</td>
</tr>
<tr>
<td>Institute for Land Use Research</td>
<td>1975</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Institute for Social Science Research</td>
<td>1975</td>
<td>18,225</td>
<td>18,225</td>
</tr>
<tr>
<td>Institute of Industrial and Labor Relations</td>
<td>1966</td>
<td>275,000</td>
<td>11,575</td>
</tr>
<tr>
<td>Institute of Molecular Biology</td>
<td>1959</td>
<td>1,098,608</td>
<td>1,147,038</td>
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<tr>
<td>Institute of Theoretical Science</td>
<td>1961</td>
<td>224,325</td>
<td>239,575</td>
</tr>
<tr>
<td>Northwest Community Education Development Center</td>
<td>1970</td>
<td>123,158</td>
<td>115,760</td>
</tr>
<tr>
<td>Oregon Institute of Marine Biology</td>
<td>1960</td>
<td>123,158</td>
<td>115,760</td>
</tr>
<tr>
<td>Solar Energy Center</td>
<td>1974</td>
<td>15,000</td>
<td>12,000</td>
</tr>
<tr>
<td>Transport Logistics Center</td>
<td>1966</td>
<td>18,500</td>
<td>12,000</td>
</tr>
</tbody>
</table>

**Total**                                               |                  | $7,564,626     | $7,727,125     |

**Gifts, Grants** 1974-75: $6,782,615 1975-76: $6,886,570
An additional five centers or institutes were funded more than 90% but less than 100.0% from gift, grant, or contract sources in 1974-75, and four in 1975-76.

An additional two centers or institutes were funded 81.1% and 78.4% from gift, grant, or contract funds in 1974-75.

Four of the 27 centers or institutes (14.8%) were unfunded in 1974-75 and are expected to be unfunded in 1975-76.

Two others (Evaluation Center and Institute for Social Science Research) were unfunded in 1974-75 but are budgeted for 1975-76.

The full report included a discussion of the centers and institutes at other State System institutions which, by title, appear to be related in area of interest to those at the University of Oregon.

(Considered by Committee on Finance, Administration, and Physical Plant, June 21, 1976; present--Perry, Ingalls, McIntyre, McLaurin, Stewart, Carpenter, Feves, Layman.)

Staff Recommendation to the Committee

It was recommended that the Committee approve the allocation of $8,000 from principal of the Kirk bequest, a quasi-endowment, for research pertaining to hypertension.

Discussion and Recommendation by the Committee

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

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Committee

The Board approved establishment of a quasi-endowment for the Kirk bequest on November 26, 1974. The bequest was designed for unrestricted purposes of research into the causes of high blood pressure, hypertension or nervous tension or such other allied ailments or disorders. Currently, the endowment account contains $27,643.46. The University of Oregon Health Sciences Center has requested that $8,000 be applied to a research project on hypertension under the direction of Dr. Susan Bagby in the Department of Medicine. With the approval of the Board, the requested sum will be transferred from the Kirk quasi-endowment account to provide the funds for the research activity.

(Considered by Committee on Finance, Administration, and Physical Plant, June 21, 1976; present--Perry, Ingalls, McIntyre, McLaurin, Stewart, Carpenter, Feves, Layman.)

Staff Recommendation to the Committee

It was recommended that the appropriate institutional and Board officials be authorized to readvertise the residential property located at 2775 S. W. Old Orchard Road, Portland, with a minimum sale price of $150,000 based upon an updated and revised appraisal, and that the President and Secretary of the Board be authorized to execute a deed for the sale of the property if a satisfactory offer is received.
Discussion and Recommendation by the Committee

During the discussion, Mr. Hunderup stated that a cash price had been stipulated on advice from the real estate profession and also to facilitate purchase of a substitute property. He also commented that there is a statutory requirement to set a minimum price when advertising the property for sale. Mr. Hunderup suggested that if there were a special meeting called prior to the regular meeting on July 20, this item should be on the agenda.

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

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Board

Pursuant to Board authorization on March 23, 1976, the residential property at 2775 S. W. Old Orchard Road, Portland, which had been donated to the Board in 1974 by Mr. and Mrs. Harold A. Miller, was offered for sale with a minimum price of $180,000. No bids were received and subsequent efforts to negotiate a sale in this amount, pursuant to Oregon statutes, have not been successful. The appraiser was asked to reexamine his earlier estimate of the fair market value of the property and to give consideration to other recent market information. By letter dated June 4, 1976, the appraiser has expressed the opinion that a revision of the market value to $150,000 is warranted. A second independent appraisal has been obtained which, although slightly higher, confirms the appropriateness of offering the property for sale at a minimum price of $150,000.

During the period of advertising, institutional officials will continue their efforts to attract the interest of a potential buyer. If these efforts are not successful, arrangements may be made for the assistance of a realtor.

Staff Recommendation to the Committee

It was recommended that the physical education building at Southern Oregon State College be named the Roy W. McNeal Hall.

Discussion and Recommendation by the Committee

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

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Committee

Based upon the recommendation of the Campus Development Committee of Southern Oregon State College, endorsed unanimously by the Faculty Senate, institutional officials have proposed that the physical education building on that campus be named in honor of Dr. Roy W. McNeal who passed away on May 25, 1976, in his eighty-fifth year.
Dr. McNeal began his association with the College in 1927 as Director of the Physical Education Department and head football coach. For five years, until 1932, he was head coach of football, basketball, and baseball. During that time he also taught part-time in the Biology Department. He founded and directed the State "B" basketball tournament, which was held on the campus in Ashland. After he transferred from the Physical Education Department to the Geography Department, Dr. McNeal continued to manage this tournament for several years. Until his retirement in 1964, and even after that, he was a faithful spectator at games and maintained a strong interest in the health, physical education and athletic programs of the institution. It is appropriate to pay tribute to him for his many contributions to physical education and athletics at Southern Oregon State College by naming the physical education building in his honor. The initial phase of construction of these facilities was completed in 1957 and an addition was made in 1966.

(Considered by Committee on Finance, Administration and Physical Plant, June 21, 1976; present-McIntyre, Ingalls, McLaurin, Stewart, Carpenter, Feves, and Layman.)

Staff Recommendation to the Committee

It was recommended that the Chancellor's tentative recommendations for the priority listings of capital construction requests for 1977-1979 be approved and forwarded to the Executive Department together with the institutional listings of requests for the following two biennia, 1979-1981 and 1981-1983, in fulfillment of the requirement for information relating to the capital construction and land acquisition program of the State Board of Higher Education for the next six-year period. The amounts of these requests may be summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>Educational &amp; General Plant</th>
<th>Auxiliary Enterprises</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1977-1979</td>
<td>$47,965,000</td>
<td>$12,285,000</td>
<td>$7,015,000*</td>
</tr>
<tr>
<td>1979-1981</td>
<td>78,665,000</td>
<td>11,320,000</td>
<td>13,620,000*</td>
</tr>
<tr>
<td>1981-1983</td>
<td>75,820,000</td>
<td>2,860,000</td>
<td>4,590,000</td>
</tr>
<tr>
<td>Totals</td>
<td>$202,450,000</td>
<td>$26,465,000</td>
<td>$25,025,000</td>
</tr>
</tbody>
</table>


Discussion and Recommendation by the Committee

President Boyd and Dr. Diane L. Reinhard, Assistant Dean of the College of Education, University of Oregon, were present to discuss the need for new facilities in education in light of the national data on supply and demand for new teachers. Dean Reinhard said the College has been responsive to the Board's request to limit enrollments in teacher preparation and has reduced the program below the projected enrollment levels. There has been a 45% decrease in enrollments since 1969, but the student credit-hour production actually has increased slightly.

Dean Reinhard said a college of education is involved in a number of different training programs, many of which have excellent employment opportunities. New requirements have resulted in more emphasis, demand, and need for special staff development opportunities for teachers and related support personnel. She cited the legislation on education for the handicapped which has led to the concept of integration of the moderately handicapped student into the regular classroom. Special education faculty members have been presenting workshops and graduate courses to provide teachers and support personnel with the necessary skills and knowledge to implement this legal requirement. Consequently, Dean Reinhard said, the surplus of teachers does not affect the need for facilities because the undergraduate program is only one of many and the decrease in the undergraduate program is offset by additional need for in-service or staff development opportunities.
Dean Reinhard said the College of Education has a shortage of 30,000 square feet of net assignable space according to Board standards. In addition, the College rents 17,000 square feet of space, making a total shortage of 47,000 square feet in state-owned facilities. Accreditation teams have referred to the deficiencies of facilities, even in otherwise high-quality programs.

Dean Reinhard said the three most critical space needs for the 1977-1979 biennium were: (1) specialized learning space for use of new teaching techniques and methods; (2) office space for faculty within the Center for Educational Policy and Management; and (3) remodeling of approximately half of the older facilities occupied by the College.

President Blumer and Vice President Richelle of Portland State University testified with respect to the need for education facilities at Portland State University. President Blumer said the Professional Schools Complex had been high on the priority list for the institution for several years because the professional programs are housed in inadequate facilities. The remodeling of Lincoln Hall and the construction of a Professional Schools Building were submitted in an early request. The remodeling was approved but the new construction was not. However, the remodeling has further encroached upon the space available to the School of Education in Lincoln Hall. President Blumer said the School of Education facility was at the top of the institution's priority list because the in-service educational requirement for teachers is probably one of the most critical unmet needs in the Portland area as it affects Portland State University. Accreditation reviews have been highly critical of the facilities available for teacher education and Portland State University may not be able to maintain accreditation in teacher education if the facilities are not improved significantly. In response to a question concerning deadline dates for obtaining new facilities, President Blumer said it had been possible to avoid a specific deadline date by assuring the accreditation teams that new facilities for the School of Education would be placed at or near the top of the priority list.

Mr. Ingalls expressed concern that four schools of education were located within 110 miles of each other and that substantial capital improvements were proposed at a time when there was a reduction in the number of students majoring in education.

Mr. Hunderup pointed out that the spaces are needed to overcome long-standing deficiencies and will serve students who are training for school positions in capacities other than teaching. He commented that the mission of each institution is sufficiently different to justify separate programs.

The Chancellor said the need for teachers will increase during the next decade. Oregon State University, the University of Oregon, and to some extent Portland State University, have specialized programs. These programs cannot be shifted elsewhere because the subject matter in teacher preparation is not in the School of Education but is the subject matter of the particular discipline. It therefore seemed more appropriate to reduce the number of undergraduates in the programs rather than to reduce the number of programs.

Mr. Hunderup said the question was also one of obsolescence because space for the appropriate training and retraining of teachers is not available. A major element of the costs is for the provision of space equipped for the use of modern technology.

Mr. Ingalls said he recognized the need for the buildings but was concerned with the Board's thrust relative to education. He asked when the Board had last reviewed the question, and it was indicated that there had been a review approximately three years ago.

The Chancellor said the consensus of the Board was that the programs were needed but that the number of students being served should be reduced through counseling individuals wishing to enter the undergraduate programs. Proximity to in-service education was another important factor in considering teacher education.
Mr. Hunderup explained that facilities for the veterinary medicine program at Oregon State University had been assigned a priority position although President MacVicar and others previously had suggested that they would prefer to have this facility considered separately because it is unique in that it responds only to one particular need. It is important for the Board's staff to be able to inform the Ways and Means Committee where the program fits in the priority list for the State System.

Mr. Hunderup reported that the owners of the property used by OEPBS for KOAP-FM and KOAP-TV desired to dispose of the property rather than to continue leasing a major portion of it to the state. It was concluded that it would be advisable to place a higher priority on the acquisition of the property, from both the economic and operational standpoints. Priority 22 originally was assigned to this project and Mr. Hunderup recommended that it be moved to Priority 8 (later revised to Priority 7 upon the omission of the UHSC Dietary Food Service Remodel project) and that the amount be reduced from $645,000 to $545,000 because of more current information concerning the value of the property and potential remodeling requirements. This adjustment has been reflected in the summary tabulation contained within the Staff Recommendation to the Committee above.

Mr. Hunderup indicated that most of the remaining projects had been described previously, or were self-explanatory, with the exception of planning funds for a possible future addition to University Hospital South as a replacement of certain patient care now provided in University Hospital North. The request in 1977-1979 for this item relates only to planning money.

Mr. Hunderup said that because the priority listing for auxiliary enterprises was short, it probably would be unnecessary to request an increase in the amount of the statutory limitation for Article XI-F(1) bonds or an increase in the amount of the student building fee.

Mr. Ingalls asked whether there was an effort to satisfy each campus in developing the priority list or if the listing actually represented the most urgent needs of the State System.

Mr. Hunderup said every effort is made to prepare the priority list on the basis of documentation of need and in accordance with Board policies applicable to capital construction without attempting to "balance" the dollars or items for individual institutions. He noted that two or more projects for a particular school have successive priority numbers. In response to a question, he indicated that "pressures," if any, from legislators would not form the basis for decisions or recommendations by the Board's staff, but that the Legislature would subsequently determine the approved appropriations.

In responding to a question concerning the reasons for the variation between Oregon State University and the University of Oregon in the amounts listed for safety correction program, Mr. Hunderup responded that the most critical correction needs were those identified in the report. The amount will vary from institution to institution.

Mr. Hunderup indicated that neither the City of Monmouth nor the Highway Division had indicated any receptivity to providing funds for the perimeter road in Monmouth. Some residents of the community would prefer not to have the perimeter road because of a concern that it might increase traffic in certain residential areas. Mr. Hunderup indicated he had placed the perimeter road in the highest priority he could justify on the basis of all of the information available, but if the Committee or the Board wished to modify the ranking, it should feel free to do so.

Miss McIntyre asked how the cutoff point was determined for the Legislative request. Mr. Hunderup said the Finance Committee had expressed the judgment that the request should be limited to the particular projects included in the list when the tentative recommendations were reviewed on April 29, 1976.
Mr. Stewart moved that the Committee recommend to the Board the adoption of the capital construction program as recommended, with the understanding that a decision on placing the veterinary medicine facilities in the priority list or taking the project as a separate item would be considered further prior to Board action.

Mr. Hunderup said in the last legislative session the Board had treated the project as an independent item but at the Ways and Means Committee hearings, the Board's staff was obligated to indicate where the facilities should be in the total priority list.

Mr. Ingalls asked what the prospects were in terms of the legislative appropriation for funding capital construction.

The Chancellor said one of his concerns in earlier biennia was the failure to convey to the legislature the urgency of a capital construction program of the magnitude that would prevent getting further behind in the construction of necessary projects each biennium. The level at which the State System has been regularly supported is about 20% of the amount proposed in the 1977-1979 request. The Chancellor said adoption of the motion by Mr. Stewart would enable the Board's staff to say that again there has been a growing backlog of projects which the historic level of capital construction has been unable to accommodate. Nevertheless, the Board should examine the possibility of a lower cutoff point.

The Chancellor said if the Committee and Board were to approve a list of projects smaller than the $60 million general fund project list, he would recommend that it approve a list at least through what is now the OE PBS television translator network. That reduced list would take approximately $37 million in General Fund money and/or Article XI-G bonds. If that amount were still more than the political climate would permit the Board to recommend, the Chancellor would suggest that approximately $30 million would be an appropriate second cutoff point, just below the Physical Plant Services Building at Eastern Oregon State College and the item for land acquisition throughout the State System. It is essential that the Legislature recognize this backlog of capital construction needs or other future Legislatures will face even greater problems in meeting the requirements for facilities.

President MacVicar said eventually the veterinary medicine facility had to be placed in some priority position and suggested that now was an appropriate time to do so. He said if the Committee and the Board were to place the project in the priority list, it still would be possible to withdraw it and place it in a separate category at a later time.

President MacVicar commented further that the institutions, particularly the research universities in Eugene and Corvallis, have been expected for two decades to grow and to provide an ever-increasing quality and quantity of research and public services with no adequate recognition of the physical plant requirements to do so. He urged the Board to affirm enthusiastically that the request is needed and is a prudent and pruned request which omits many very urgent things.

President MacVicar stated the proposed list is reasonable and expressed the hope that if the state's fiscal priorities will permit, there would be a further collective effort to meet more of the urgent physical plant needs than have been met in the three previous biennia.

Dr. Hawk emphasized the critical importance of rehabilitating the older buildings on the campuses, both to meet building codes and safety standards and to meet changing functions in the use of the buildings. Dr. Hawk said the problem should be placed squarely before the Legislature so that the decision on the building program is made at the legislative level.

Mr. Stewart explained that it was not the intent of his motion to omit the request for the veterinary medicine facilities, but merely to study the question of placing it in the priority list or taking the request separately. Mr. Stewart commented further that he favored taking the entire request because it represented a minimum for excellence in higher education.
Mr. Hunderup commented that on the basis of current replacement costs, as reported to the State Restoration Fund, the improvements on the various campuses total more than $817 million. He emphasized that a substantial amount is required each biennium to avoid obsolescence and to change the use of space to accommodate current programs.

Mr. Ingalls said he was not suggesting that the entire request should not be presented to the Legislature but was interested in whether there was a realistic opinion concerning the potential appropriation. Mr. Hunderup said it would depend on the other demands for General Fund money. If the Oregon Building Authority is approved by the Supreme Court, some of the construction in the Capitol Mall area may be funded from that source rather than from the General Fund. This may help the State System. He said $30 million is probably about the most that could be obtained, but he did not think the request should be limited to that amount.

Mr. Pat Stimac said the students have considered the request and would encourage approval of Mr. Stewart's motion to present the 30 projects to the Legislature. However, he did recommend that the perimeter road in Monmouth be placed in Priority Position 2, right after the safety deficiency correction program. This recommendation is based on the fact that the perimeter road represents the correction of a safety hazard.

The Committee recommended that the Board approve the staff recommendation as presented, subject to the reservation in Mr. Stewart's motion with respect to the veterinary medicine facilities.

Board Discussion and Action

Mr. Hunderup explained briefly the changes described in the Further Staff Report. In commenting on the factor of obsolescence, Mr. Hunderup said it is imperative that resources be made available each biennium for the major remodeling, innovation, and updating of a portion of the physical facilities at the institutions. Typically 2-5% of the investment in the physical plant is provided for these purposes. He said the total program does not reflect that amount but many of the projects included in 1977-1979 relate to the updating of existing facilities. However, eventually it will be necessary for the Legislature to recognize that renovation and replacement of major capital construction must be an integral part of the total capital construction program.

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Further Staff Report

Following the June 21, 1976, meeting of the Committee on Finance, Administration, and Physical Plant, the following revisions were made in the listings for the capital construction program:

1977-1979 Priority Listing for Educational and General Plant:

(1) Within Priority No. 1, Safety Deficiency Correction Program Phase II, two off-setting adjustments have been made. The request for Oregon College of Education has been reduced $100,000 because certain work within Campbell Hall is expected to be accomplished within resources available in 1975-1977, and the request for Portland State University has been increased by $100,000 to cover the estimated expenditure requirements for safety items within Shattuck Hall which had been omitted inadvertently. No change is required in the total of $7,875,000 for the Safety Deficiency Correction Program Phase II.
Priority No. 2, Dietary Food Service Remodel at the University of Oregon Health Sciences Center, which had been estimated to cost $1,230,000 in 1977-1979, has been omitted inasmuch as the State Emergency Board granted authorization on June 25, 1976, to proceed with this project in 1975-1977 utilizing resources of $384,800 available from the General Fund appropriation and Article XI-G bonding authority within Chapter 48, Oregon Laws 1975, and an allocation of $632,680 from the State Emergency Fund. The omission of this item from the listing affects the priority numbers of all other projects and reduces the total state fund requirements from $47,965,000, as reported to the Committee on June 21, to the revised figure of $46,735,000.

1979-1981 Institutional Listings

Upon the request of Eastern Oregon State College, a revised listing of projects and amounts has been substituted, reflecting a new total of $985,000 for the educational and general plant, in lieu of the earlier estimate of $1,290,000, and adding an item of $80,000 for auxiliary enterprises which had been omitted previously.

The revised capital construction program, including the priority listings for 1977-1979, appears on the following pages, and may be summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>Educational &amp; General Plant</th>
<th>Auxiliary Enterprises</th>
<th>Total</th>
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<td>State Funds</td>
<td>Gifts/Grants</td>
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<td>1977-1979</td>
<td>$46,735,000</td>
<td>$12,285,000</td>
<td>$7,015,000*</td>
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<tr>
<td>1979-1981</td>
<td>78,360,000</td>
<td>11,320,000</td>
<td>13,700,000*</td>
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<td>1981-1983</td>
<td>75,820,000</td>
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<td>4,390,000</td>
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<tr>
<td>Totals</td>
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<td>$26,465,000</td>
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## Tentative Financing Plan for the 1975-1977 Capital Outlay Program

### Summary of Legislative Authorizations:

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<thead>
<tr>
<th>Chapter</th>
<th>Description</th>
<th>Fund</th>
<th>XI-E Bonds</th>
<th>Grants</th>
<th>Balance</th>
<th>Total</th>
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<td>Oregon Laws 1975 (Enrolled House Bill 2411)</td>
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<td>$315,000</td>
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<td>$6,300,000</td>
<td>$600,000</td>
<td>$315,000</td>
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<tr>
<td>Subtotals</td>
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<td>$6,300,000</td>
<td>$600,000</td>
<td>$315,000</td>
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<td>Totals</td>
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<td>$6,465,000</td>
<td>$685,000</td>
<td>$337,500</td>
<td>$13,335,000</td>
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*Includes $904,800 for Phase I of Dietary Food Service Remodel in University Hospital North; subject to Emergency Board approval (being requested June 25, 1976).

**Excludes intrafund transfer of approximately $800,000 for conversion of Snell Hall from student residence hall to cafeteria for student union use.

Includes proposed increase of $190,000 in expenditure limitation, subject to Emergency Board approval (being requested June 25, 1976).

Estimated net requirements for acquisition of KVDO, Channel 3, Salem, in addition to portions of amounts listed for OEPBS TV Mobile Unit Color Modifications and Capitol Studio (Priority No. 6 within Educational and General Plant).
### OREGON STATE BOARD OF HIGHER EDUCATION

#### EXHIBIT I

**CHANCELLOR'S TENTATIVE RECOMMENDATIONS FOR PRIORITY LISTING OF CAPITAL CONSTRUCTION AND LAND ACQUISITION DURING 1977-1979**

*TO BE FINANCED FROM STATE FUNDS AND/OR GIFTS AND GRANTS*

(Cost Estimates in Thousands of Dollars)

<table>
<thead>
<tr>
<th>Priority</th>
<th>Institution</th>
<th>Project Title</th>
<th>General Fund &amp; XI-G Bonds</th>
<th>Gifts and Grants</th>
<th>Total</th>
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<tr>
<td></td>
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<td>Project Amount</td>
<td>Cumulative Total</td>
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<td>1</td>
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<td>Safety Deficiency Correction Program Phase II</td>
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<td></td>
<td></td>
<td>EOSC (incl. $135,000 for Physical Plant Shops)</td>
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<td>300</td>
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<td></td>
<td></td>
<td>OCE</td>
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<td></td>
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<td>2</td>
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<td>Gilbert Hall Addition and Renovation</td>
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<td>Veterinary Hospital Clinic Building, including Utility Extensions</td>
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<td>OEPBS</td>
<td>KOAP-FM &amp; KOAP-TV Building Acquisition and Remodel</td>
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<td>8</td>
<td>OSU</td>
<td>Energy Conservation Instrumentation and Monitoring (5 buildings)</td>
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<td>9</td>
<td>OSU</td>
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<td>Drama Laboratory (Theater)</td>
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<td>11</td>
<td>OIT</td>
<td>Utility Improvements (Water Chilling and Heating Water Well)</td>
<td>290*</td>
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</table>
### Chancellor's Tentative Recommendations for Priority Listing of Capital Construction and Land Acquisition During 1977-1979 to be Financed from State Funds and/or Gifts and Grants

<table>
<thead>
<tr>
<th>Priority</th>
<th>Institution</th>
<th>Project Title</th>
<th>General Fund &amp; XI-G Bonds</th>
<th>Gifts and Grants</th>
<th>Total</th>
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<td></td>
<td></td>
<td>Project Amount</td>
<td>Cumulative Total</td>
<td>Project Amount</td>
<td>Cumulative Total</td>
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<td>Library Building</td>
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<td>PSU</td>
<td>Various Buildings Remodel</td>
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<td>15</td>
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<td>Haaske Hall Redevelopment and Renovation</td>
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<td>18</td>
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<td>Withycombe Hall Remodel</td>
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<td>OEPBS</td>
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# Chancellor's Tentative Recommendations for Priority Listing of Capital Construction and Land Acquisition During 1977-1979 to be Financed from State Funds and/or Gifts and Grants

<table>
<thead>
<tr>
<th>Priority</th>
<th>Institution</th>
<th>Project Title</th>
<th>General Fund &amp; MI-G Bonds</th>
<th>Gifts and Grants</th>
<th>Total</th>
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<td>29</td>
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<td>Centennial Projects:</td>
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<td>Museum of Art Addition &amp; Alterations $525</td>
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<td>Millrace Development 700</td>
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<td>Centennial Mall 300</td>
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<tr>
<td></td>
<td></td>
<td>Alumni Center 500</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Student-Faculty Conference Rooms 100</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Off-Campus University Center 100</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Child Care and Development Center 100</td>
<td>$ -</td>
<td>$46,735</td>
<td>$2,325</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>$2,325</td>
<td>$12,285</td>
<td>$2,325</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$59,020</td>
</tr>
</tbody>
</table>

*Partial cost; remainder (Auxiliary Enterprises category) to be financed from self-liquidating bonds and/or balances available for auxiliary enterprises.

#Excludes portions of cost estimates included within Safety Deficiency Correction Program Phase II (Priority No. 1).
OREGON STATE BOARD OF HIGHER EDUCATION
CHANCELLOR'S TENTATIVE RECOMMENDATIONS FOR PRIORITY LISTING OF CAPITAL CONSTRUCTION AND LAND ACQUISITION DURING 1977-1979
TO BE FINANCED FROM SELF-LIQUIDATING BOND BORROWINGS AND/OR BALANCES AVAILABLE FOR AUXILIARY ENTERPRISES
(Cost Estimates in Thousands of Dollars)

<table>
<thead>
<tr>
<th>Priority</th>
<th>Institution</th>
<th>Project Title</th>
<th>Self-Liquidating Projects</th>
<th>Other Auxiliary Enterprise Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Project Amount</td>
<td>Cumulative Total</td>
<td>Project Amount</td>
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<tr>
<td>1</td>
<td>-</td>
<td>Safety Deficiency Correction Program Phase II</td>
<td>- 100* $100</td>
<td>- $ -</td>
<td>- $ 100</td>
</tr>
<tr>
<td>2</td>
<td>SOSC</td>
<td>Utility and Energy Conservation Improvements</td>
<td>15* - 115</td>
<td>- $ -</td>
<td>- 345*</td>
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<tr>
<td>3</td>
<td>OIT</td>
<td>Utility Improvements (Water Chiller and Heating Water Well)</td>
<td>- 115</td>
<td>- $ -</td>
<td>- 445</td>
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<tr>
<td>4</td>
<td>OIT</td>
<td>Student Union Addition and Remodel</td>
<td>- 115</td>
<td>- $ 2,415</td>
<td>- 2,860</td>
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<tr>
<td>5</td>
<td>EOSC</td>
<td>Physical Plant Services Building</td>
<td>- 115</td>
<td>- $ 460</td>
<td>- 2,900</td>
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<tr>
<td>6</td>
<td>PSU</td>
<td>Parking Structure III</td>
<td>- 1,200@ 1,315</td>
<td>- 3,115</td>
<td>- 1,200</td>
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<tr>
<td>7</td>
<td>PSU</td>
<td>Smith Memorial Center Remodel</td>
<td>- 1,315</td>
<td>- $ 610</td>
<td>- 3,725</td>
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<tr>
<td>8</td>
<td>OSU</td>
<td>Memorial Union Remodel</td>
<td>- 1,315</td>
<td>- $ 630</td>
<td>- 4,355</td>
</tr>
<tr>
<td>9</td>
<td>UO</td>
<td>Utility Improvements (Electrical Phase II)</td>
<td>- 1,315</td>
<td>- $ 210</td>
<td>- 4,565</td>
</tr>
<tr>
<td>10</td>
<td>UO</td>
<td>Utility Improvements (Heating System)</td>
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<td>11</td>
<td>UO</td>
<td>Utility Improvements (Steam Service Phase II)</td>
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<td>- $ 215</td>
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<td>12</td>
<td>UO</td>
<td>Utility Improvements (Water and Electric Services Phase II)</td>
<td>- 1,315</td>
<td>- $ 215</td>
<td>- 5,635</td>
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<tr>
<td>13</td>
<td>SOSC</td>
<td>Utility and Energy Conservation Improvement (Chilling)</td>
<td>- 1,315</td>
<td>- $ 220</td>
<td>- 5,855</td>
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<tr>
<td>14</td>
<td>SOSC</td>
<td>Recreation Facilities (Tennis Courts)</td>
<td>- 1,315</td>
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<td>15</td>
<td>SOSC</td>
<td>Recreation Facilities (Baseball Field Phase II)</td>
<td>- 1,315</td>
<td>- $ 315</td>
<td>- 5,700</td>
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</table>

*Partial cost; remainder (included within Educational and General Plant) to be financed from state funds or offsets
Includes $225,000 of estimated gift funds
@Construction conditional upon authorization for PSU Professional Schools Building Phase I which is expected to occupy a site now used for surface parking.
## OREGON STATE BOARD OF HIGHER EDUCATION
### SUMMARY (BY INSTITUTION) OF CHANCELLOR'S TENTATIVE RECOMMENDATIONS FOR CAPITAL CONSTRUCTION AND LAND ACQUISITION DURING 1977-1979

<table>
<thead>
<tr>
<th>Institution</th>
<th>Educational &amp; General Plant</th>
<th>Auxiliary Enterprises</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>No. of Projects</td>
<td>Amount</td>
<td>No. of Projects</td>
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<td>Eastern Oregon State College</td>
<td>2</td>
<td>$405,000</td>
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<tr>
<td>Oregon College of Education</td>
<td>3</td>
<td>905,000</td>
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<tr>
<td>Oregon State University</td>
<td>5</td>
<td>23,020,000</td>
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</tr>
<tr>
<td>Southern Oregon State College</td>
<td>4</td>
<td>3,940,000</td>
<td>2</td>
</tr>
<tr>
<td>University of Oregon</td>
<td>7</td>
<td>10,385,000*</td>
<td>-</td>
</tr>
<tr>
<td>University of Oregon Health Sciences Center</td>
<td>6</td>
<td>8,065,000</td>
<td>-</td>
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<tr>
<td>Portland State University</td>
<td>4</td>
<td>8,190,000</td>
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<tr>
<td>Oregon Institute of Technology</td>
<td>3</td>
<td>3,265,000</td>
<td>1</td>
</tr>
<tr>
<td>Oregon Educational &amp; Public Broadcasting Services</td>
<td>2</td>
<td>645,000*</td>
<td>-</td>
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<tr>
<td>Subtotals</td>
<td>36</td>
<td>$58,820,000*</td>
<td>6</td>
</tr>
<tr>
<td>Land Acquisition</td>
<td>-</td>
<td>200,000</td>
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<tr>
<td>Subtotals</td>
<td>36</td>
<td>$59,020,000*</td>
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</tr>
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</table>

*Includes estimated gifts and grants, as follows:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Educ. &amp; Genl.</th>
<th>Aux. Ent.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>OSU</td>
<td>$9,380,000</td>
<td>-</td>
<td>$9,380,000</td>
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<tr>
<td>SOSC</td>
<td>-</td>
<td>$225,000</td>
<td>$225,000</td>
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<tr>
<td>UO</td>
<td>2,830,000</td>
<td>-</td>
<td>2,830,000</td>
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<tr>
<td>OEPBS</td>
<td>75,000</td>
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<tr>
<td>Totals</td>
<td>$12,285,000</td>
<td>$225,000</td>
<td>$12,510,000</td>
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</table>

Projects involving both the Educational and General Plant and Auxiliary Enterprises have been counted under the Educational and General Plant category only, but dollar amounts have been reflected under the respective categories.

The number of projects shown above exceeds the number reflected in the priority listings because the Safety Deficiency Correction Program Phase II for all eight institutions is identified as one project in the priority listings.
**EXHIBIT IV**

OREGON STATE BOARD OF HIGHER EDUCATION


(Cost Estimates in Thousands of Dollars)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>EASTERN OREGON STATE COLLEGE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Safety Deficiency Correction Program Phase III</td>
<td>$ 10</td>
<td>$ -</td>
</tr>
<tr>
<td>2</td>
<td>Physical Education Activity Area Improvements; Street Extension</td>
<td>695*</td>
<td>-</td>
</tr>
<tr>
<td>3</td>
<td>Campus Improvements (Landscaping, including Bicentennial Gardens)</td>
<td>100</td>
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</tr>
<tr>
<td>4</td>
<td>Science Greenhouse</td>
<td>180</td>
<td>-</td>
</tr>
<tr>
<td>1</td>
<td>Creative and Performing Arts Center</td>
<td>-</td>
<td>3,515</td>
</tr>
<tr>
<td>2</td>
<td>Library Addition</td>
<td>-</td>
<td>360</td>
</tr>
<tr>
<td>3</td>
<td>Administration Building Remodel</td>
<td>-</td>
<td>470</td>
</tr>
<tr>
<td></td>
<td><strong>Totals - Eastern Oregon State College</strong></td>
<td><strong>$ 985</strong></td>
<td><strong>$ 4,365</strong></td>
</tr>
<tr>
<td></td>
<td>OREGON COLLEGE OF EDUCATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Safety Deficiency Correction Program Phase III</td>
<td>$ 180</td>
<td>$ -</td>
</tr>
<tr>
<td>2</td>
<td>Physical Plant Building Addition</td>
<td>340</td>
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</tr>
<tr>
<td>3</td>
<td>Physical Education Activity Area Improvements</td>
<td>180</td>
<td>-</td>
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<tr>
<td>1</td>
<td>Library Addition, including Media Center</td>
<td>-</td>
<td>2,410</td>
</tr>
<tr>
<td>2</td>
<td>Physical Education Building Addition</td>
<td>-</td>
<td>1,780</td>
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<td><strong>Totals - Oregon College of Education</strong></td>
<td><strong>$ 700</strong></td>
<td><strong>$ 4,190</strong></td>
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<td>OREGON STATE UNIVERSITY</td>
<td></td>
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<tr>
<td>1</td>
<td>Safety Deficiency Correction Program Phase III</td>
<td>$ 680</td>
<td>$ -</td>
</tr>
<tr>
<td>2</td>
<td>Radiation Center Addition (Instructional Facilities)</td>
<td>1,515</td>
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<td>3</td>
<td>Education Hall Remodel</td>
<td>1,365</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>Fine Arts Instruction Center</td>
<td>6,230</td>
<td>-</td>
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<tr>
<td>5</td>
<td>Utility Improvements (Sanitary/Storm Sewer Phase I)</td>
<td>190*</td>
<td>-</td>
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<tr>
<td>6</td>
<td>Kidder Hall Remodel</td>
<td>455</td>
<td>-</td>
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<tr>
<td>7</td>
<td>Dairy Center Feed Barn</td>
<td>95</td>
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*B* Indicates Estimates.
<table>
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<tr>
<td>1</td>
<td>520</td>
<td>455*</td>
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<tr>
<td>2</td>
<td>900</td>
<td>2,020</td>
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<tr>
<td>3</td>
<td>185*</td>
<td>3,195*</td>
</tr>
<tr>
<td>4</td>
<td>0</td>
<td>1,090</td>
</tr>
<tr>
<td>5</td>
<td>255</td>
<td>1,260@</td>
</tr>
<tr>
<td>Totals - Oregon State University</td>
<td>$11,035</td>
<td>$14,305</td>
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**Southern Oregon State College**

<table>
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<td>2</td>
<td>2,080</td>
<td>2,020</td>
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<td>3</td>
<td>2,020</td>
<td>0</td>
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<tr>
<td>4</td>
<td>225</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>225*</td>
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<tr>
<td>Totals - Southern Oregon State College</td>
<td>$4,865</td>
<td>$3,435</td>
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</table>
## Listing of Institutional Requests for Capital Construction and Land Acquisition to be Financed from State Funds and/or Gifts and Grants During 1979-1981 and 1981-1983, Continued

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Educational and General Plant Projects</td>
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<tr>
<td>1</td>
<td>UNIVERSITY OF OREGON</td>
<td>$1,485</td>
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<td>2</td>
<td>Safety Deficiency Correction Program Phase III</td>
<td>3,085</td>
</tr>
<tr>
<td>3</td>
<td>College of Education Addition and Alterations Phase II</td>
<td>2,810</td>
</tr>
<tr>
<td>4</td>
<td>School of Architecture &amp; Allied Arts Addition and Alterations Phase II</td>
<td>1,000</td>
</tr>
<tr>
<td>5</td>
<td>School of Music Renovations Phase II</td>
<td>490</td>
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<tr>
<td>6</td>
<td>Various Campus Facility Improvements</td>
<td>2,865</td>
</tr>
<tr>
<td>7</td>
<td>Utility Improvements, including Energy Conservation Modifications</td>
<td>565</td>
</tr>
<tr>
<td>8</td>
<td>Science Building, Third Addition, Remodel (Biology Teaching Laboratories)</td>
<td>700</td>
</tr>
<tr>
<td>9</td>
<td>Marine Biology Station Improvements (Charleston)</td>
<td>2,580</td>
</tr>
<tr>
<td>10</td>
<td>Health, Physical Education &amp; Recreation Improvements (Playing Fields)</td>
<td>2,860</td>
</tr>
<tr>
<td>11</td>
<td>Esslinger Hall Addition (Swimming Pool)</td>
<td>225</td>
</tr>
<tr>
<td>12</td>
<td>Health, Physical Education &amp; Recreation Improvements (East 15th Avenue Tennis Courts Cover)</td>
<td>700</td>
</tr>
<tr>
<td>13</td>
<td>Franklin Boulevard Crossing</td>
<td>205</td>
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<tr>
<td>14</td>
<td>Villard Hall Addition and Alterations (Broadcasting Theater)</td>
<td>260</td>
</tr>
<tr>
<td>15</td>
<td>Bikeway and Visitor Information Systems</td>
<td>1,800</td>
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<tr>
<td>16</td>
<td>College of Education Addition Phase III</td>
<td>-</td>
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<tr>
<td>17</td>
<td>School of Architecture &amp; Allied Arts Addition and Alterations Phase III</td>
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<tr>
<td>18</td>
<td>Various Campus Facility Improvements</td>
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<tr>
<td>19</td>
<td>Hendricks Hall Alterations</td>
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<tr>
<td>20</td>
<td>Marine Biology Station Improvements (Charleston)</td>
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<tr>
<td>21</td>
<td>Biology Teaching Building</td>
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<tr>
<td>22</td>
<td>Esslinger Hall/McArthur Court Locker Room Addition</td>
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<tr>
<td>23</td>
<td>Esslinger Hall Addition</td>
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<tr>
<td><strong>Totals - University of Oregon</strong></td>
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<td>$16,850</td>
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*Note: All figures are in thousands.*
### Listing of Institutional Requests for Capital Construction and Land Acquisition to be Financed from State Funds and/or Gifts and Grants During 1979-1981 and 1981-1983, Continued


<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>UNIVERSITY OF OREGON HEALTH SCIENCES CENTER</td>
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<td></td>
</tr>
<tr>
<td>1 University Hospital South Addition and Remodel</td>
<td>$13,225</td>
<td>$ -</td>
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<tr>
<td>2 Campus Services Building Addition and Remodel</td>
<td>2,180</td>
<td>-</td>
</tr>
<tr>
<td>3 Basic Sciences Building Addition and Mackenzie Hall Remodel (Schematic Planning only)</td>
<td>150</td>
<td>-</td>
</tr>
<tr>
<td>4 Clinical Laboratory Building Improvements</td>
<td>880</td>
<td>-</td>
</tr>
<tr>
<td>5 Hospitals and Clinics Pneumatic Tube System</td>
<td>1,220</td>
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</tr>
<tr>
<td>6 University Hospital North Remodel (Emergency Service)</td>
<td>215</td>
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</tr>
<tr>
<td>7 Various Campus Buildings Remodel</td>
<td>1,035</td>
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</tr>
<tr>
<td>8 Hospital Dental Service Alterations</td>
<td>360</td>
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</tr>
<tr>
<td>9 Clinic Building Addition (Independent Learning Facility)</td>
<td>1,300</td>
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<tr>
<td>10 Campus Directional Control System Phase I</td>
<td>200</td>
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<tr>
<td>11 Utility Improvements Phase III</td>
<td>955</td>
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<tr>
<td>12 Child Development and Rehabilitation Center Improvements (Mechanical Systems)</td>
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<tr>
<td>13 Medical Research Building Alterations (Animal Quarters Ventilation)</td>
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<tr>
<td>14 Safety Deficiency Correction Program Phase III</td>
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<tr>
<td>15 Gaines Hall Demolition</td>
<td>110</td>
<td>-</td>
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<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1 Basic Sciences Building Addition and Remodel</td>
<td>-</td>
<td>10,625</td>
</tr>
<tr>
<td>2 Library Remodel (Auditorium)</td>
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<td>3 University Hospital North Improvements</td>
<td>-</td>
<td>580</td>
</tr>
<tr>
<td>4 Heliport for Emergency Transport</td>
<td>-</td>
<td>155</td>
</tr>
<tr>
<td>5 Physical Plant Building</td>
<td>-</td>
<td>5,715</td>
</tr>
<tr>
<td>6 Mackenzie Hall Alterations</td>
<td>-</td>
<td>2,325</td>
</tr>
<tr>
<td>7 Various Campus Buildings Remodel</td>
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<td>1,275</td>
</tr>
<tr>
<td>8 University Hospital South Remodel (Administrative Offices)</td>
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<td>90</td>
</tr>
<tr>
<td>9 Dental School Building Remodel (Graduate Instruction Clinic)</td>
<td>-</td>
<td>195</td>
</tr>
<tr>
<td>10 Child Development and Research Center Alterations (Crippled Children's Division Clinic Centralization)</td>
<td>-</td>
<td>515</td>
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Totals - University of Oregon Health Sciences Center $23,800 $23,000
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<tbody>
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<td>$75</td>
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<td>5,740</td>
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<tr>
<td>3</td>
<td>1,670</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>4,665</td>
<td>-</td>
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<tr>
<td>5</td>
<td>4,090</td>
<td>-</td>
</tr>
<tr>
<td>1</td>
<td>-</td>
<td>3,740</td>
</tr>
<tr>
<td>2</td>
<td>-</td>
<td>190</td>
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<tr>
<td><strong>Totals - Portland State University</strong></td>
<td><strong>$16,240</strong></td>
<td><strong>$3,930</strong></td>
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**OREGON INSTITUTE OF TECHNOLOGY**

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<tbody>
<tr>
<td>1</td>
<td>$80</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>2,950</td>
<td>-</td>
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<tr>
<td>3</td>
<td>675</td>
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<tr>
<td>4</td>
<td>215$^a$</td>
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<td>1</td>
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<td>400</td>
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<tr>
<td>2</td>
<td>-</td>
<td>135$^a$</td>
</tr>
<tr>
<td>3</td>
<td>-</td>
<td>240</td>
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<tr>
<td><strong>Totals - Oregon Institute of Technology</strong></td>
<td><strong>$3,920</strong></td>
<td><strong>$775</strong></td>
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**OREGON EDUCATIONAL AND PUBLIC BROADCASTING SERVICE**

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<tbody>
<tr>
<td>1</td>
<td>$115$^a$</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>75$^a$</td>
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</table>

*NOTE: Figures in $ are in thousands.*
### Listing of Institutional Requests for Capital Construction and Land Acquisition to be Financed from State Funds and/or Gifts and Grants During 1979-1981 and 1981-1983, Continued

#### Priorities

|------------|-----------|-----------|

#### Educational and General Plant Projects

**Oregon Educational and Public Broadcasting Service, Continued**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1 East-West Microwave Loop: Baker, Vale, Burns, Bend, Eugene</td>
<td>$ -</td>
<td>$ 950</td>
</tr>
<tr>
<td>2 FM Radio Microwave Link: Medford to Klamath Falls</td>
<td>$ 190</td>
<td>$ 115</td>
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</table>

Subtotals - New Construction Projects and Major Alterations to Existing Facilities

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>$78,160</td>
<td>$75,620</td>
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#### Land Acquisition

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>$200</td>
<td>$200</td>
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#### Grand Totals

<table>
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</thead>
<tbody>
<tr>
<td>$78,360</td>
<td>$75,820</td>
</tr>
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</table>

*Partial cost; remainder to be financed from self-liquidating bond borrowings and/or auxiliary enterprise balances*

@ Excluding estimated gift and grant funds (thousands of dollars):

#### Projects

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>OSU Performing Arts Center</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>SOSC Health Science Building (Nursing)</td>
<td>$ 10,000</td>
<td>$ 10,000</td>
</tr>
<tr>
<td>UO Various Campus Facility Improvements</td>
<td>$ 10,000</td>
<td>$ 10,000</td>
</tr>
<tr>
<td>UO Franklin Boulevard Crossing</td>
<td>$ 265</td>
<td>$ 265</td>
</tr>
<tr>
<td>UO Bikeway and Visitor Information Systems</td>
<td>$ -</td>
<td>$ 15</td>
</tr>
<tr>
<td>OEPBS Southern Oregon TV Transmitter and Microwave Interconnection; Translator Relay Stations; Port Orford and Gold Beach Translators</td>
<td>$ 345</td>
<td>$ 345</td>
</tr>
<tr>
<td>OEPBS FM Radio and TV Microwave Interconnection; Portland, Salem, Corvallis, Eugene</td>
<td>$ 145</td>
<td>$ 145</td>
</tr>
<tr>
<td>OEPBS East-West Microwave Loop: Baker, Vale, Burns, Bend, Eugene</td>
<td>$ -</td>
<td>$ 60</td>
</tr>
<tr>
<td>OEPBS FM Radio Microwave Link: Medford to Klamath Falls</td>
<td>$ -</td>
<td>$ 60</td>
</tr>
<tr>
<td>Totals</td>
<td>$1,040</td>
<td>$2,860</td>
</tr>
</tbody>
</table>

Office of Facilities Planning
June 7, 1976
Revised June 25, 1976
### EXHIBIT V

**Oregon State Board of Higher Education**

**Listing of Institutional Requests for Capital Construction and Land Acquisition to be Financed from Self-Liquidating Bond Borrowings and/or Balances Available for Auxiliary Enterprises During 1979-1981 and 1981-1983**

(Cost Estimates in Thousands of Dollars)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Eastern Oregon State College</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physical Education Activity Area Improvements; Street Extension</td>
<td>$80*</td>
<td>$-</td>
</tr>
<tr>
<td>Health Service Relocation (from Quinn Coliseum to Dorion Hall)</td>
<td>-</td>
<td>$85</td>
</tr>
<tr>
<td><strong>Totals - Eastern Oregon State College</strong></td>
<td>$80</td>
<td>$85</td>
</tr>
<tr>
<td><strong>Oregon College of Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Oregon State University</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utility Improvements (Sanitary/Storm Sewer Phase I)</td>
<td>$85*</td>
<td>$-</td>
</tr>
<tr>
<td>Memorial Union Remodel</td>
<td>3,260</td>
<td>-</td>
</tr>
<tr>
<td>Intramural/Recreation Field (McNary)</td>
<td>320</td>
<td>-</td>
</tr>
<tr>
<td>Utility Improvements (Electrical System Revision Completion)</td>
<td>135*</td>
<td>-</td>
</tr>
<tr>
<td>Marine Science Center Living Unit #3</td>
<td>-</td>
<td>320</td>
</tr>
<tr>
<td>S. W. 35th Street Improvements Assessment</td>
<td>100*</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals - Oregon State University</strong></td>
<td>$3,900</td>
<td>$335</td>
</tr>
<tr>
<td><strong>Southern Oregon State College</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety Deficiency Correction Program (Dorms Phase II)</td>
<td>$135</td>
<td>$-</td>
</tr>
<tr>
<td>Physical Education Activity Area Improvements</td>
<td>150*</td>
<td>-</td>
</tr>
<tr>
<td>Grandstand</td>
<td>360@</td>
<td>-</td>
</tr>
<tr>
<td><strong>Safety Deficiency Correction Program (Dorms Phase III)</strong></td>
<td>-</td>
<td>$135</td>
</tr>
<tr>
<td><strong>Totals - Southern Oregon State College</strong></td>
<td>$645</td>
<td>$135</td>
</tr>
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</table>
## Listing of Institutional Requests for Capital Construction and Land Acquisition to be Financed from Self-Liquidating Bond Borrowings and/or Balances Available for Auxiliary Enterprises during 1979-1981 and 1981-1983


### Auxiliary Enterprise Projects

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>1</td>
<td>UNIVERSITY OF OREGON</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Various Campus Facility Improvements</td>
<td>$1,095*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Utility Improvements, including Energy Conservation Modifications</td>
<td>$380*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Marine Biology Station Improvements (Charleston)</td>
<td>$1,565*</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Health, Physical Education &amp; Recreation Improvements (Playing Fields)</td>
<td>$2,000*</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Esslinger Hall Addition (Swimming Pool)</td>
<td>$450*</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Health, Physical Education &amp; Recreation Improvements (East 15th Street Tennis Courts Cover)</td>
<td>$410*</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Franklin Boulevard Crossing</td>
<td>$260*</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Bikeway and Visitor Information Systems</td>
<td>$65*</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Marine Biology Station Improvements (Charleston)</td>
<td></td>
<td>$630</td>
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<tr>
<td>8</td>
<td>Totals - University of Oregon</td>
<td>$6,225</td>
<td>$630</td>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>UNIVERSITY OF OREGON HEALTH SCIENCES CENTER</td>
<td>$70*</td>
<td>$1,845</td>
</tr>
<tr>
<td></td>
<td>Utility Improvements Phase III</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Parking Structure II Addition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Totals - University of Oregon Health Sciences Center</td>
<td>$70</td>
<td>$1,845</td>
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<thead>
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<th></th>
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<tbody>
<tr>
<td>1</td>
<td>PORTLAND STATE UNIVERSITY</td>
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</tr>
<tr>
<td></td>
<td>Parking Structure III Addition</td>
<td>$1,330</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Smith Memorial Center Remodel</td>
<td>$565</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Smith Memorial Center Remodel</td>
<td></td>
<td>$1,080</td>
</tr>
<tr>
<td>2</td>
<td>Totals - Portland State University</td>
<td>$1,875</td>
<td>$1,080</td>
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<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>1979-1981</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>1981-1983</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>OREGON INSTITUTE OF TECHNOLOGY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Physical Education Building Remodel (Swimming Pool)</td>
<td>$105*</td>
<td>$-</td>
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<tr>
<td></td>
<td>Physical Education Improvements (Tennis Courts)</td>
<td>$-</td>
<td>$65*</td>
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<td></td>
<td>Totals - Oregon Institute of Technology</td>
<td>$105</td>
<td>$65</td>
</tr>
<tr>
<td></td>
<td>Subtotals</td>
<td>$12,900</td>
<td>$4,175</td>
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<td></td>
<td>Land Acquisition</td>
<td>$215</td>
<td>$215</td>
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<tr>
<td></td>
<td>GRAND TOTALS</td>
<td>$13,115</td>
<td>$4,390</td>
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</tbody>
</table>

* Partial cost; remainder to be financed from state appropriations and offsets (reflected in listing of educational and general plant items)
@ Excludes estimated gift and grant funds (non-federal) in 1979-1981 (thousands of dollars):

- OSU Marine Science Center Living Unit #3: $110
- OSU Grandstand: $475
- Total: $585

Office of Facilities Planning
June 7, 1976
Revised June 25, 1976
Staff Report to the Committee

At the May 25, 1976, meeting, the Board reviewed and approved the tentative listings, by institution, of capital construction requests for 1977-1979 which had been recommended by the Board's staff and modified by the Committee on Finance, Administration and Physical Plant as a result of discussions at its April 29, 1976, meeting. It was indicated that the staff would escalate the cost estimates to reflect the price levels expected at the projected bid dates and then arrange the individual projects into two priority listings on a System-wide basis—one for the educational and general plant and the other for auxiliary enterprises—for further review by the Committee and the Board. These listings, and supporting documentation, are attached.

As noted in the previous discussions on April 29 and May 25, the recommendations exclude a great many projects which institutional officials had requested, even in their scaled-down listings, reflecting only those items of greatest need and urgency.

The recommendations for the priority listings of the capital outlay requests for 1977-1979 have been prepared consistent with the policies which the Board has approved previously for its capital construction program, including applicable space utilization objectives; building planning standards; the most current enrollment projections and the FTE enrollment limitations adopted on March 28, 1974; the distribution of costs between state tax funds (or offsets) and resources available for auxiliary enterprises, etc.; as well as compliance with State codes and regulations requiring provisions for the health and safety of employees, provisions for the physically handicapped, and energy-conservative facility designs. The listings are accompanied by narrative descriptions and budgets (on Form 105 BF 16 prescribed by the Executive Department) for individual projects indicating separately (1) those portions of the requests which relate to the educational and general plant, to be financed from General Fund appropriations; XI-G bond proceeds; gifts and grants; and (2) the requests which constitute additional facilities, improvements and land acquisitions for auxiliary enterprises to be financed from self-liquidating bond borrowings under the authority of Article XI-F(1) of the Oregon Constitution, balances from auxiliary enterprise operations, commingled student building fees and gifts and grants.

There are some similarities or common factors among a number of the projects which can be identified, and additional comments about a few of the requests in high priority on the listing applicable to the educational and general plant may be helpful in supplementing the descriptions contained within the project narratives:

(1) The proposed listing begins with the second of the three-phase safety deficiency correction program which was formulated at the request of the Executive Department and the Ways and Means Committee during the 1974 Special Legislative Session, basically in response to the Oregon Safe Employment Act (ORS Chapter 654), in cooperation with representatives of the Workmen's Compensation Board, the State Fire Marshal's office and the Building Codes Division of the Department of Commerce as well as local jurisdictions that relate to enforcement of safety and health codes and regulations. Much of the work within Phase I, authorized by the 1975 Legislature with an expenditure limitation of $5,920,000, has been completed or is in progress.

(2) Several other projects have either a direct or indirect relationship to the safety deficiency correction program and are proposed to make the most effective use of resources, avoiding what might be identified as inappropriate expenditures. For example, the proposed Dietary Food Service Remodel at the University of Oregon Health Sciences Center would eliminate or correct the health and safety hazards in the kitchen of University Hospital North by terminating regular food preparation there and adopting a flash-freeze method which would utilize the kitchen within University Hospital South. (Consistent with Board authorization on May 25, 1976, a request has been made to the Emergency Board for authorization to proceed immediately with the first phase
Meeting #432-40
July 20, 1976

of this remodeling project. Pending such action on June 24-25 or later, the entire expenditure requirements are included in the 1977-1979 program, but if approval is obtained, it is expected that a reduction of approximately $460,000 will be made in the amount of the state fund requirements for that biennium.)

Similarly, the proposed Gilbert Hall Addition at Oregon State University, which would house laboratories for the teaching of chemistry, would permit the correction of ventilation-exhaust system deficiencies within the existing building at a considerably lower cost than if the addition to the building were not made.

Although the Preclinical Technique Dental Laboratories Remodel project at the University of Oregon Health Sciences Center has the primary objective of providing adequate teaching facilities, it would also solve an existing gysum dust problem.

At Eastern Oregon State College, the present Physical Plant Service Building, an assemblage of World War II structures located near the main entrance to the campus, would require safety deficiency corrections at a cost equal to approximately 45% of its appraised value. Instead, it is proposed to build a new maintenance facility in a more appropriate location adjacent to the central heating plant.

(3) In recognition of the age and condition of many older buildings in the State System, it is essential that funds be made available for rehabilitation, refurbishing and renovation on a regular basis each biennium. A few projects of this nature were authorized in the capital construction program for 1975-1977. Many of the requests in the listing for 1977-1979 are for similar remodeling work and are essential to protect the existing investment and to make the most effective use of space, as well as to provide access to those persons who are physically handicapped.

(4) Although there may be some reduction in the numbers of students enrolled in undergraduate courses for preservice instruction in the field of education, this has been more than offset by the need for inservice instruction and specialized training for school support personnel. Furthermore, for many years there has been a substantial deficit in the space required for education programs with the result that it has been necessary to lease off-campus facilities and to utilize grossly inadequate temporary buildings. New facilities for the College of Education at the University of Oregon were authorized by the 1969 Legislature but because of State fiscal exigencies, the funding was withdrawn and the construction did not proceed. The current proposal is for only a portion of the documented needs.

The relief requested at Portland State University, through the construction of the initial unit of the proposed Professional Schools Building, would not only provide the specialized facilities needed for its School of Education but would also permit the reassignment of space within Lincoln Hall for other critical needs of this institution.

(5) Some instructional programs require very specialized space. The Veterinary Hospital and Clinic Building at Oregon State University is proposed to accommodate Oregon's share in a tri-state agreement with Idaho and Washington for instruction in veterinary medicine. The budget estimates anticipate the receipt of federal grants equal to eighty percent (80%) of the eligible project costs. (Some of the utility extensions to the building do not qualify for federal participation and must be financed exclusively from state funds.)

The Drama Laboratory (Theater) at Southern Oregon State College is proposed as the principal instructional facility for existing degree programs which currently lack suitable facilities. As noted, one of the unique features
Meeting #432-41

of this institution is its close relationship with the Ashland Shakespearean Festival. Because the Bowmer Theater in downtown Ashland is fully scheduled throughout the year, it is not available to Southern Oregon State College as an instructional laboratory. It is imperative that the institution proceed with the construction of its own theater as soon as possible.

The new library at Oregon Institute of Technology is another of the specialized facilities recommended in relatively high priority. More than three times as many students are now enrolled on the campus in Klamath Falls than the number who were expected to obtain library services in the space tentatively assigned on the lower level of the Commons Building. Furthermore, the expansion of curricular offerings and the addition of baccalaureate degree programs has intensified the need for additional library stacks and reader stations.

Carefully selected energy conservation expenditures have the possibilities of short pay-off periods. The proposed Energy Conservation Instrumentation and Monitoring project at Oregon State University would make it possible to collect data that would facilitate the best choices.

The Utility and Energy Conservation Improvements (Plant Interconnection and Metering) project at Southern Oregon State College definitely would permit energy savings immediately and would aid in the acquisition of energy consumption data which would be useful in long-range planning.

Except for the pro-rata share of the costs of various utility improvements, the listing of auxiliary enterprise projects is quite short. Consequently, there does not appear to be a need to seek an increase in the current statutory limitation of $90,500,000 for self-liquidating bond borrowings under the provisions of Article XI-F(1) of the Oregon Constitution, or to modify the maximum amount of the student building fee ($12.50 per student per term).

As in prior biennial planning, it has been necessary for the staff to concentrate major emphasis and study upon the requests for the next two-year period. Substantial efforts have been made in analyzing the items proposed for 1977-1979, but in the absence of preliminary architectural or engineering planning for a number of the projects, it is not possible to be precise in describing the work to be accomplished or to evaluate adequately the indicated expenditure requirements. Some adjustments likely will be required prior to legislative action, and others may be necessary even later with the concurrence of the Board and the Emergency Board. The program outlined in the attached materials reflects the best estimate available at this time of the highest priority needs for capital outlay in 1977-1979.

Consistent with the statutory requirement that the Executive Department provide the Legislature with projections of capital needs for at least a six-year period, institutional requests for construction projects during 1979-1981 and 1981-1983 have been summarized and are attached also, accompanied by estimates of land acquisition requirements.

Because of the recent escalation of construction prices and the prospect of continued inflation, though at a somewhat lower rate than that experienced in the last few years, the estimated expenditure requirements for capital outlay in 1977-1979 and later biennia have been adjusted from the January 1976, price level which was reflected in the tabulations presented to the Committee in April and to the Board at the May meeting. Based upon various indices of the industry and upon the advice of architectural and engineering consultants, a factor of five percent semiannually, not compounded, has been used in the projection of cost estimates for projects proposed for the next biennium. (The estimated expenditure requirements for projects identified for the following two biennia have been shown at the price level expected at June 30, 1979, recognizing that an opportunity will be available two years from now to make such further adjustments as may be required before specific legislative authorization is requested for any of them.)
For the convenience of the Committee and other members of the Board, there is being provided a one-page summary of the capital construction program for the current biennium (1975-1977), including the financing plan and an indication of the current status of planning or construction. Copies of the space utilization studies for the Fall Term 1975 have been distributed to the institutions, the Executive Department, the Legislative Fiscal Office and the Educational Coordinating Commission in accordance with long-standing practice. If members of the Board wish to review them, they will be furnished upon request.

Staff Recommendation to the Board

It was recommended that the Board accept a June 24, 1976, proposed appointment from the Trust Division, First National Bank of Oregon, to serve as successor trustee for the Elizabeth Bishop Trust Fund, amounting to approximately $6,000. Should the Board accept the appointment, it was further recommended that the Vice Chancellor for Administration be authorized to sign the appointment acceptance letter on behalf of the Board and to treat the funds when received as a quasi-endowment.

Board Discussion and Action

The Board approved the recommendations as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Made, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Board

Under the provisions of the August 10, 1951 last will and testament of Elizabeth Ellen Bishop, which was filed for probate with the Multnomah County Circuit Court on January 27, 1959, the First National Bank of Oregon became the executor of the deceased's estate and trustee for the residue thereof. The will directed the trustee to establish the Elizabeth Bishop Fund which has been used to finance living and education expenses of "...individuals in pursuance of and in connection with postgraduate study of child psychiatry..." The recipient(s) of a scholarship, method and place of study, and amount of the scholarship must be approved by a "Distribution Committee" consisting of three faculty of the 'University of Oregon Medical School' and appointed by the Dean. The will gives the Committee sole discretion in these matters as well as over the amount of principal that might be used in a scholarship awarded a beneficiary.

Mandatory qualifications for beneficiary status include graduation from the University of Oregon Medical School, completion of at least one year of internship and one year of postgraduate study in either pediatrics or psychiatry, and "...deserving of such assistance." The amount to be paid each beneficiary cannot exceed $3,000 a year for two years. The deceased further states in her will that it was her "...wish that the...Committee be generous in determining the amount of money to be paid each beneficiary and the achievement of the purposes of this trust, rather than the long perpetuation of the fund, is my primary concern."

Because of the cost of administration and certain provisions of the Tax Reform Act of 1969, the Trust Division, First National Bank of Oregon, initiated the action to appoint a successor trustee. In the process, the Trust Officer, First National Bank of Oregon, sought and obtained approval to resign as trustee and appoint the Oregon State Board of Higher Education as successor trustee from institution executives at the University of Oregon Health Sciences Center; the Assistant Attorney General and Legal Counsel, Oregon State Department of Higher Education; the Registrar of Charitable Trusts, Department of Justice, State of Oregon; and the Vice Chancellor for Administration.

Both the amount of the trust and the Distribution Committee's discretionary power to use the principal of the trust, if necessary, prompts the recommendation that the fund be designated and treated as a quasi-endowment.
Meeting #432-43

Budget Increase for Cereal Building at Hyslop Field Laboratory, OSU

Staff Recommendation to the Board

It was recommended that the Board authorize an increase in the expenditure limitation for the proposed Cereal Building at the Hyslop Field Laboratory of Oregon State University from $53,500 to $100,000 so that new bids may be solicited and a contract award may be made for these facilities within the adjusted total subject to the prior concurrence of the State Emergency Board. All of the funds required for the project would be provided from the operating budget of the Agricultural Experiment Stations of Oregon State University.

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Board

Based upon drawings and specifications prepared by the staff of the Agricultural Experiment Station, bids were solicited for the construction of an industrial-type building at the Hyslop Field Laboratory north of Corvallis. These facilities are needed for the sorting, cleaning, treatment and storage of cereal grains and were authorized by the Board and the State Emergency Board within an expenditure limitation of $53,500. Only two contractors submitted proposals on June 3, 1976, and the amounts quoted were substantially above the budget estimate. Upon the recommendation of institutional officials, these bids were rejected and a new bid invitation was extended in anticipation of seeking authorization to proceed with the project within a revised total budget of $100,000. Funds are available within the 1975-76 and 1976-77 operating budgets of the Agricultural Experiment Stations to cover the estimated expenditure requirements.

Institutional officials have indicated that the additional facilities are essential to the cereal grain research program which currently is being expanded in response to legislative direction. The unit would be either a steel- or wood-framed, metal-covered building on a concrete slab, connected to an existing structure and providing a gross area of approximately 6,480 square feet. The revised estimate of the direct construction costs is $91,700, averaging about $14.15 per square foot.

Budget Adjustment for Various Campus Buildings Remodeling, UO

Staff Recommendation to the Board

In order to replace the sound system within Villard Hall and install carpeting within office areas in the east wing of Gilbert Hall, it was recommended that the appropriate Board officials be authorized to seek the approval of the State Emergency Board to increase the expenditure limitation for Various Campus Buildings Remodeling at the University of Oregon from $1,430,000, as prescribed by subsection (1)(a) of Section 2 of Chapter 331, Oregon Laws 1975, to $1,468,750. The additional fund requirements of $38,750 are available to the institution from operating accounts, principally amounts budgeted for equipment replacements.

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Board

Most of the work programmed in the 1975-1977 capital construction request for the remodeling of various campus buildings at the University of Oregon either has been completed or is being accomplished through contracts now in progress. It includes alterations within Condon, Esslinger, Fenton, Friendly, Gerlinger, Gilbert, Hendricks,
Science and Villard Halls to improve access for the physically handicapped, adapt spaces for different uses, increase utilization and fulfill other program requirements. The work has been coordinated carefully with the correction of safety deficiencies funded from separate legislative authorizations. Reports of bids and contract awards applicable to each building have been made in the dockets of several Board meetings during the past year, and reports of project completions have also been made or will be made following final inspections.

University officials have requested authorization to include two additional items within the contract work now being accomplished. The first of these is the replacement of the present inadequate sound system in Villard Hall at a cost of about $30,000. In the judgment of the staff and the project architects, the proposed new sound system would meet contemporary expectations relative to such indices of quality as power, frequency response, total harmonic distortion and signal-to-noise ratio. It will be less costly to accomplish simultaneously with other remodeling than to be handled separately.

The other item involves the installation of carpeting in office areas in the east wing of Gilbert Hall at an estimated cost of approximately $8,750. It would conceal unsightly patchworks of resilient floor coverings that have resulted from partition changes and would also provide acoustical benefits. It would be added to the present contract through a change order.

As noted in the staff recommendation, the supplemental funds of $38,750 required are available to the University from operating accounts. The expenditure thereof for capital construction, however, is subject to Board and Emergency Board authorization.

(Considered by Committee on Instruction, Research, and Public Service Programs, June 22, 1976; present--Carpenter, Feves, Harms, Maden.)

A copy of a proposed interim agreement between Washington State University and the State Board of Higher Education to establish a shared curriculum in veterinary medicine was presented for consideration by the Committee. It appears as Supplement A to this docket.

The proposed interim agreement is a step forward from where Oregon now is in relation to veterinary medicine, but short of where it will be when the tri-state shared-curriculum program in veterinary medicine is in place and fully operative.

The agreement is intended to facilitate the admission of qualified Oregon residents into a shared-curriculum program in veterinary medicine during the period necessary for planning a hospital-clinic at Oregon State University, and the development of the curriculum and courses at each of the three participating universities (Washington State University, Oregon State University, University of Idaho).

Staff Recommendation to the Committee

The Board's Office recommended that the Board's Committee on Instruction, Research, and Public Service Programs approve the agreement and recommend its approval by the Board, contingent upon the necessary funds being made available by the Legislative Assembly.

Discussion and Recommendation by the Committee

Mr. Harms moved the Committee recommend that the Board approve the proposed interim agreement contingent upon the necessary funds being made available by the Legislative Assembly.

Mr. Maden asked whether the agreement would continue if the veterinary school agreement was not implemented. Dr. Romney responded that it could be but it would be on the basis of another agreement which would need approval by the
Board. However, the interim agreement is proposed awaiting fulfillment of the tri-state shared-curriculum in veterinary medicine. It is questionable whether the State of Washington would be interested in having this agreement if there were no tri-state shared-curriculum program in the offing.

President MacVicar said the State of Washington would recognize its obligation to Western Interstate Commission for Higher Education and interstate compact relationships to that organization. Therefore, it would not be willing to give Oregon unusual and peculiar status except as an interim agreement between the close of the present biennium and the implementation of a fully shared curriculum.

The Chancellor said an agreement such as the interim agreement would have been possible but very unlikely because the dynamics which led to this proposal were all related to the establishment of a shared curriculum. If the shared curriculum were not developed, it would be possible to explore the continuation of the proposed interim agreement. He also indicated that there had been no proposals for similar arrangements with any other state.

The advisory committee appointed by the Chancellor examined a number of alternatives for meeting the need for veterinarians in the State of Oregon. Evidence gathered from a number of states having schools of veterinary medicine indicated that in all likelihood fewer Oregon students would be admitted to other state schools than in the past and those that were admitted would have to pay higher costs than at present.

The Committee approved Mr. Harms' motion.

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Committee

The concept of the tri-state shared-curriculum, involving Washington State University (which has an accredited College of Veterinary Medicine), University of Idaho, and Oregon State University, was approved by the Board in May 1974, and by the 1975 Legislative Assembly.

The 1975 Legislative Assembly took the following action relating to Oregon State University's proposed participation in the tri-state program:

- It established a program of veterinary medicine at Oregon State University.
- It authorized the State Board of Higher Education to enter into agreements with its counterpart in the State of Idaho and with the Board of Regents of Washington State University for cooperative development of the program in veterinary medicine.
- It appropriated to the Emergency Board, in addition to, and not in lieu of, other appropriations or money made available by law, the sum of $200,000 to be allocated to the State Department of Higher Education for architectural planning for a veterinary hospital facility at Oregon State University, which sum may be allocated upon receipt by the Department of federal funds for constructing and equipping such a facility, but not later than January 1, 1977.
- It authorized the sale of Article XI-G general obligation bonds of the State of Oregon, up to the aggregate principal sum of $200,000 par value, for architectural planning.
A grant application for $7,224,000 for construction of the veterinary hospital facility at Oregon State University was submitted to the U. S. Department of Health, Education, and Welfare (HEW) in the spring of 1975.

On May 30, 1975, the Department of Health, Education, and Welfare declared the grant application to be ineligible for two reasons: (1) the State of Oregon had not, at that time, yet made a financial commitment to the project, and (2) Oregon State University did not have a school of veterinary medicine.

Both deficiencies were corrected in 1975. The first by action of the 1975 Legislative Assembly, cited above. The second by action of the State Board of Higher Education which, at its September 23, 1975, meeting authorized Oregon State University to establish a school of veterinary medicine.

The Board took the foregoing action to enable Oregon State University to become eligible for consideration for federal funding of a major portion of the cost of the proposed hospital-clinic, a facility necessary to the tri-state shared-curriculum program.

Oregon State University will again make application for federal funds for the proposed hospital-clinic as soon as congressional action has been taken on the bills that will determine the congressional appropriation out of which projects such as Oregon State University's might be funded.

Meanwhile, a preliminary review of plans for the Northwest Regional Program of Veterinary Medical Education has been made by the Council on Education of the American Veterinary Medical Association (AVMA), the national accrediting agency for the veterinary medical profession. The Council has given assurance of probable accreditation for the program if a small animal medicine and surgery training program is included in the tri-state curriculum. Oregon State University's plans include such a program.

Discussions concerning the tri-state veterinary program have continued in the three participating states. From these discussions has emerged a proposed interim agreement (see Supplement A to this docket). The agreement has been considered and approved by the Washington State University Board of Regents and is presented for consideration by the State Board of Higher Education.

It is expected that this interim agreement, if approved, would be succeeded by a later agreement which would relate to the full development and operation of the tri-state shared-curriculum program.

What is the Principal Purpose of the Agreement?

The interim agreement speaks to three principal needs:

- The need to increase opportunities for qualified Oregonians to gain admission to veterinary medicine programs leading to careers in veterinary medicine.

  The need is great. Seventy to eighty students have applied each year for the past several years through the Board's Office for the few slots open in the five schools of veterinary medicine with which the Board's Office has agreements (Iowa, Kansas, Colorado, and Washington State Universities, and the University of California at Davis). Approximately a dozen gain admittance each year. Competition is severe.

  If the interim agreement is adopted, the number of openings available each year to Oregon residents will increase from the present 13 to as many as 20 or 21. For under the agreement, Washington State University will provide 12 places each year for Oregon qualified residents—an increase over the average of six Oregon residents who have in the past seven years been admitted to Washington State University in any given year.
The need to increase the number of qualified veterinarians to meet what is referred to as a critical and growing shortage of veterinarians in the state, region, and generally throughout the nation.

The data on supply and demand were reviewed with the Board in earlier studies and need not be repeated here.

The need to increase the capacity for public service in the field of veterinary medicine through increased research, extension, and continuing education.

Other needs set forth in the interim agreement are subsidiary to and serve the foregoing basic needs:

- The need for Washington State University to gain access to additional facilities and resources, particularly clinical material in dairy, food animal, aquatic and marine animals and small herd practice, thus to strengthen its accreditation status.

- The need to increase efficiency in production of veterinarians and in serving the veterinary needs of the northwest by providing for joint use of facilities at the two institutions and by sharing specialized staff resources.

- The need to increase regional and federal assistance in support of veterinary needs by broadening the base of regional and state support for veterinary medicine.

**What is the Quid Pro Quo?**

Under the interim agreement, Oregon would have access to 12 slots for entering students in the Washington State University College of Veterinary Medicine during each of the two years of the agreement. The charge to Oregon for each Oregon student participating in this shared-curriculum program would be $10,000 per student per year, some part of which payment could be in the form of instructional services, as provided for under the provisions of the agreement.

Since 12 Oregon residents would enter the program the first year (1977-78) and an additional 12 the second year (1978-79), making a total of 24 students in the program the second year, the Oregon commitment for the two years would be $360,000 ($120,000 the first year, $240,000 the second).

The agreement projects the following allocation of the $360,000 to cover instructional costs:

<table>
<thead>
<tr>
<th></th>
<th>First Yr. Students</th>
<th>Second Yr. Students</th>
<th>Funding to be Provided by OSU To WSU</th>
<th>To OSU</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977-78</td>
<td>12</td>
<td>--</td>
<td>$96,000</td>
<td>$24,000</td>
<td>$120,000</td>
</tr>
<tr>
<td>1978-79</td>
<td>12</td>
<td>12</td>
<td>192,000</td>
<td>48,000</td>
<td>240,000</td>
</tr>
</tbody>
</table>

It will be noted from the above figures that of the $10,000 per student to be made available in cash and in kind by Oregon, the proposed allocation of those funds would result, under the agreement, in Washington State University's receiving $8,000 per student to cover instructional services provided there, and $2,000 per student would be allocated to Oregon State University to cover instructional costs at Oregon State University.

However, the foregoing distribution may be altered under terms of the agreement which provide that "Final distribution of the above totals may be made to reflect changes in teaching effort at each location recommended by the curriculum committee and approved by the OSU and WSU deans."
The $10,000 per student is more than Oregon has heretofore paid in support of veterinary students admitted to the schools or colleges of veterinary medicine with which the Board has agreements, either bilaterally or through the Western Interstate Commission for Higher Education. But Colorado State University, one of the five institutions accepting Oregon students into their program under a bilateral or WICHE agreement has increased its charge to $8,500 for 1975-77 and other institutions are likely to raise their charges to at least that figure. The fact that under the present projected allocation of the proposed $10,000 per student figure in the interim agreement, $2,000 per student will be returned to Oregon State University for strengthening its program is an important mitigating factor as well.

**Impact of Interim Agreement on Oregon Students**

**Currently Enrolled at WSU Under WICHE Agreement**

In 1977-78 there will be enrolled in the veterinary medicine program at Washington State University 14 Oregon residents who have been admitted under the WICHE Exchange Program (3 sophomores, 4 juniors, 8 seniors). They will continue to the completion of their degree programs under the WICHE agreement. But if the interim agreement is accepted, Oregon residents entering Washington State University's veterinary medicine program during the period of the agreement would all enter it through the terms of the agreement rather than under the WICHE program.

It ought also to be noted, that those Oregon students admitted to Washington State University under the interim agreement will be permitted to continue to the completion of their degree programs at Washington State University, should the interim agreement lapse or be terminated 'provided Oregon State University continues to provide teaching contributions acceptable to the Washington State University College of Veterinary Medicine dean, equivalent to $10,000 or to pay $10,000 in cash to Washington State University per certified Oregon student receiving training for an academic year at Washington State University's College of Veterinary Medicine.

**Budgetary Considerations**

In the event the Board approves the interim agreement, the Legislature will be requested to provide the $360,000 necessary to its funding. At the same time, the request for state appropriations in support of the WICHE veterinary medicine student exchange program will be reduced by an appropriate amount in recognition of the fact that during the life of the agreement, Oregon students will enter the veterinary program at Washington State University under the terms of the interim agreement rather than through the WICHE exchange program.

If the proposed veterinary hospital-clinic facility at Oregon State University is authorized and funded, a program improvement request will be made at that time in the order of $328,000 ($236,000 recurring, $92,000 nonrecurring) to provide for planning and program strengthening incident to moving into the tri-state shared-curriculum program in veterinary medicine.

**Graduate Low-Degree-Conferral Programs in the OSSHE**

At the request of the Board's Committee on Instruction, Research, and Public Service Programs, a review of low-degree-conferral programs at the graduate level in the State System has been conducted by the Board's Office of Academic Affairs in cooperation with the State System institutions. The report, entitled "Graduate Low-Degree-Conferral Programs in the Oregon State System of Higher Education," is on file in the Board's Office.

Master's programs conferring an average of three or less degrees and doctoral programs conferring an average of one degree or less per year over the past five years were identified and have been or are in the process of being reviewed (34 at Oregon State University, 5 at the University of Oregon, 3 at Portland State University).
The report presents the review with analysis and recommendations for 22 of the 42 programs (5 at the University of Oregon and 17 at Oregon State University) identified as low-degree-conferral. The 22 programs included in the report are in 11 fields of study, i.e., dance, landscape architecture, linguistics, art history, and classics at the University of Oregon; foods and nutrition, home management, institution management, horticulture, poultry science, and pharmacy at Oregon State University. Those programs not included in the present report will be presented at the August meeting of the Board's Committee.

Staff Recommendation to the Committee

For each of the graduate low-degree-conferral programs reviewed and included in this report, the Board's Office recommended that the Board approve the recommended action for each program as indicated on pp. 7-39 of the full report and summarized below.

1. **Continuation of Program**
   - University of Oregon
     - MA/MS, Dance
     - MLA, Landscape Architecture
     - MA, Linguistics
   - Oregon State University
     - MS, Horticulture
     - MAgr, MS, PhD, Poultry Science
     - PhD, Foods and Nutrition
     - MA/MS, Home Management

2. **Continuation on a Conditional Basis**
   - University of Oregon
     - PhD, Art History
     - MA, Classics

3. **Consolidation of Programs**
   - Oregon State University
     - MS, PhD, Pharmaceutical Chemistry
     - MS, PhD, Pharmaceutical Science
     - MS, PhD, Pharmacognosy
     - MS, PhD, Pharmacology
     - MS, PhD, Pharmacy Administration

The Board's Office supports the action taken by the School of Pharmacy in combining its five graduate programs into one program at the master's level and one program leading to the doctoral degree.

4. **Suspension or Termination**
   - Oregon State University
     - PhD, Home Management (suspension)
     - MS, Institution Management (termination)

Discussion and Recommendation by the Committee

Dr. Rempel explained that the standard for determining which programs should be reviewed (any master's program producing an average of three or less graduates over the past five years, and any doctoral program producing an average of one or less graduates over the past five years) is a standard which is being or has been used in a number of states (Washington, Florida, South Carolina, and Kansas) in similar reviews. He emphasized that the Board's Office was not setting up absolute standards of degree productivity that must be achieved in order for particular
graduate programs to survive. Rather, the foregoing standard was used only to identify programs at the lower end of the degree production scale in order that they might be reviewed in the further detail in the light of a number of criteria deemed important in making judgments about programs. It is certainly not the intent of the Board's Office to encourage institutional departments or schools to lower their standards merely to produce a stipulated minimum number of graduates.

Dr. Rempel then reviewed with the committee the kinds of information obtained from the institutions as the basis for the review by the Board's Office of the identified low-conferral degree programs.

Mr. Maden asked whether consideration had been given either to moving a program from one campus to another, or consolidating into a single program two or more programs located on different campuses. Dr. Rempel responded that the master's and doctoral programs being reviewed in this instance, are not available on more than one campus in the State System, with the single exception of a limited aspect of pharmacy (pharmacology), and that in the area of pharmacology, the program available at the University of Oregon Health Sciences Center is quite different from the programs in pharmacy available at Oregon State University. He said that no consideration had been given to moving from one campus to another any of the low-degree-conferral programs which were before the committee for consideration.

Mr. Maden asked about the Ph.D. program in art history at the University of Oregon which, according to the report, had not produced a single graduate in the years the program has been available. Is such a program necessary, or would a master's degree suffice, he asked. Dr. Rempel responded that one person was graduated in the winter of 1976 and is now employed as director of a museum in Minneapolis, and that there are presently two students enrolled in the program. Mrs. Kahananui described the non-state support available in art history (approximately $45,000 a year) and observed that with that support and with the desire of the institution to see this program flourish, the three-year probationary period seemed desirable. She described briefly the steps the institution is taking to improve and promote the program.

Mr. Harms, speaking of the art history and the classics programs at the University of Oregon, asserted that these are programs that ought to be offered in the State System, that it would be a sad day for Oregon if such programs were not available in such an institution as the University of Oregon, that one cannot measure the worth of such programs solely in cost-effective terms. These two programs which are both on the conditional list might be more important to us culturally than perhaps some other programs, he averred.

President Boyd commented on the irony of a situation in which institutions are on the one hand urged to hold Ph.D. production in check because of a surfeit of graduates while at the same time, we place low-degree-conferral programs in a conditional status because they do not produce more Ph.D. graduates. He suggested that the University of Oregon ought to be commended for its low productivity of Ph.D. graduates.

Mr. Maden responded that it was not the Board's intent to encourage institutions simply to increase the body count of Ph.D. graduates. Low-degree-conferral is only the means of identifying programs for review. The criteria for their review are quite another thing.

Mr. Maden then inquired about the classics program at the University of Oregon. As a classics graduate he said that he nonetheless would like to ask whether a master's program in the classics is necessary in Oregon, particularly in view of the fact that consideration is being given at the University to redefining the master's degree in classics more broadly in terms of classical civilizations which, on the face of it, appears to be a history of interdisciplinary emphasis without an emphasis on the classical languages.
Dr. Rempel explained that the classical civilizations program, if offered, would be offered only as an option in the classics program, not as a replacement of the classics program, which does emphasize the classical languages. The program being considered as an option would meet the needs of students preparing to do graduate work at the Ph.D. level in archeology, in ancient history, or ancient art. The program would offer greater interdisciplinary flexibility and a more specialized concentration in ancient studies.

Mr. Maden asked whether, if there were not a master's in the classics at the University, students could still pursue graduate work at the master's level in ancient civilizations. Mrs. Kahananui asserted that it would be difficult. By providing a variety of opportunities within the area of classics-classical civilizations, it would be possible, she said, to provide the service needed at the University by appealing to students of diverse, but related interests. She noted that the University has brought onto the staff in classics two young professors both of whom received their training in programs which have been revitalized, are very active, and have growing enrollments. They are familiar with teaching the classics in translation and making the work relevant to persons with other, but related interests.

There was some discussion of the doctoral program in poultry science. Mr. Maden raised a number of questions concerning the need for a Ph.D. program in poultry science. But in the ensuing discussion, concurrence in support of the program was reached in the light of the facts that (1) the poultry industry in Oregon and the Northwest is a very important industry, (2) the graduates of the poultry science program are readily placed in positions for which their preparation prepares them, (3) Oregon State University has given careful consideration to the feasibility of combining poultry science and animal science programs and for logistical reasons, among others, has concluded that the consolidation would have no advantages and would create some problems.

Turning to the master's and doctoral programs in home management, Mrs. Carpenter commented that she felt that the action being proposed in connection with this program is sound. She noted that the Board's Office recommendation is to suspend the offering of the doctoral program in home management. Mr. Maden asked about the difference between suspension and discontinuation. Dr. Rempel responded that suspension meant that the program would not be offered or advertised for the immediate future. Oregon State University is in process of strengthening the faculty in home management and at some point in the future, Oregon State University will wish to offer the doctoral program again, and may be authorized to do so, by the Chancellor. Oregon State University now has five faculty with doctorates in this area, they have just added a new extension specialist at the graduate level with course work in home management and with a doctor of jurisprudence degree with special strength in family consumer law. They are in process of reorganizing the department of home management so that it will become the department of family resource management and housing, a development Mrs. Carpenter said she felt was sound.

Attention then turned to the master's program in institution management, which the Board's Office recommended be terminated. The members of the Committee appeared agreed to that recommendation.

The consolidation of the programs in pharmacy which has been accomplished in the past year or so was commented on briefly by Dr. Rempel.

The Committee recommended that the Board adopt the Board's Office recommendations on the 22 master's and doctoral programs before the Committee (5 from UO, 17 from OSU).

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.
Criteria for Review. The Board’s Office used the following basic criteria in arriving at judgments about the recommendations for continuation, modification, suspension, or termination of the programs reviewed:

Need for the program. To what extent is the program duplicated at other state institutions or in other northwestern states? Does the program meet student interests and demands? In what ways does the program relate to the community and the larger area served? Is the program compatible with institutional purposes and mission? Does the program emphasize service to students in other programs rather than the conferral of degrees? What is the job placement situation for the graduates?

Prospects for the program in the future. What are the plans for the program in the future with respect to level of support, efforts to increase enrollments, changes in admission standards, etc.? What are the degree-conferral and student-credit-hour production trends over the past five years? In terms of these trends and the projected plans for the program, what are the prospects for the program in the future?

Quality of the program. Is the program accredited? What are the qualifications of the faculty? What evidence can the department muster to give some indication of the quality of the program: e.g., student and alumni reactions, demand for graduates, accreditation or other evaluation reports?

Cost of the program. What do the data concerning class size, student-credit-hour production, and student-faculty ratios in the departmental graduate courses reveal about the efficiency and cost of the program? What savings might be effected if the program were eliminated?

Procedures:

Institutional review. After identifying the graduate low-degree-conferral program according to the standard set for inclusion in the review (three or less master’s and one or less doctoral degrees awarded on the average over the past five years), the Board’s Office requested that the institutions develop, review internally, and supply to the Board’s Office essential information concerning the graduate programs identified as low-degree-conferral programs. The information requested was based on the criteria and the questions listed above.

After the preparation and review of the foregoing information and data, the institution was asked to make its recommendations concerning the programs under review.

Board’s Office analysis and recommendations. The Board’s Office has made an analysis of the review data and the information submitted by the institutions for each program, collected additional evidence as needed, and conferred with institutional representatives in order to get a clear picture of the nature of and need for the program.

In a general sense, all programs in the State System institutions are accredited, because the institutions are accredited as a whole as to their general, overall quality by the Northwest Association of Schools and Colleges. However, various professional accrediting agencies periodically assess whether specific professional programs meet certain standards. Generally, such professional accreditation applies to undergraduate program or programs leading to the first professional degree. In some areas, e.g., education, business administration, graduate as well as undergraduate programs are reviewed by the professional accrediting bodies.
Statewide Goals & Objectives for Education in Oregon Proposed by OECC Committee on Achievement & Accountability

(Considered by Committee on Instruction, Research, and Public Service Programs, June 22, 1976; present--Carpenter, Feves, Harms, Ingalls.)

Staff Report and Recommendation to the Committee

The Board's Office recommended that the Board's Committee endorse an amended draft of the statewide goals and objectives for education in Oregon prepared in its initial form by the Educational Coordinating Commission's Committee on Achievement and Accountability. Dr. Romney stated that the draft prepared by the Oregon Educational Coordinating Commission's Committee on Achievement and Accountability had been prepared in compliance with the responsibility given to the Coordinating Commission by the Legislature "to develop and propose statewide educational policies and program objectives." He observed that the Commission expects to consider the draft proposal at its August 6 meeting and that comments and suggestions on the draft are invited from the State Board of Higher Education, as well as from other groups and agencies in the state. He indicated that the amendments which the Board's Office had made in the Oregon Educational Coordinating Commission's draft were considered necessary to clarify the proposed goals and objectives.

Dr. Olson of the Commission reported to the Board's Committee that the Commission will take public testimony on any proposed amendments to the Oregon Educational Coordinating Commission's draft on July 22. He indicated that the OECC will probably adopt the goals and objectives for education at its August meeting after having taken into account all of the suggestions for the improvement of the original draft.

Mrs. Carpenter commented on the importance of establishing goals and objectives.

Discussion and Recommendation by the Committee

Mrs. Feves moved the endorsement by the Committee of the proposed statewide goals and objectives as amended by the Board's Office. Mr. Harms seconded the motion, which was approved unanimously by the members of the Committee present.

The amended draft follows:

STATEWIDE GOALS AND OBJECTIVES FOR EDUCATION IN OREGON

(Prepared by the OECC Committee on Achievement and Accountability and Amended by the Board's Office.)

(Amendments proposed by the Board's Office are indicated by (1) underlining in the case of suggested additions except in the headings which were underlined in the original draft, (2) bracketing and lining out in the case of suggested deletions.)

OVERALL GOAL: To provide educational [opportunities] services to the citizens of Oregon within the resources available and consistent with the desires and needs of the people of the State.

GOAL I. "To provide educational [opportunities] services to the citizens of Oregon..."

SUBGOAL A. ACCESS

OBJECTIVES: 1. Insure that potential learners have adequate and reliable information and counseling[;] concerning the range of educational opportunities and admissions requirements, so that prospective students may make informed judgments in the selection of educational opportunities appropriate to their abilities, interests, and needs. (See additional amendment in Board action of July 20, 1976.)
2. Assure that, in keeping with the differentiated missions assigned various educational agencies and institutions in the statewide plan, admissions requirements are realistically differentiated to reflect the variety of educational services available.

3. Provide for ready transferability of credits among post-secondary institutions, with maximum applicability of transfer credits toward degree requirements, thus to maximize access through transfer.

[2:] 4. Maximize geographic access to educational services insofar as resources permit.

[3:] 5. Work to eliminate financial barriers which prevent either full-time or part-time students from selecting and pursuing education for which they are qualified.

[4:] 6. Foster educational services which allow [an] individuals to pursue educational and career goals throughout [life] a lifetime. (See additional amendment in Board action of July 20, 1976.)

[5:] 7. Work toward equitable citizen participation in Oregon's educational programs [of persons] without regard to race, sex, [or] handicap [of], age, marital status, religion, or national origin.

SUBGOAL B. DIVERSITY

OBJECTIVES: 1. Provide a diversity of education and training services through the maintenance of a diverse group of educational agencies and institutions, each with its own designated mission and role, and a commitment to seeking excellence by concentrating its resources in programs appropriate to its goals and objectives.

[1:] 2. Provide maximum flexibility in the delivery of educational services to meet diverse individual needs, including development of the basic skills of reading, writing, and computation.

[2:] 3. Provide educational opportunities which will enable individuals to perform productively and in a self-fulfilling manner in their chosen careers.

[3:] 4. Provide learning experiences which will contribute to individual growth by providing outlets for creative expression and by exposing students to cultural, artistic, and intellectual traditions basic to the human experience.

[4:] 5. Provide educational programs which will prepare citizens of the society to participate in democratic decisions and to make informed judgments about social, political, and economic processes.

[5:] 6. Provide for research activities directed to the discovery of new knowledge [of] and the creative restructuring and application of knowledge.

[6:] 7. Extend to the surrounding community public service programs which can contribute to the solution of problems in the larger society.
GOAL II.  "...within the resources available..."

SUBGOAL A.  COST-EFFECTIVE MANAGEMENT

OBJECTIVES:

1. Maximize use of existing resources by eliminating unwarranted duplication and by encouraging cooperative programs and shared facilities.

2. Periodically review [functions] missions and roles of segments [and-revises and-missions] and of educational institutions and agencies.

3. Encourage intersegmental and regional interinstitutional cooperation which will [enhance] promote the effective delivery of educational services.

SUBGOAL B.  ADEQUACY AND EQUITABLE DISTRIBUTION OF FUNDS  [NOTE: The words "Adequacy and" have been added by the Board's Office.]

1. Maintenance of a level of funding for education, appropriate to Oregon's educational goals and aspirations for the life-long education of its citizens.

2. Insure that state funds are allocated and employed [in-a-manner which-will-provide-for-the] so as to assure optimum use of all educational resources in the state, including those from local, federal and student sources.

3. Develop state-level funding formulas processes which provide [equalization-of] equitable support to public institutions or districts [making-providing] providing [similar] equivalent types of educational [activities] services.

4. Provide adequate support to all levels of education to [accomplish] identified educational-revises-and-missions] permit effective fulfillment of assigned educational missions and roles.

5. Relate educational funding [formulas] to the accomplishment of educational outcomes.

GOAL III.  "...consistent with the desires and needs of the people and the state..."

SUBGOAL A.  ACCOUNTABILITY TO THE PUBLIC

OBJECTIVES:

1. Insure periodic public review of [educational-institutions'] goals, means of attainment, and outcomes[.1 of educational institutions and agencies offering elementary, secondary, and post-high school educational opportunities.

2. Foster the use of evaluative procedures on the part of educational institutions and agencies which [enable] permit objective determination of [whether] the extent to which stated [outcomes] goals and objectives are being achieved.

3. Collect and [communicate] use constructively [information] forecasts of state, regional, and national manpower needs [and-consider-this] in planning and evaluation of related educational programs.

4. Maintain a comprehensive statewide data base and management information system to facilitate the making of informed decisions by state policymakers.
Meeting #432-56

SUBGOAL B. ACCOUNTABILITY TO THE STUDENT

OBJECTIVES:

1. Work toward public understanding of strengths and limitations of diplomas, degrees, and certificates as measures of abilities and skills.

2. Assess the quality of academic and vocational programs, and their effectiveness in achieving the objectives and outcomes represented to students as the benefits to be expected from the programs.

3. Work toward the establishment of appropriate and reasonable approval procedures for nonpublic educational institutions and agencies that will provide the students who enroll therein some assurance that the programs offered by the institution or agency are educationally valid.

Board Discussion and Action

In reporting on the Committee discussion and recommendation, Mrs. Feves said that subsequent to the Committee meeting Board members had received a revised draft which was scheduled for public hearing on July 22. She said there were some modifications in the revised statement but it was essentially the same as the one considered by the Committee.

Dr. Romney said the recommendation before the Board for consideration was the response to the first draft.

Miss McIntyre moved that the words "cost of education" be added in Goal Number 1 after "range of educational opportunities" and to substitute the word "encourage" for the word "allow" in Paragraph 6. Other possible changes were suggested, but Mrs. Edith Maddron, a member of the Oregon Educational Coordinating Commission, indicated that the Board would have other opportunities to consider the final draft before it is accepted by the Commission.

The Board approved the amendments proposed by Miss McIntyre, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

The Board then approved the draft as presented and amended, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Policy for Assigning Student Levels and for Funding Institutions for Coursework Taken by Students

(Considered by Committee on Instruction, Research, and Public Service Programs, June 22, 1976; present--Carpenter, Feves, Harms, and Maden.)

In March 1976, the Board of Higher Education, upon the recommendation of its Committee on Instruction, Research and Public Service Programs, authorized Southern Oregon State College to offer an MA/MS in Interdisciplinary Studies effective 1977-78.

Four Policy Issues Raised by OECC

Shortly thereafter, in reviewing the proposed program, the Oregon Educational Coordinating Commission (OECC) suggested that the Board might wish to "delay implementation of the program" until the following policy issues (identified by OECC) have been "addressed by the Board and applied to the program in question."

1. Where there is no state or regional need demonstrated for a particular graduate program, is student interest and willingness to enroll sufficient justification to merit authorization of such programs?
2. Should the State Board continue to allow post-baccalaureate and fifth-year students to take courses for graduate credit and generate graduate funding entitlements without being admitted to graduate degree programs?

3. Should the State Board change its tuition and admission policies to allow post-baccalaureate students taking courses through the 400G level to take these courses without receiving graduate credit for them or without having to pay graduate tuition? (Credit hours generated by such students would receive entitlements at 1.25 FTE rather than 2.0 FTE.)

4. Should the State Board change its admission requirements so as to require all graduate students to be either admitted to graduate degree programs or not receive graduate credits for courses taken through the 400G level? (400G are technically undergraduate courses which are eligible under certain conditions for graduate credits.)

Staff Recommendation to the Committee

The Board’s Office recommended that the Board’s Committee reaffirm the present policies under which matriculated post-baccalaureate and fifth-year students who have not been admitted to a graduate program (1) are admitted to those courses for which they have the prerequisite preparation, (2) are required to pay graduate tuition, (3) are counted toward graduate funding entitlements. The explanation follows.

Discussion and Recommendation by the Committee

Dr. Romney summarized briefly the issues raised by the OECC concerning post-baccalaureate and fifth-year students. They relate to the following:

1. Whether post-baccalaureate and fifth-year students who have been admitted to an institution but not to a specific graduate program therein should be allowed to earn graduate credit as they can now do under State Board policies when they enroll in 400 G/G or 500-level courses and meet graduate requirements.

2. Whether post-baccalaureate students should be counted as graduate students and charged graduate tuition as they now are, or should be counted as undergraduate students and charged undergraduate tuition.

3. Whether the State Board of Higher Education should receive the same level of state support for post-baccalaureate and fifth-year students not admitted to a graduate program as it does for students admitted to a graduate program.

The Board’s Office response to these issues was, briefly, as follows:

1. Graduate credit for post-baccalaureate students. The Board's Office recommends that the Board reaffirm its present policy under which baccalaureate and fifth-year students are permitted to earn graduate credit when they enroll in and complete satisfactorily 400 G/G and 500-level courses.

Why should OECC propose that these students not be permitted to earn graduate credit if they complete satisfactorily the course requirements established for graduate credit? Is it because OECC assumes that, as post-baccalaureate and fifth-year students, they are unlikely to achieve at a satisfactory level in graduate courses? Or, is it that OECC believes that denial of graduate credit to post-baccalaureate and fifth-year students will stimulate them to seek admission or to seek admission earlier to graduate degree programs. If the foregoing assumptions are the basis for OECC's suggestion that post-baccalaureate and fifth-year students not be permitted to earn graduate credit, the Board's Office would contend that they are invalid for the reasons which we have set forth on pp. 666-667 of these minutes.
2. Tuition level. The Board's Office recommends that the Board reaffirm its present policy of charging post-baccalaureate and fifth-year students graduate tuition rather than undergraduate tuition.

The Board's policy is based upon the premise that, having earned one baccalaureate degree at undergraduate tuition rates, graduate students (including post-baccalaureate and fifth-year students) have already received substantial state subsidy in the earning of a baccalaureate degree and should pay graduate tuition for any additional work taken. The graduate tuition and fees are approximately half again as high as for resident undergraduates (e.g., at the University of Oregon the respective figures for 1976-77 are $978 and $657).

3. Level of state support. The Board's Office holds that it is entirely appropriate to count post-baccalaureate and fifth-year students as graduate students in classifying its students, and recommends that the Board affirm its present policy in this respect.

In classifying these students as graduate students, the State Board of Higher Education is consistent with the recommendations of the National Center for Higher Education Management Systems (NCHEMS). (See the NCHEMS definition of graduate students on pp. 665-666 of these minutes, particularly the underlined portion.)

Not to include these students in that category would make data from the State System incompatible with data from other colleges and universities from throughout the United States with which the State System will wish to be able to make comparisons as part of the Information Exchange Program.

But apart from the classification issue, there is the question of the level of state support for these students. The OECC staff appear to believe that post-baccalaureate and fifth-year students should be funded as undergraduate students rather than graduate students, at a ratio of 1.25 when compared with the level of support for lower-division students rather than at a ratio of 2.0, as at present.

Mr. Guy Lutz, head of the department of analytic services in the Board's Office of Administration, pointed out that the ratios 1.0 (lower-division costs per student), 1.25 (upper-division costs per student), and 2.0 (graduate costs per student) are derived ratios--derived from an analysis of the actual costs of education in State System institutions, calculated after the fact, on the basis of actual expenditures. The total dollars expended, distributed over the number of students classified as lower-division, upper-division, and graduate, leads to the derivation of cost figures which result in the ratios 1.0 for lower-division students, 1.25 for upper-division students, 2.0 for graduate students. These ratios are then used in calculating the anticipated cost of education for the ensuing year.

If now, the State System were to adopt the OECC suggestion and classify post-baccalaureate and fifth-year students as undergraduate (upper-division) students, cost ratios derived by the State System would be different than they are now, but the dollar figure cost of education would be whatever it actually was. Changing the classification of these students would not change the total cost one iota. The average costs of upper-division and graduate students would be different, and the ratios of costs for upper-division and graduate students would be changed from what they now are, but total costs would be unchanged.
Mr. Lutz also invited attention to Table 3 in the Board's Office report (see p. 670 of these minutes) which shows that in calculating the average cost of educating graduate students, the actual cost of the undergraduate courses taken by graduate students is included, as well as the cost of the graduate courses enrolled in. Hence, the average cost of the education of a graduate student (which is then related to the average cost of educating a lower-division student in determining the cost ratio) reflects the lower cost of undergraduate courses in which graduate students enroll.

Mr. Harms asserted that the logic of permitting post-baccalaureate and fifth-year students to earn graduate credit under the conditions set forth in the Board's Office report to the Board made good sense to him. He asserted further, that the Board's present policies vis-a-vis the handling of the post-baccalaureate and fifth-year students seemed as equitable as one could be; that he saw no reason for modifying present Board policies in these matters. He moved that the Committee reaffirm present Board policies. Mrs. Feves seconded the motion.

Dr. Olson of the OECC staff said that he wondered at the logic of the state's funding of post-baccalaureate and fifth-year students at the graduate level particularly when, as it sometimes happens, a post-baccalaureate student is taking solely or primarily undergraduate courses in the pursuit of a second baccalaureate degree. He said that the Board's policy of charging students having a baccalaureate degree, the graduate tuition rate, which is higher than the undergraduate tuition rate, is not a "consistent policy in the state in post-secondary institutions." He explained his observation by noting that the community colleges make no distinction in the tuition they charge students between persons with or without a baccalaureate or higher degree. He then observed that by counting post-baccalaureate and fifth-year students as graduate students, the State System is requiring the state to "cough up" twice as much for each such student as was required when that same student was a lower-division student, and that if these students were counted as upper-division students rather than graduate students, the cost ratio in terms of which the State System would be funded by the state for each such student would be 1.25 (25% more cost than for a lower-division student) instead of 2.0 (twice the cost of a lower-division student). He felt, he said, that the OECC's position on this matter is sound and that the Board should reexamine the issues raised by the Commission.

Mr. Harms asserted again his belief that present Board policies in this area are equitable, as equitable as any other, and simpler.

Dr. Olson commented that, by his lights, if the post-baccalaureate and fifth-year students were counted and funded as upper-division students and charged undergraduate tuition, the revenues to the State Board of Higher Education would be less than they are under current Board policies, even though, he said, the costs of education would remain the same, as under current policies.

Dr. Romney and Mr. Lutz observed that new cost ratios would result from shifting from the graduate classification to upper-division classification of the costs and credit hours attributable to post-baccalaureate and fifth-year students as Dr. Olson suggests we should do. These cost figures per student level (lower-division, upper-division, graduate) and the resulting cost ratios would not remain the same as they are under present classification of students (1.0, lower-division; 1.25, upper-division; 2.0, graduate). Such a reclassification of the post-baccalaureate and fifth-year students would have no impact on the total cost of education in the State System.

The question on Mr. Harms' motion was called for. Committee members unanimously supported the motion (i.e., that the Board's Committee reaffirm present Board policies with respect to the issues here under discussion).
Board Discussion and Action

The Board approved the reaffirmation of present Board policies in accordance with the staff recommendation. The following voted in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Committee

Response to the First Policy Issue

The Board's Office spoke to the first of the foregoing policy issues in a report to the Board's Committee on Instruction, Research, and Public Service programs at its April 29 meeting.

The Board's Office concluded its response by recommending that the Board reaffirm the action of the Board in authorizing Southern Oregon State College to offer the MA/MS in Interdisciplinary Studies effective 1976-77. The Committee, and subsequently the Board (May 25), did reaffirm that authorization, and Southern Oregon State College will offer the program effective fall term 1976.

Pervasive Character of Remaining Three Policy Issues

With respect to the latter three policy issues identified above by OECC, the Board's Office asserted to the Board's Committee that the issues

...relate to policies affecting post-baccalaureate and graduate degree programs broadly in the state system. They should be considered in that context rather than in the context of the program review relating to the MA/MS in Interdisciplinary Studies at SOSC. The program here under discussion would have little or no impact on SOSC's budget or on the state funds committed to SOSC. When these broader issues are discussed, involving the funding pattern for graduate education in the state system, they should be considered in the light of their impact across the total array of post-baccalaureate and graduate degree programs in the state system. If, as a result of the consideration of these broad issues, changes are made by the Board and the Legislature in the admissions or funding policies, they would become applicable, as appropriate, to the MA/MS in Interdisciplinary Studies and to all other graduate programs in like fashion, at that time.

The Board's Committee concurred with that view and asked that the three policy issues be brought to the Committee for consideration as soon as practicable.

Should the State Board continue to allow post-baccalaureate and fifth-year students to take courses for graduate credit and generate graduate funding entitlements without being admitted to graduate degree programs?

Inclusion of post-baccalaureate and fifth-year students in the graduate student category is consistent with the recommendations of the National Center for Higher Education Management Systems (NCHEMS). Not to include them in that category would make data from the State System incompatible with data from other colleges and universities from throughout the United States with which the State System wishes to be able to make comparisons as a part of the Information Exchange Program.

If the Information Exchange Program is to be valid, it must rest upon a common system of student classifications. NCHEMS has defined these student classifications at the graduate level as follows:

(3) Graduate Professional: Includes all students enrolled in programs classified by the United States Office of Education as "first-professional" degree programs: i.e., M.D., L. L. B., Rabbi, etc. Students enrolled in undergraduate "pre-professional" curricula and students in the first two-years (corresponding to the undergraduate freshman and sophomore years) of integrated graduate professional degree programs should be classified as lower division, and not as graduate professional students.
Graduate I: Includes all students who hold a bachelor's degree or the equivalent (or a "first-professional" degree) and (a) are pursuing a master's degree, (b) are pursuing a doctoral degree, but have not earned a master's degree and have earned less than the equivalent number of credits normally required for a master's degree, (c) are in a special unclassified, visitor or other-non-degree seeking status, or (d) are pursuing an Educational Specialist certificate, degree or coordinate intermediate level, degree program, whether or not they possess an earned master's degree. (Emphasis added.)

Graduate II: Includes all students who are pursuing a doctoral (except first-professional) degree program, except those who are classified as Graduate I by the definition provided above.

Present Board policy is consistent with the policy recommended by NCHEMS. Post-baccalaureate students are classified as graduate students, with the following results:

They pay graduate tuition whether the courses in which they register are graduate or undergraduate. Graduate tuition and fees are half again as high as for resident undergraduates. At the University of Oregon, for instance, the respective figures for 1976-77 are $978 and $657.

The Board expects the student, having earned one baccalaureate degree at undergraduate tuition rates, to pay the higher graduate tuition for any additional work taken.

They may enroll in either or both undergraduate and/or graduate courses for which they may earn credit according to the course level of the courses satisfactorily completed.

The issue raised by OECC is as to whether post-baccalaureate students who have been formally admitted to the institution but not to a specific graduate program within the institution should be permitted to take graduate courses for graduate credit.

But why ought they not be allowed to earn graduate credit in graduate courses? Is it because, as post-baccalaureate students, they are unlikely to achieve at a satisfactory level in graduate courses? Not likely. It would be unwise and unfair to prejudge the achievement level of such a diverse group of students as constitute the post-baccalaureate student group.

Or is the proposed denial of graduate credit to post-baccalaureate students aimed as stimulating them to seek admission or to seek admission earlier to graduate degree programs? If this is OECC's aim, then two observations seem warranted:

Institutions of higher education already have a mechanism for encouraging students to seek formal admission to a graduate program within a reasonable period of time. They commonly limit the number of hours of graduate credit (e.g., 15 credit hours) earned prior to admission to the degree program which may be applied toward degree requirements. There is, therefore, incentive for students to gain admission to a degree program before completing more than the maximum credit hours which may be earned before admission and counted toward degree requirements (e.g., 15 credit hours).

An exception is the part-time student fee policy at the three universities, two colleges, and Oregon Institute of Technology, under which non-matriculated students for whom student levels have not been determined by means of the usual criteria--credit hours earned, grade point average, and earned degrees at accredited institutions--are charged tuition according to the level of courses in which they enroll--paying an undergraduate fee for undergraduate courses in which enrolled and a graduate fee for any graduate courses in which enrolled. Such students may not take in excess of 6 credit hours per term.
For many post-baccalaureate students, a policy denying the opportunity to earn graduate credit would be antithetical to their needs. For the completion of graduate course work serves as a significant aspect of their developing plans. Among these latter post-baccalaureate students are (1) those who are uncertain which graduate program they would like to enter and for whom graduate course work serves as an important ingredient in their decision making, (2) those pre-professional students (e.g., pre-medical or pre-dental students) who complete graduate courses in adding to their backgrounds and as a means of enhancing their chances for gaining admission to the professional programs they desire to enter, (3) public school teachers or prospective teachers who desire to earn a standard certificate through completion of a planned fifth-year program in an accredited teacher education institution, but who do not desire to earn a master's degree.

They are counted as graduate students for funding entitlement purposes.

OECC asked that the Board re-examine the justification for counting as graduate students for funding entitlement purposes, post-baccalaureate and fifth-year students who have not been admitted to a graduate program. They suggest that such students be counted as undergraduate students. They assume that the cost to the state will then be less since the index of cost is, for lower-division 1.0, for upper-division 1.25, and for graduate level, 2.0. This assumption reflects a misapprehension as to the way in which the costs of education at the lower-division, upper-division and graduate levels are calculated.

Let us turn to cost data and information relating thereto, supplied by Vice Chancellor Holmer and Mr. Gay Lutz of the Board’s Office of Administration, to clarify the issue.

The weightings of 1.0, 1.25 and 2.0 are derived from actual costs of providing instruction to students in the lower-division, upper-division, and graduate levels, respectively, in the State System in the preceding year. If post-baccalaureate and fifth-year students not admitted to graduate programs are no longer counted as graduate students, then new weightings would need to be calculated, and the weighting for graduate level education would be increased from 2.0 to perhaps 2.5, with no change in the total cost of education. Let us explain.

In calculating the costs of education by student level, which gives rise to the indexes or weightings above, there is charged against the costs of education for each level (lower-division, upper-division, graduate) the cost of the lower-division, upper-division, and graduate courses taken by the students at each level.

For instance, in calculating the costs of education of lower-division students, the costs of all lower-division courses, all upper-division courses and all graduate courses taken by lower-division students are calculated, summed, added to a pro rata share of overhead expenses and reduced to a dollars per FTE student or per student credit hour. The same is done in calculating the costs of education of upper-division and graduate students. Then, the dollars per FTE student or per student credit hour for upper-division and graduate students are each related to the corresponding figure for lower-division students to derive the index or weightings, which, over the years, have approximated 1.0, 1.25, and 2.0, respectively.

It is evident from the foregoing that the costs of graduate education calculated by student level will be lower than the cost calculated by course level. For the calculation by student level includes the cost of lower-division and upper-division courses taken by graduate students, whereas costs calculated by course level include only costs of offering graduate courses.
This fact can be seen by examining Tables I and II, (p. 669) which show the faculty salary costs at Portland State University for fall term 1974-75, first by student level (Table I) and then by course level (Table II). It will be observed from Table I that the cost per student credit hour for courses taken by graduate students is $22.98 (column 4), compared with a cost per student credit hour for lower-division students of $9.92, with a resulting ratio of 2.32 to 1.0.

By comparison, in Table II, it will be seen that the student credit hour cost for graduate courses is $35.73 compared with $8.77 per student credit hour for lower-division courses, a ratio of 4.07 to 1.0. The reason for the lesser cost per student credit hour for graduate students ($22.98) than for graduate courses ($35.73) is that when calculating the cost by student level, all the lower-division and upper-division courses as well as graduate courses taken by graduate students were included in the calculations, whereas in calculating costs by course level, only graduate courses were included.

Table III is also instructive in this respect.

Column 6 reveals that at Portland State University fall term 1974-75, the student credit hours earned by graduate students were: 21.7 percent lower-division; 20.4 percent upper-division; 15.8 percent 400g/400G courses, and 42.1 percent 500-level courses.

The cost per student credit hour for the courses taken by graduate students (Column 7) ranged from $7.39 per student credit hour for lower-division courses to $35.31 per student credit hour for 500-level courses. The average for all courses (lower-division, upper-division, graduate) taken by graduate students was $22.98. This last figure ($22.98) corresponds to the figure which is used in calculating the ratio of graduate student costs to lower-division student costs (2.0 to 1.0).

Column 7 also reveals that graduate students generated 7.8 percent of the lower-division student credit hours earned at PSU fall term 1974-75, 10.0 percent of the upper-division student credit hours, 26.7 percent of the 400g/400G student credit hours, and 83.8 percent of the 500-level student credit hours.

The average instructional costs, calculated by course level, are shown in column 9: $8.77 per lower-division student credit hour; $15.30 per upper-division student credit hour; $20.53 per 400g/400G student credit hour; and $35.73 per 500-level student credit hour.

The figures for other State System institutions would differ from those above, but the principles applied in calculating the costs of education by student level and by course level, as illustrated here, are the same as those applied in determining the costs of educating by student level for the six multipurpose institutions from which are derived the indexes of cost (lower-division, 1.0; upper-division, 1.25; graduate, 2.0).

If the low cost undergraduate credit hours of post-baccalaureate and fifth-year students who have not been admitted to a graduate program were to be removed from the calculations for graduate students and placed in the undergraduate category, it is certain that the cost of instruction for the remaining graduate students would be higher. New cost ratios would have to be calculated. The lower-division-upper-division ratio would probably narrow somewhat to perhaps 1.0 to 1.20 while the lower-division-graduate ratio would widen to perhaps 1.20 to 2.5. Vice Chancellor Holmer observes that "The principle to be observed is that analyzing the data by student level produces different average costs and ratios than analysis by course level, but total costs are unchanged."

Although the analogy is not wholly applicable, the shifting of post-baccalaureate and fifth-year students to the upper-division level from the graduate category is something akin to the situation in which a given dollar figure is to be raised by property taxation. If the total assessed valuation within the taxing jurisdiction is reduced by half, the millage levy must be increased by 100 percent in order to produce the needed revenues.
### TABLE I
FACULTY SALARY COSTS BY STUDENT LEVEL
AT PORTLAND STATE UNIVERSITY
FALL TERM 1974-75

<table>
<thead>
<tr>
<th>Student Level</th>
<th>Faculty Salary Costs</th>
<th>Credit Hours</th>
<th>Cost/SCH (2)/(3)</th>
<th>Ratio By Level ²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman-Sophomore</td>
<td>$608,061</td>
<td>61,318</td>
<td>$9.92</td>
<td>1.00</td>
</tr>
<tr>
<td>Junior-Senior</td>
<td>936,014</td>
<td>59,778</td>
<td>15.66</td>
<td>1.58</td>
</tr>
<tr>
<td>Graduate</td>
<td>565,757</td>
<td>24,616</td>
<td>22.98</td>
<td>2.32</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$2,109,832</td>
<td>145,712</td>
<td>$14.48</td>
<td>1.46</td>
</tr>
</tbody>
</table>

¹Slightly different because of rounding.
²Column (5) = numbers in column (4) divided by first number in column (4).
Source: Division of Analytic and Administrative Services, Office of Administration.

### TABLE II
FACULTY SALARY COSTS BY COURSE LEVEL
AT PORTLAND STATE UNIVERSITY
FALL TERM 1974-75

<table>
<thead>
<tr>
<th>Course Level</th>
<th>Faculty Salary Costs</th>
<th>Credit Hours</th>
<th>Cost/SCH (2)/(3)</th>
<th>Ratio By Level ²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower-Division</td>
<td>$601,594</td>
<td>68,613</td>
<td>$8.77</td>
<td>1.00</td>
</tr>
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<td>Upper-Division</td>
<td>766,830</td>
<td>50,137</td>
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<tr>
<td>Mixed (400g and 400G)</td>
<td>300,171</td>
<td>14,631</td>
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<tr>
<td>Graduate</td>
<td>441,530</td>
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<td>35.73</td>
<td>4.07</td>
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<td>TOTAL</td>
<td>$2,110,125</td>
<td>145,738</td>
<td>$14.48</td>
<td>1.65</td>
</tr>
</tbody>
</table>

¹Slightly different because of rounding.
²Column (5) = numbers in column (4) divided by first number in column (4).
Source: Division of Analytic and Administrative Services, Office of Administration.
### TABLE III

**Matrix for Analyzing Salary Costs Per Credit Hour**

**By Student Level and By Course Level, PSU Fall Term, 1974-75**

<table>
<thead>
<tr>
<th>Course Levels</th>
<th>% by Course Level</th>
<th>% by Student Level</th>
<th>% by Student Level</th>
<th>% by Student Level</th>
<th>% by Student Level</th>
<th>% by Student Level</th>
<th>% by Student Level</th>
<th>% by Student Level</th>
<th>% by Student Level</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>L</td>
<td>U</td>
<td>G</td>
<td>T</td>
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<td>G</td>
<td>T</td>
<td>L</td>
</tr>
<tr>
<td></td>
<td>Lower Division</td>
<td>Upper Division</td>
<td>Graduate</td>
<td>Total</td>
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<td></td>
<td>Student Level</td>
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<tr>
<td></td>
<td></td>
<td>Lower Division</td>
<td>Upper Division</td>
<td>Graduate</td>
<td>Total</td>
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<td>Courses</td>
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<tr>
<td></td>
<td>69.3%</td>
<td>22.9%</td>
<td>7.8%</td>
<td>100.0%</td>
<td>77.6%</td>
<td>19.1%</td>
<td>3.0%</td>
<td>100.0%</td>
<td></td>
</tr>
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The table should be read as follows: columns 2, 4, and 6 show the level of courses taken by lower-division, upper-division, and graduate students at PSU fall term 1974-75. For instance, 77.6 percent of the courses taken by lower-division students were lower-division, 19.1 percent were upper-division, 3.0 percent were 400g/400G courses and 0.3 percent were graduate. Columns 3, 5 and 7 give the student credit hour costs of the lower-division, upper-division and graduate courses taken by lower-division, upper-division, and graduate students. For instance, in column 7, the cost of lower-division credit hours earned by graduate students was $7.39; for upper-division courses, $15.04; for 400g/400G courses, $21.87. The percentage figures in columns 3, 5, 7, and 9, should be read horizontally. For instance, the first line reveals that 69.3 percent of the lower-division courses were taken by lower-division students, 22.9 percent by upper-division students, 7.8 percent by graduate students.

Source: Division of Analytic and Administrative Services, Office of Administration.
Should the State Board change its tuition and admission policies to allow post-baccalaureate students taking courses through the 400G level to take these courses without receiving graduate credit for them or without having to pay graduate tuition? (Credit hours generated by such students would receive entitlements at 1.25 PIE rather than 2.0 PIE.)

This third policy issue is ambiguous. What meaning is to be attached to "allow"?

Are we to infer that OECC is suggesting that post-baccalaureate students who have not been formally admitted to a graduate program should be given a choice of paying graduate tuition and generating graduate funding entitlements as they now do, or "allowed" to enroll in 400G/400G courses by paying undergraduate tuition, earning undergraduate credit, and generating undergraduate funding entitlement?

Or, is OECC suggesting that post-baccalaureate students should be "allowed" to enroll in 400G/400G courses only by paying undergraduate tuition, earning only undergraduate credit, and generating only undergraduate funding entitlements?

If the latter meaning is what is intended, then the question is essentially the same as that raised in the second policy issue cited on p. 662, and discussed above. The second policy issue raises the question as to whether post-baccalaureate students should be permitted to earn any graduate credit and any graduate funding entitlements, whether the courses enrolled in are 400G or 500-level courses. This third policy issue is similar, except that it appears to raise question only as to whether post-baccalaureate students should be permitted to earn graduate credit and graduate funding entitlements in 400G/400G courses. No question appears to be raised about their earning graduate credit and graduate funding entitlements in 500-level courses.

Nor does OECC appear to be raising question about graduate students who have been admitted to a graduate program earning graduate credit and graduate funding entitlement in 400G courses.

Our response to this third policy issue is the same as for the second policy issue, above. We believe that post-baccalaureate and fifth-year students should pay graduate tuition and receive graduate credit for 400G/400G courses provided they complete satisfactorily the work required of those registered for graduate credit. We see no reason why post-baccalaureate students who complete 400G/400G courses at the same level of achievement as their counterparts who are admitted to graduate programs should be denied graduate credit therefor.

It is further noted that the philosophical basis for the present tuition policy is that nearly all post-baccalaureate students (whether admitted as candidates for a second degree or not) have had the benefit of substantial state subsidy in acquiring their first degree and should expect to pay higher tuition than students who have not yet received any degree.

Should the State Board change its admission requirements so as to require all graduate students to be either admitted to graduate degree programs or not receive graduate credits for courses taken through 400G level? (400G are technically undergraduate courses which are eligible under certain conditions for graduate credit.)

This fourth policy issue appears to raise the same questions as the third policy issue, namely, should post-baccalaureate students who have not been admitted to a degree program be allowed to earn graduate credit and graduate funding entitlements in 400G/400G courses?

Our response is the same as given above in the discussion of the second and third policy issues.
Meeting #432-67

Bargain and Sale Deed on Stout Estate Property, UOHSC

Staff Recommendation to the Board

It was recommended that the Board approve conveyance of the property to Mr. Morgan and that it authorize the President and Secretary to execute the Bargain and Sale Deed.

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Stewart, and Layman. Those voting no: None. Director Perry was absent from the meeting at this time.

Staff Report to the Board

The State of Oregon, acting by and through the State Board of Higher Education on behalf of the University of Oregon Health Sciences Center, is the record owner of Lot 8, Block 3, Oregon City, in Clackamas County. The property was left to the Medical School as part of the Stout Estate. At the time the Medical School acquired the property, it was subject to a sale contract with Mr. Charles A. Morgan for a consideration of $65,000. The contract now having been satisfied, a Bargain and Sale Deed conveying the described property to Mr. Charles A. Morgan is required to be executed.

Staff Report to the Board

The capital construction program which the 1975 Legislature approved for the Board included $330,000 for the Eastern Oregon TV Transmitter and Translator Network. Of this amount, it was expected that federal grant funds of $235,000 would be requested and obtained from the Department of Health, Education, and Welfare, $5,000 would come from other gifts, $45,000 would be provided from the General Fund appropriation in the Act, and $45,000 would be allocated from the sale of bonds issued under the provisions of Article XI-G of the Oregon Constitution. The budget included an estimate for the cost of purchasing Channel 13, KTVR, LaGrande, for which an option agreement was authorized by the Board on January 21, 1975. It also included the projected costs of a microwave interconnection with KOAP-TV in Portland as well as the installation of translators to serve several principal centers in Umatilla, Wallowa, and Malheur Counties by rebroadcasting the KTVR signal.
Inasmuch as the grant award of $235,000 has been made by the federal government, and all other resources identified above are available, including the increased amount needed from private contributions, the staff of OEPBS is anxious to proceed with the project. The most recent estimate of costs suggests the need to increase the expenditure limitation to a revised total of $342,000, recognizing the possibility that some further adjustment may be required at a later time when the specific routing plan has been determined and the equipment costs are known. In lieu of the earlier option price of $75,000, KTVB-TV, Inc., has agreed to transfer the facilities and equipment of KTVR for a cash consideration of $52,000, contributing the additional value of the facilities, approximately $23,000, as a gift to OEPBS. The application to transfer KTVR to the State of Oregon acting by and through the State Board of Higher Education is pending before the Broadcast Bureau of the Federal Communications Commission, but it will not be acted upon until it is amended to include the final plans for the purchase, first year's operating costs, and the intercity relay links.

Subject to appropriate authorization by the Board, a request to proceed with the project within the revised expenditure limitation of $342,000 will be presented to the State Emergency Board for action at its next meeting, tentatively scheduled for August 12-13, 1976.

Amendment of AR's Relating to Fees and Charges and Organization of UOHS

(Considered by Committee on Finance, Administration, and Physical Plant, June 21, 1976; present -- Perry, Ingalls, McIntyre, McLaurin, Stewart, Carpenter, Feves, Layman.)

Staff Recommendation to the Committee

The Board's staff recommended that the Board adopt, pursuant to the Administrative Procedures, new and revised Administrative Rules which will delegate to each institution president the authority and responsibility to establish and maintain certain fees for services and materials deemed necessary in order to serve the students and public, as well as to carry out each institution's educational mission. In addition, the recommended revisions will centralize within Section 60.000, Board's Financial Powers, of the Board's Administrative Rules all policies pertaining to the delegation of fee-setting authority to the presidents of the institutions. The fees and charges which would be established by the presidents are supplemental to instruction and required fees, room and board rates, and other charges which the Board will continue to establish under authority provided by ORS 351.070 (c) and (d).

Since treatment of fees and charges involves amendments of AR Section 50.000, the staff also recommended the adoption of modifications of the organization of the University of Oregon Health Sciences Center.

Discussion and Recommendation by the Committee

The advisability of formally delegating to the institutions responsibility for hearings under the Administrative Procedures Act was questioned by Mr. Layman. He cited some of the historical background with respect to the public hearing process since the establishment of the Administrative Procedures Act, including discussions with the Attorney General concerning the application of the Act in higher education. Mr. Layman pointed out that the proposed action would result in a series of hearings below the Board level. Committee members and institutional executives discussed the legal implications of delegating authority in connection with public hearings and the most expeditious method to meet the statutory regulations for the hearings.

The Chancellor commented that it was his understanding the Assistant Attorney General indicated that shifting the hearing site from the Board to the institution would have no impact on the legality of the action and would not represent a change in Board responsibility. Further, there would be no duplication because the hearings must be held at either the institution or by the Board. By delegating the authority as recommended, the Board would then free time for consideration of policy matters rather than specific details. Mr. Holmer also commented that hearings at the institutions made it easier for individuals affected by the decisions to present testimony at the hearings.
The Committee recommended that the proposed amendments be referred to the Board for public hearing, with the understanding that the Assistant Attorney General would provide a statement concerning the implications of the Administrative Procedures Act in terms of public hearings held by the Board or the institution.

Board Discussion and Action

Mr. Holmer said a memorandum, dated June 29, 1976, had been received from Mr. Branchfield, Assistant Attorney General, which indicated that it was entirely within the discretion of the Board to make delegations of the type included in the recommended rules.

Mr. Layman announced that the time set for the public hearing on the proposed amendments to the Administrative Rules relating to fees and charges and organization of the University of Oregon Health Sciences Center had arrived. There being no response to his request, Mr. Layman declared the hearing closed.

The Board adopted the proposed amendments to the Administrative Rules, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

The President of the Board thereupon declared the proposed amendments duly adopted.

The rules, as approved, appear below.

Section 50.100--University of Oregon Health Sciences Center Hospital

50.110 Function and Responsibility

The function of the University Hospital of the University of Oregon Health Sciences Center is to augment the teaching, research, and medical care programs of the institution. University Hospital includes inpatient services, outpatient clinics, emergency department and ancillary services. In carrying out this function, it will operate as an integral part of the Health Sciences Center. Responsibility for its operation will be placed directly upon a director appointed by the President of the Health Sciences Center.

50.115 Health Sciences Center Advisory Council

1. The Health Sciences Center Advisory Council shall serve in an advisory capacity to the President of the Center.

2. The Advisory Council shall consist of nine to fifteen members appointed on staggered terms. Initial appointments made in 1975 shall be for two, four and six years. Thereafter, appointment terms will generally be for a six-year period. Appointments shall be approved by the Board upon recommendation by the President of the Health Sciences Center.

3. The Council shall have the authority of the governing body of the University Hospital for the purposes of meeting (a) the conditions for participation of hospitals under the statutes, rules and regulations of the Social Security Administration for the Medicare and Medicaid programs; and (b) the standards of the Joint Commission on Accreditation of Hospitals.

4. The Advisory Council shall report to the Board at least annually on its activities.
50.130 Selection of Patients

Authority for selection of patients to be admitted to the hospital is delegated to Health Sciences Center authorities. All admissions shall be determined upon the basis of the educational, health care and research programs of the Center. There will be no committal system. Patients may be self-referred, or referred by licensed physicians, ambulatory care clinics, and agencies charged with responsibility for their medical care.

50.140 Care of Patients

Professional care of patients in the hospital is to be given by physicians who hold appointments on the faculty of the School of Medicine and are members of the medical staff of the Health Sciences Center.

50.145 Patient Financial Policies

1. All patients will be charged on a uniform basis for hospital services in accordance with established fee schedules.

2. Patients will be financially screened by trained credit officers under the supervision of University Hospital administration to determine patient resources and ability to pay.

3. Patients may be granted charity allowances on the basis of financial screening and ability to pay.

4. Patient selection shall be based primarily on the value to the teaching program, not on ability to pay.

50.160 Medical and Surgical Charges

1. Patients in the University Hospital who are found able to pay the costs of all or part of the medical and/or surgical professional services performed by School of Medicine faculty members are to be billed for such services by the faculty members concerned. Bills are to be presented to patients only in those instances where investigation of the patient's financial resources discloses that funds are available to pay for the services and where the faculty member rendering the services approves charging the fee.

2. The professional fees to be charged are to be in accordance with a fee schedule prepared by the clinical departments concerned and approved by the Dean of the School of Medicine.

3. Collections of medical and surgical fees billed by members of the faculty are to be divided between the faculty and the School of Medicine in accordance with a plan agreed upon by the Dean, the Hospital Director, and the faculty members generating such income and approved by the President. The amounts received by the School of Medicine, exclusive of reimbursement of hospital costs, are to be placed in a Medical Education Improvement Fund in the gift and grant group of accounts, to be used for purposes of strengthening the instructional, research, and patient care programs.

See also AR 60.050, 60.051, 60.052.

50.170 Oral Health Service Charges from School of Dentistry

1. Invoices for professional oral health services provided patients in the University Hospital will be submitted to the patient by the Health Sciences Center. An invoice is to be presented only in those instances where investigation of the patient's financial resources discloses that funds are available for this purpose and
the faculty member rendering the service approves the fee. Also, as a general rule, the patient is not to be billed for oral health services until after his obligation to pay the hospital bill is satisfied.

2. Collections from professional oral health fees billed by members of the faculty are to be divided between the faculty and the School of Dentistry in accordance with a plan agreed upon by the Dean and the faculty members generating such income. Amounts received by the School of Dentistry are to be placed in a Dental Education Improvement Fund in the Gift and Grant group of accounts to be used for purposes of strengthening the instructional, research and patient care programs.

See also AR 60.050, 60.051, 60.052.

Section 60.000--Board's Financial Powers

60.010 General Authority

The Board supervises the financial activities of the Department, pursuant to all applicable statutes and administrative regulations promulgated by other state agencies. (ORS 351.310; ORS 351.340)

60.020 Delegation

1. The Board delegates general supervision of fiscal and administrative activities to the Chancellor and his staff. Major changes in organization or procedures in such activities shall be reported to the Board's Committee on Finance for approval.

2. Such delegation includes authorization for the Chancellor or his designated representative to enter into contractual agreements that are not required by statute to be acted on by the Board.

3. Subject to the requirements of statute, administrative regulation, and Board policy, the Vice Chancellor for Administration or his designee is authorized to sign claims on behalf of the Board for payment by the Executive Department; sign payrolls; and sign checks on bank accounts with the State Treasurer or commercial banks.

60.030 Assignment of Responsibility

The Office of Administration, under the direction of the Vice Chancellor for Administration, has responsibility for the execution of Board policy in all areas of fiscal and administrative services. Among these are:

1. The design, installation, supervision and auditing of fiscal and accounting policies and procedures in the Department of Higher Education.

2. The design of budget systems and procedures which will describe the goals of the Department, program proposals to achieve these goals, and the level and type of financial support necessary to implement approved programs during prescribed time periods. The Office of Administration is also responsible for budget execution review to assure conformance with the adopted budget.

3. Establishment of policies and procedures for the administration of gift, grant and contract funds.

5. Coordinated administration of policies relating to the procurement, receipt, and management of tangible personal property of the Department.

6. Development of an analytic program, founded on recognized institutional research techniques, providing input to the Department's budget preparation and program evaluation efforts.

7. Development of a program to analyze Departmental administrative policies and practices and recommend specific actions to improve services and minimize costs.

60.040 Legal Counsel

The Assistant Attorney General assigned to the Department of Higher Education shall be responsible to the Chancellor. The Vice Chancellor for Administration, however, shall be responsible for coordinating provision of legal services in the Department.

60.050 Institution Authority to Establish Fees and Charges

1. The Board of Higher Education delegates to each institution president the authority and responsibility to establish and maintain fees for services and materials which are supplemental to the required tuition, building fee, health service fee, and incidental fee; and which are also supplemental to board and housing rates and other charges determined and established at least annually by the Board. These additional services and materials for which fees and charges may be established include but are not limited to instruction-related services, motor vehicle and bicycle parking; hospital, medical, surgical, oral health, and clinic services; short courses and workshops; fines for violation of campus regulations; special music, counseling, and testing services; and off-campus facilities and services arranged by the institution.

2. The fees and charges authorized under subsection (1) shall be established at levels which assure recovery of the cost of providing the services and materials, including that portion of the operating costs required by legislative action on the Department budget, and in accordance with criteria stated in the Administrative Rules.

3. Fees and charges and amendments thereto authorized under subsection (1) shall be established only after approval of the institution president in the manner required by the Administrative Procedures Act (ORS Chapter 183). Copies of fee schedules and amendments shall be presented to the Vice Chancellor for Administration for review and filing in the Chancellor's Office.

60.051 Hospital Charges

1. The patient fee schedules established and maintained by the University of Oregon Health Sciences Center shall be adequate to meet costs of operating the Hospital and commitments in the approved budget. The schedules must be approved by the Hospital director and the President before being adopted, pursuant to the Administrative Procedures Act, and filed with the Vice Chancellor for Administration.

2. Charges may be established for:

   a. Room, board, and nursing services per patient day.

   b. Per diem ancillary services.
c. Itemized ancillary services.
d. Outpatient charges.
e. Medication and medical supplies.

3. Costs and charges shall be computed in a manner consistent with generally accepted accounting principles for hospitals and the requirements of third party carriers, including the Social Security Administration for the Medicare and Medicaid programs.

4. Patient fee rates shall be adjusted to reflect changing costs of care. Charges for room, board, nursing services, ancillary services, and outpatient services must be maintained for at least ninety days following adoption.

5. Inpatients shall pay or make arrangements for payment for services at the time of discharge. Outpatients shall pay or make arrangements to pay for services before or on completion of the last visit.

60.052 Medical, Surgical, Oral Health, and Medical and Dental Clinic Professional Service Fee Schedules

1. Medical, surgical, oral health and medical and dental clinic professional service fees billed by faculty members and clinics at the University of Oregon Health Sciences Center must be approved by clinical departments concerned, the appropriate Dean, and the President before being adopted, pursuant to the Administrative Procedures Act, and filed with the Vice Chancellor for Administration.

2. Fees may be adjusted to reflect changing costs of care, but a schedule of fees must be maintained for at least ninety days following adoption.

See also AR 50.160, 50.170.

60.060 Traffic Regulations, Parking Fees, and Enforcement Fines

1. The Board of Higher Education delegates to each institution president the authority and responsibility to enact such regulations and fines as deemed necessary and desirable to provide for policing, controlling, regulating, and enforcing traffic and parking of motor vehicles and bicycles on campus property owned or under the control of the Board.

2. Parking fees shall be charged at any institution where Article XI-F(1) bond proceeds have been used to finance the cost of acquiring parking sites or to make improvements thereto. Parking fees shall also be charged even though borrowed funds were not obtained if the operating and maintenance cost is $6 or more per parking space per year.

3. When fees are to be assessed to users of automotive parking facilities, the rate of charge and income to be produced shall be in such an amount which, with interest income, will provide sufficient funds to cover all operation and maintenance costs and also meet bond debt service and reserve requirements where applicable.

4. Institutional accounts are not to be charged for parking space furnished to employees for personally-owned automobiles. A charge may be made against a department, however, where parking space is furnished to a person with a privately-owned vehicle who is rendering service for the benefit of the department with no compensation, such as volunteer doctors at the University of Oregon Health Sciences Center.
5. Institutions shall propose regulations concerning the operation and parking of bicycles on campus property owned or under the control of the Board. The regulations shall clearly state where bicycle parking will be permitted and where it will not be allowed. Penalties for violations may be proposed. After a public hearing, the regulations and subsequent changes are to be published in the institution's traffic and parking regulations handbook.

6. All traffic and parking regulations approved by the president and adopted pursuant to the Administrative Procedures Act must be filed with the Vice Chancellor for Administration no later than September 1 of each year.

7. Regulations must remain in effect for at least one full calendar year following adoption or revision, unless prior approval for revision is obtained from the Vice Chancellor for Administration.

See also AR Sections 72.000 and 72.100.

61.030 Standard System of Accounting Records and Reports

The accounting records and reports for the Department shall be in conformity with generally accepted accounting principles for higher education institutions and hospitals, and shall be designated to meet the needs of the institutions for the information required to facilitate effective management and to discharge the Department's fiduciary responsibility to the people of the state.

Section 72.000--Board's Authority for Traffic Control

See also AR 60.050 and 60.060 for delegated authority for institution president to establish and maintain traffic control and enforcement regulations.

Section 72.100--Enforcement of Traffic Regulations

See also AR 60.050 and 60.060 for delegated authority for institution president to establish and maintain traffic control and enforcement regulations, including penalties and fines.

72.130 Enforcement at University of Oregon Health Sciences Center

Staff Report to the Committee

At its June 24, 1975, meeting, the Board approved fee policies which included delegated authority for institutional presidents "...to set special music and counseling and testing services fees..." following public hearing at the institution. During the 1975-76 academic year, the Board's Office of Administration has received from each institution fee schedules for services and materials which have been adopted in accordance with the Board's action. The fees cover services ranging from counseling and aptitude testing and short courses and workshops to ski tows, bowling, and horseback riding.

For a number of years, the Board has considered, and approved after public hearings, traffic regulations, parking fees, and enforcement fines recommended annually by each institution.

Further, the University of Oregon Health Sciences Center in accordance with AR 50.150, Hospital Charges, periodically may recommend, to the Chancellor for his approval, changes in patient fee schedules proposed following public hearing conducted by the UO Health Sciences Center.
The Board's staff recommendation will result in the delegation of these fee-setting procedures to the institution presidents. Following public hearing at each institution on each schedule of fees, the institution president will file a copy with the Board's Office.

The delegated authority will not permit the institution to establish fees to defray the cost of instruction services and equipment which are funded by the institution's operating budget.

The staff recommendation also redesignates the hospital at the UO Health Sciences Center, provides for its director, formally establishes the UO Health Sciences Center Advisory Council, and clarifies policies relating to patient selection.

(Considered by Committee on Finance, Administration, and Physical Plant, June 21, 1976; present--Perry, Ingalls, McIntyre, McLaurin, Stewart, Carpenter, Feves, Layman.)

Staff Recommendation to the Committee

It was recommended that the Committee acknowledge the fee schedules and policies for 1976-77 related to instruction, miscellaneous student charges, residence hall and food service charges and charges for married student housing, as reflected in the document, "Tuition, Board and Room Charges, and Married Student Housing Charges," dated August 1, 1976.

Discussion and Recommendation by the Committee

The Committee recommended that the fee schedules and policies be referred to the Board for public hearing.

Board Discussion and Action

Mr. Holmer summarized the report and indicated that he understood there would be three presentations during the public hearing relating to the incidental fees. They include: (1) A request from the Oregon Student Lobby for a review of the incidental fee guidelines; (2) the possibility of the Board's submitting a special request to the Legislature relating to funding for child care programs; and (3) a statement relating to the difference of opinion between the Associated Students of the University of Oregon and the administration over the exact amount of the incidental fees.

Mr. Layman said that the time previously set for the public hearing on the adoption of fee schedules and policies had arrived. He asked if anyone wished to be heard for or against the recommended fee schedules and policies.

Mr. David Gomberg, President of the Associated Students at Oregon State University, referred to a proposal for state funding of campus day care centers. Copies of the proposal were mailed to Board members prior to the meeting. Campus day care centers rely increasingly on incidental fee allocations to support their programs which are used by many low-income students and single parents in particular. Without the use of incidental fee subsidies, many of these students would be unable to attend school. However, this method of funding places too great a strain on incidental fee budgets and has therefore met resistance from many students who believe the cost of day care services should be borne largely by some agency of the state. In addition, because of the limited funds available from incidental fees for day care services, many low-income students have been denied access to institutions within the State System, and others have been unable to return to school as life-long learners.

Mr. Gomberg said it would be appropriate for the Board to increase subsidies of campus day care centers along the lines suggested in the proposal. He requested the Board to forward the proposal to the Committee on Finance, Administration, and Physical Plant for review during its August meeting. He said the proposal was extremely important both to the student body at Oregon State University and the Oregon Student Lobby. Therefore, students are prepared to wage an intensive campaign during the 1977 Legislative Session to secure additional appropriations for the program.
Mrs. Jan Oliver, President of the Associated Students of the University of Oregon, said the staff had formulated a proposal for the University of Oregon based on the Oregon State University proposal and asked the delegation which was present in support of the proposal to stand. Mrs. Oliver said there had been a child care center at the University of Oregon for the last six years. Student interest has fluctuated and there has been some controversy, but students have consistently shown a willingness to support day care. The University of Oregon proposal was prepared jointly by the ASUO Child Care and Development Center and the Erb Memorial Union Drop-in Child Care Center. It has received the support of the Erb Memorial Union administration and the University administration. The proposal would allow expansion of services and hours and lower rates.

Mrs. Myra Willard, Affirmative Action Director and Compliance Officer for Equal Educational Opportunities, said her testimony was not necessarily a reflection of the University administration but represented her own views. She said the lack of adequate child care resources was one of the barriers in achieving employment and educational goals. It is particularly acute for women, single parents, minorities, and older women who wish to return to school to increase their potential for employment opportunities. The provision of reasonable child care services, she said, would be consistent with goals of equal educational and employment opportunity. She urged the Board to go on record as agreeing that increased support of child care resources for those wishing to further their educational and employment goals will assist, in fact is vital to, full realization of the equal opportunity goals.

Mr. Layman referred the question of the day care center programs to the Committee on Finance, Administration, and Physical Plant for consideration at its August meeting.

Mr. Kirby Garrett, Legislative Coordinator for the Oregon Student Lobby, distributed a proposal to amend the 1971 policy on incidental fees and a policy statement on incidental fee budgeting guidelines. The policy proposal requests that students be permitted to have their own incidental fee committee and procedures to be used in making recommendations to the university administration, after which institutional guidelines would take effect in terms of working out problems between the student recommendations and the president. No specific provision for the implementation of the student procedures is included in the proposal because it would be left to the constitutional structure at the institutions.

Mr. Perry asked whether a student committee would be representative of the student body as a whole or if it would be possible for a small group of students to control the recommendations concerning incidental fees.

Mr. Garrett responded that from his experience at the University of Oregon, the committee would be representative of the entire student body.

It was explained also by Mr. Garrett that the incidental fee committee at the University of Oregon is presently composed entirely of students.

The only change being requested is an opportunity for students themselves to determine the composition of the committee on all State System campuses.

At the request of Mr. Garrett, Mr. Layman also referred this request to the Committee on Finance, Administration, and Physical Plant for consideration at the August meeting.

Mrs. Jan Oliver then read the following statement which was distributed at the meeting:

While the Associated Students of the University of Oregon support the existence of Women's Intercollegiate Athletics on this campus, we do not feel that the students on this campus should have to pay more than their share in order to fulfill the University's responsibility to Title IX compliance.
We feel that our budgeting process was thorough and that our recommended budget was sound.

The students on this campus should not have to pay a greater percentage for the existence of women's athletics than they pay for men's. We disagree with the notion that the WIA program is "traditional." In the three years of its existence, WIA's funding has increased at such a drastic rate so as to substantially change the character of the program. Therefore we do not feel that we should be held to the funding level of the previous year as a starting figure.

While we realize that both the interest and participation level by University of Oregon students in relationship to Women's Athletics is subject to change over the years, we feel that in comparison to other programs funded with incidental fees that to fund WIA at a level higher than $30,000 would be inconsistent.

Currently the enrollment figure for WIA is 210 women. This figure must be moderated with the fact that many of the women athletes on this campus participate in more than one sport and are thus double counted. The actual participation level may easily be half of what is projected.

The ASUO feels that it is to the greater overall benefit of women on this campus who wish to participate in sports that programs such as the Women's Recreation Association and Club Sports receive emphasis.*

Both of these programs invite participation by all rather than participation by a select skilled few as with the Women's Intercollegiate Athletic program.

Our proposal for funding the Women's Intercollegiate Athletic Program is three fold:

1. We feel that the Men's Intercollegiate Athletic Program, in the spirit of Title IX compliance could shift monies currently being spent on financial aid to athletes (regardless of financial background) in areas of non-revenue producing sports.

2. That possible funds could be found in the $50,000 discretionary account which is used by the University President.

3. That $30,000 be provided by the students through their incidental fees.

*Student incidental fees pay all of the organizational and equipment costs for WRA while the University picks up the total costs for the men's intermural program on this campus.

She also distributed a table showing the grants-in-aid for male athletes at the University of Oregon in 1975-76.

Mr. Harms pointed out that the grants-in-aid are paid from gifts and do not come from the incidental fee budget.

The Chancellor indicated that the difference in the incidental fee amount between the recommendations of Mrs. Oliver and the University is about $1.25 per term.

Dr. Ray Hawk distributed a statement concerning the University of Oregon incidental fee budget. A portion of the statement follows:

The Incidental Fee Committee of the Associated Students of the University of Oregon has submitted to President Boyd a 1976-77 budget totaling $1,229,923.77, to which a building usage charge of 50 cents a student was added, making a total budget of $1,322,457. This represents an increase of 6.9 percent over the 1975-76 budget, and results in a projected incidental fee of $27.25.
Acting for President Boyd in his absence, I have recommended to the Board a budget of $1,376,571, which calls for a projected incidental fee of $28.50. This difference is caused entirely by the addition of $54,114 to the proposed 1976-77 budget for Women's Intercollegiate Athletics, which will still leave the WIA incidental fee budget 10 percent under the level of the previous year.

In 1975-76 the Women's Intercollegiate Athletics budget received an allocation of $94,583.50 from the incidental fee budget. For 1976-77, however, the ASUO Incidental Fee Committee has proposed that the WIA budget be cut to the level of $30,000. The University is budgeting the WIA at $85,125 for 1976-77.

At the same time, at Oregon State University a budget from incidental fee funds for Women's Intercollegiate Activities has been recommended at $135,000, an increase of $14,000 over 1975-76. At Portland State University the recommended figure is $72,387, compared to $62,943 in 1975-76.

The University regrets that even under the University's budget a 10 percent cut will be made in the WIA incidental fee funds for 1976-77, and also that a 10 percent cut will be made in incidental fee funds for men's athletics. The University believes that such cuts are a serious mistake, but that they are allowable under the Guidelines which have been approved by the University and the ASUO and, therefore, will be honored by the University. However, any cut in excess of 10 percent in either of these two programs would be a violation of those Guidelines, and the University cannot permit such cuts to be made.

This is especially true in the athletic programs because there is no flexibility at present to fund these activities out of general fund support. The University is operating on a budget which was designed nearly three years ago before the rapid growth of the women's intercollegiate athletic program and before the enforcement of the Federal Title IX requirements concerning equality of women's activities. The University is unwilling to see the women's intercollegiate athletic program drastically reduced. The continued support of the incidental fee from students in 1976-77 is the only means by which that program can be sustained until additional help can be assured through the athletic activity fee approach.

The proposal by the University of Oregon Incidental Fee Committee to reduce the funding for Women's Intercollegiate Athletics to less than one-third the level of the previous year would violate two separate provisions of the University's Incidental Fee Guidelines, which were approved by the Board in 1971.

Those Guidelines divide incidental fee programs into Major Budget Activities and Minor Budget Activities, and state that a decrease in the level of incidental fee support of Major Budget Activities shall not exceed 10 percent of the preceding year's allocation. Major Budget Activities are specifically listed as including the Athletic Department and the Erb Memorial Union. It is the contention of the University that the Women's Intercollegiate Athletics program is a Major Budget Activity because it has been for years an integral part of the budget of the Erb Memorial Union. In addition, not to recognize the women's program as being under the same budget rules as the men's program would be discriminatory. Therefore, the University believes a reduction of more than 10 percent in the WIA budget would be a violation of the Guidelines concerning Major Budget Activities.

The proposal to reduce the WIA budget violated the Guidelines in a second manner. Within both Major and Minor Budget Activities, the Guidelines state there are certain programs which have been "traditionally funded."
These programs are not specifically listed by name, nor is a standard given for identification as a "traditionally funded" program. However, it has been generally recognized by the University and the ASUO that programs which have been funded for 10 years or more are "traditionally funded."

The Guidelines state that when substantial decreases are to be made in a "traditionally funded" program, the ASUO and the University shall provide for orderly withdrawal of support, and the ASUO and the University shall obtain alternate sources of funding. These requirements have not been met in the proposal by the Incidental Fee Committee to reduce the WIA funding. As the University considers the WIA to be a traditionally funded program, the University also considers that this withdrawal of support without obtaining alternate sources of funding is a violation of the Guidelines.

Admittedly, the Women's Intercollegiate Athletic program has existed under its present name for less than 10 years. But it is the direct outgrowth of predecessors which have been at the University for many years.

Dr. Hawk then traced the development of women's intercollegiate athletic programs and the women's recreation association. He commented that even if the written guidelines were followed, harm will have been done to the men's and women's athletic programs by the 10% reduction in both programs. The cut in women's programs is particularly unfortunate at a time when additional funds are needed in order to meet the requirements of Title IX.

In conclusion, Dr. Hawk said, the Board still considers the university president as the person responsible for the institutional recommendations regarding the incidental fee. Certainly the administration intends to work with the associated students, but the final budget must be one which best preserves university goals and commitments and, within the funds available, best provides equity for all.

In response to a question from Mr. Ater, Dr. Hawk said the incidental fee is supplying a much greater percentage of the women's budget than the men's budget. No General Fund money is used for men's intercollegiate athletics, but there is about $30,000 of General Fund support in the women's program.

Mr. Michael Conway, a student at the University of Oregon and director of the alternative education program, said this program served about 5,000 students on a budget of approximately $9,000 from student funds. He said the alternative education program would suffer from increases in other programs which were not educating as many students but have substantially larger budgets.

In response to questions concerning the alternative education program, Mr. Conway explained that students pay tuition for courses which are of interest to them but are not part of the regular University program. Faculty members supervise these courses on a volunteer basis and students receive elective credit. The figure of 5,000 students represents head count rather than full-time-equivalent enrollment.

Mr. James Burns, Vice President for Administration and Finance for the Associated Students of the University of Oregon, presented comparisons of the expenditures and funding for men's and women's athletics in response to the earlier inquiry of Mr. Ater. Mr. Burns also commented on the encumbrance of donations from the Development Fund in terms of allocations to the men's and women's programs.

Mr. Layman declared the public hearing closed.

The Board approved the recommendation concerning the fee schedules and policies which were reflected in the tuition changes set forth in the document entitled, "Tuition, Board and Room Charges, and Married Student Housing Charges," dated August 1, 1976. The following voted in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, McLaurin, Perry, Stewart, and Layman. Those voting no: Directors Maden and McIntyre.
It was understood the proposals concerning the child care center and the incidental fee committee organization were referred to the Committee on Finance, Administration and Physical Plant for consideration at its August meeting.

**Staff Report to the Committee**

The policies and fees for 1976-77 related to instruction, miscellaneous student charges, residence hall and food service charges, and charges for married student housing have either been approved by the Board or presented to the Board in previous meetings during 1976. These policies and fees have been incorporated in the document "Tuition, Board and Room Charges, and Married Student Housing Charges," dated August 1, 1976. A public hearing has been scheduled for the July 20, 1976, Board meeting regarding this matter.

(Building Repair and Equipment Replacement Reserves)

(Considered by Committee on Finance, Administration, and Physical Plant, June 21, 1976; present--Perry, Ingalls, McIntyre, McLaurin, Stewart, Carpenter, Feves, Layman.)

**Staff Recommendation to the Committee**

It was recommended that the Board adopt, following public hearing, the statement of policy in the staff report to the Committee to be incorporated in FASOM (the Controller's Financial Administration Standard Operating Manual).

**Discussion and Recommendation by the Committee**

Mr. Hunderup said he endorsed the recommended policy which would establish a more solid basis for resources to meet infrequent but regularly expected costs of maintenance for self-supporting activities.

Dr. Ray Hawk, Vice President for Administration and Finance at the University of Oregon, also endorsed the concept. He described some of the existing situations for financing repairs and maintenance to buildings used for both instructional and auxiliary enterprise purposes. It was indicated that a building with substantial instructional use supported from the general fund, which does not have such a reserve, may not have sufficient funds available for repairs in the reserve from the self-supporting use. There is also a reluctance on the part of students to pay for future repairs and maintenance. Therefore, Dr. Hawk said, it was important, in his opinion, to have some type of mandatory fee.

Mr. Mike Running, Chairman of the Incidental Fee Committee at Portland State University, said he disagreed with designating incidental fees for building and equipment replacement reserves. This disagreement would include any proposal limiting institutional input and flexibility in projecting incidental fee budgets. It would be more appropriate for the Board to request the Legislature to allow an increase in the building fee already collected or to implement a special fee for these purposes.

Mr. Running said unilaterally dedicating incidental fees is neither appropriate nor desirable. Incidental fees may be state funds, Mr. Running said, but the money is in trust with the incidental fee committees which are designated to administer the fees for the use and benefit of students.

Mrs. Jan Oliver, President of the Associated Students of the University of Oregon, said the students established a building repair and reserve account for the Erb Memorial Union. She said students pay incidental fees with the understanding the money will be used for facilities on that campus and they would be in complete disagreement with the establishment of a commingled account.

Mr. Holmer said there was no intention of establishing a consolidated account either on a system-wide basis or for accounts at a single institution. The self-determination for distribution of the incidental fees would be maintained within the guidelines set by the institutions.
In discussing the establishment of a special state-wide fee for the reserve, Mrs. Oliver said she would not favor that proposal.

In clarifying his earlier statement, Dr. Hawk said he was suggesting that because of the multiplicity of funding, there is a very complex issue involved. Federal and state funds are involved, as well as incidental fees and income from auxiliary services. There must be some assessment of funds from each of the sources in establishing a composite fee to meet all of the needs so that the students are not bearing an undue share of the cost.

Mr. Perry summarized the discussion by stating that it was understood that any amount set aside for the purposes indicated would remain on the individual campus and would not be commingled. In addition, the adoption of the guidelines would not preclude the imposition of requirements which would be difficult for an institution to meet initially but the institutions would be assisted in the process of enabling them to establish the reserves, with due recognition to problems at each campus.

Mr. Pat Stimac, representing the Oregon Student Lobby, asked for the rationale for maintaining separate reserves for separate programs as opposed to establishing a general reserve.

Mr. Holmer said each self-supporting activity is responsible for its own self-support, and separate reserve accounts make this process clearer.

The Committee referred the proposals to the Board for public hearing.

Board Discussion and Action

Mr. Layman declared that the time previously set for public hearing on the building repair and equipment replacement reserves had arrived and asked if anyone wished to be heard for or against the proposal. He noted that Board members had received the following memorandum from Mrs. Jan Oliver:

**EMU Building Repair and Replacement Reserve Account**

**Purpose**

The Emu Building Rehabilitation Account was instituted to provide a fund for the repairs and asset replacement necessary for maintenance of quality of the physical environment within the non-revenue producing areas of the Erb Memorial Union. It is not intended for capital improvements, increases in service, or upgrading of facilities beyond renovation to the original state.

The rationale behind providing for these expenses through a fund, rather than through regularly budgeted maintenance projects, is perspicaciously logical. Incrementally building a fund over the years takes on the aspect of a "user fee" for the non-revenue producing areas of the EMU. The Price Structures in the EMU Food service, the EMU Recreation Center, and the EMU Main Desk are intended to cover the costs of maintaining these cost centers. But EMU facilities such as study lounges, offices, and meeting rooms have no such source of funds for asset renovation. Students who are currently using these facilities, contributing to the wear and tear, should bear the costs of replacement, rather than taxing students at the time of necessary replacement.

To maintain a healthy fund, expenditures should be limited until the fund reaches an adequate level. Once a healthy level has been reached, we feel an absolute ceiling of $250,000.00 would be well advised. Both measures would insure the interests of fee paying students, while at the same time providing adequate security for all involved administrators.
We propose that any collected Incidental Fees channeled into an EMU Building Repair and Replacement Reserve Account be subject to the following student controls: Each fall term the professional staff of the EMU should submit project proposals for that year's expenditures from the fund to the EMU Board. The EMU Board should then draft a budget for use of the fund during the academic year, subject to approval of the ASUO President. Any veto can be overridden by a 2/3 vote of the entire EMU Board.

The primary reason why the ASUO considers this plan to be the most workable and rational is that a similar plan was used successfully this past year in regards to this account. All expenditures from the fund were handled with a positive spirit of cooperation between the professional staff of the EMU and the student representatives. We would look forward to the continuation of a process that has worked so well in the past.

The distribution of interest income was explained by Mr. Watson. Interest income from buildings constructed by Article XI-F(1) bond funds is placed in a sinking fund to pay interest and principal on the bonds. Income from operations funded from General Fund money reverts to the General Fund.

The Board approved the staff recommendations as presented, with the following voting in favor: Directors Carpenter, Feves, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, Stewart, and Layman. Those voting no: None.

Staff Report to the Committee

Sometimes, in an effort to keep current expenditures unrealistically low, outlays for needed equipment replacement or building repairs are long deferred. The result can be higher operating expenses than are necessary and creates fiscal crises when roofs, elevators or mechanical systems, or other major equipment items require repair or replacement.

It is general state policy that no reserves be maintained for building repair or equipment replacement for activities supported from the General Fund. This policy has been the subject of considerable discussion. In the case of the General Fund it has some merit.

For the self-supporting activities of the Department of Higher Education and those supported by the incidental and health service fees, however, prudent business management requires such reserves. Reserves of this type already exist for all residence halls and for some student centers. The following policy statement is proposed as a guideline for the proper funding of building repair and equipment replacement:

Building Repairs and Equipment Replacement Reserves

I. Current General Fund Budget Accounts

Institution operations in the xx-050-xxxx series of accounts funded primarily by State biennial appropriations and from tuition and fee income obtain financing for current building repairs and equipment replacement through the regular budget process. Therefore, it is not anticipated that funded reserves will be established for such expenses.

II. Service Departments

Data processing, Printing, Xeroxing, Photographic, and similar service departments in the xx-061-xxxx series of accounts, funded basically from service charges to General Fund budget accounts and federally-financed projects, should maintain a funded reserve for equipment replacement equivalent to the estimated accrued depreciation on the inventory value of such equipment.
Since service operations generally are housed in buildings constructed from State General Fund sources or XI-G bonds, no funded reserves will need to be carried for building repairs because it is anticipated that the expense for extraordinary or major repairs to the building or portions of buildings occupied by service departments will be incorporated in the General Fund operating budget for the institution.

III. Auxiliary Enterprises

Auxiliary Enterprises, including both the activities financed by incidental fees and those financed by user charges, will be expected to establish and maintain from regular income sources funded reserves for extraordinary or major building repairs and equipment replacement.

IV. Building Repair Reserves for Auxiliary Enterprises

A. General. These funded reserves will be established to finance the cost of extraordinary or major repairs such as re-roofing, exterior painting, plumbing replacements, electrical replacements, foundation renovations, interior alterations of a non-capital nature, and related projects. Routine maintenance and minor repairs to replace broken glass, repair of faulty plumbing and electrical services, interior painting, and related unscheduled building maintenance should be charged as a current maintenance expense, rather than recorded through the repair reserve accounts.

Since the annual fund reservation rates as noted in Sections IV-B and IV-C below are minimal and are not likely to generate any excess reserves for several years, no dollar limits have been set for the reserves. There is a possibility, however, that some buildings, because of the design and functional use, may experience a very low repair cost. If the reserve, therefore, for any one Auxiliary Enterprise building group accumulates to 2% of the replacement value, the rate schedules may be reviewed and appropriately adjusted. Similarly, if either the 1% or the 1/2 of 1% rate consistently falls below the annual repair costs, the rate structure should also be reviewed and appropriately adjusted.

Authorizations and contracting procedures for building repair projects, as the need is determined by the institution, will be expected to be developed pursuant to guidelines from the Vice Chancellor for Facilities Planning. Reference is made to the December 15, 1969, memorandum concerning "Minor construction, building repair and maintenance contracts requiring both materials and services."

B. Residence Halls, Family Housing and Parking. Auxiliary Enterprises such as residence halls, family housing, and parking, which are expected to be supported from charges to users, have maintained funded building repair reserves for many years by an annual charge to operations equivalent to 1% (parking structures 1/10%) of the replacement cost of the buildings. As of June 30, 1975, the total reserve balance for all institutions encompassing more than fifty buildings and other structures was about 1.4% of the building replacement values.

C. Student Unions, Health Services, and Recreation Facilities. Auxiliary Enterprises such as Student Unions, Health Services, and Recreation Facilities, which are supported generally by a combination of incidental fees and user charges, heretofore have not systematically and annually earmarked, as a percentage of building replacement values, amounts of cash to establish a funded building repair reserve. Although the experience with residence halls over many
years indicates that the 1% annual fund reservation appears to be a very sound estimate, it has been concluded that this 1% rate would be most difficult to implement at this time for those Auxiliary operating support. The rate, therefore, has been set at 1/2 of 1% of the building replacement values for Student Unions, Health Services, and Recreational Facilities. Institutions are urged to develop a fund reservation program for implementation on or before July 1, 1977.

V. Equipment Replacement Reserves for Service Departments and Auxiliary Enterprises

A. Service Departments. Effective July 1, 1976, all Service Departments will be expected to include an equipment replacement cost factor on invoice billings to customers at a charge rate sufficient to produce annual income equal to one year of depreciation on equipment items with an inventory value of $100 or more. (Annual recovery generally would be about 10% of the equipment inventory value).

When calculating the monthly or annual credit to the reserve, Service Departments with specialized equipment, especially in the computer and printing areas, may need to evaluate the cost of obsolescence in addition to the conventional depreciation procedures of dividing the capital cost by the normal years of expected life.

B. Auxiliary Enterprises. All categories of Auxiliary Enterprises beginning on or before July 1, 1977, will be expected to establish a funded reserve program for the replacement of equipment items with an inventory value of $100 or more. For activities such as residence halls, family housing, and parking where accrued cost accounting procedures have been operational for many years, the cash reserves for equipment replacement should continue to be maintained at a dollar value of not less than the estimated cumulative depreciation on the equipment. Other Auxiliary Enterprises, where partial reserves or no reserves have been established, should develop a financial and budget plan to build up such reserves to the required level as soon as possible.

VI. Funding for Both Types of Reserves for Student Centers, Health Services, and Recreational Facilities

Although the Board may be receptive to authorizing the use of some building fee funds to establish initial reserves in the areas of building repairs, it is most unlikely that building fees will be available on a continuous basis to finance either building repairs or equipment replacement for Student Centers, Health Services, and Recreational Facilities. Institutions, therefore, are urged to take aggressive steps to establish a funded reserve program for both building repairs and equipment replacement for this group of Auxiliary Enterprises where the financing comes from a combination of user fees and student incidental fees.

VII. General Ledger Accounting for Building Repair Reserves and Equipment Replacement Reserves

Concurrent with the implementation of this program to establish funded reserves for building repairs and equipment replacement, it is contemplated that General Ledger Balance Sheet reserve accounts will be carried for each category of Auxiliary Enterprises and each Service Department. Periodically, cash funds will be moved out of the operating accounts in the xx-001xxx account series and retained in the separately segregated reserves. Accounting procedures will be developed to provide uniform practices in recording the costs of repair projects to the reserve, and to record the necessary adjustments to the reserves whenever charges are made in the equipment inventory.
VIII. Investments of Funded Reserves

Reserve balances generated by self-liquidating and self-supporting Auxiliary Enterprise projects, where the facilities have been financed by XI-F(1) G/O bonds, will be carried in the XI-F(1) G/O bond fund, and thus participate in the Bond Fund investment pool. Interest earnings will be prorated on the basis of the monthly reserve balances and credited to the appropriate Bond Sinking Fund. Reserve balances for the Service Departments, along with other cash balances, will participate in the State General Fund investment pool, with the interest credited to the General Fund.

ASUO-AOSL
Student Proposal for Modification of Board's AR
Relating to Faculty Evaluation

(Considered by Committee on Instruction, Research, and Public Service Programs, June 22, 1976; present--Carpenter, Feves, Harms, Maden.)

Included below is an excerpt from the Board's Administrative Rules (AR 41.160) relating to criteria for faculty evaluation which the Associated Students of the University of Oregon (ASUO) and the Associated Oregon Student Lobby (AOSL) are asking be amended. ASUO-AOSL-proposed modifications are the underlined portions of paragraphs 2 and 3.

Staff Recommendation to the Committee

The Board's Office recommended that only so much of the proposed amendments as is indicated immediately below by the underlined words in the body of paragraph 3 of AR 41.160 be recommended for adoption by the Board.

AR 41.160 Criteria for Faculty Evaluation

3. The criteria shall provide guidelines as to the sources and kinds of data that are appropriate as a basis for the accumulation of information and data necessary to an effective evaluation of faculty at each of the several administrative levels (e.g., department, school, institution) at which evaluations of faculty must be made in each of the areas identified immediately above (i.e., teaching, research and scholarly activity, etc.). Special provision shall be made for appropriate student input into the evidence accumulated as the basis for reappointment, promotion, [and] tenure, and post-tenure-review.

Discussion and Recommendation by the Committee

Dr. Romney summarized the proposed amendments to AR 41.160 submitted by the Associated Students of the University of Oregon and the Associated Oregon Student Lobby. He noted (1) that AR 41.160, which provides for student input into the evidence accumulated as the basis for reappointment, promotion, and tenure decisions, had been drafted following an extensive review of Board policies relating to faculty appointment, promotion, and tenure during 1971-72 and 1972-73; (2) that AR 41.160 follows the Board's general pattern in working with its institutions in that it provides for student input, but leaves it to the institutions to work out within the institutional family the processes through which that input shall be sought and obtained; (3) that given this leeway, the institutions have followed different courses of action in securing student input (e.g., UO, EOSC, OIT, SOSC provide for formal student evaluation of faculty performance in each course or in a selected sample of courses taught by each faculty member; with the exception of two small departments, formal student evaluations are required by all of Portland State University's academic departments, or alternatively, students serve on promotion and tenure committees; Oregon State University, Oregon College of Education, and the University of Oregon Health Sciences Center have more general guidelines providing for student input into evidence accumulated in faculty evaluation).
Meeting #432-86

July 20, 1976

Dr. Romney read a statement, dated June 3, 1976, submitted by Mr. Steven Dresler, Chairman of the Student Council at the University of Oregon Health Sciences Center. The statement supported modifications proposed by the Associated Oregon Student Lobby to paragraph 3 of AR 41.160. The statement indicated that the Student Council was sympathetic to the intent of the Associated Oregon Student Lobby in the proposed modifications to paragraph 2 of AR 41.160.

However, the University of Oregon Health Sciences Center Student Council recognized that some faculty are employed and spend their time predominantly in instruction. Others have a major responsibility in research and instruction. The council felt that faculty should be evaluated for promotion and tenure on the basis of their performance in the areas in which their assignments lie. They felt that a single-priority listing (i.e. instruction research, professionally-related public service, institutional service) applied to all faculty might be "unworkable and unfair" to the faculty. The Council therefore opposed the proposed priority listing in paragraph 2 of AR 41.160.

Dr. Romney also read letters opposing the proposed amendments to paragraphs 2 and 3, which had been received from the Oregon Federation of the American Association of University Professors, the Oregon State University chapter of the American Association of University Professors, the Faculty Status Committee of the Oregon State University Faculty Senate. He indicated that the Board's Office had received letters from a number of institutional presidents and deans urging that the Board permit the institutions to work out within the institutional family (students, faculty, administration) the processes through which to secure student input into the evidence accumulated as the basis for reappointment, promotion, tenure decisions, and post-tenure review. This approach, they urged is in keeping with the Board's way of working with the institutions.

Mr. Cris C. Vaughan, President of the Associated Students of Oregon College of Education and Chairman of the Board of Directors of the Associated Oregon Student Lobby, and Mr. David Gomberg, President of the Associated Students of Oregon State University and a member of the Executive Board of the Oregon Student Lobby, were recognized to testify concerning the student recommendations.

Mr. Gomberg said the new Board of Directors of the Oregon Student Lobby did not agree with the wording of the proposed amendment to paragraph 2, "in descending order of priority," as recommended by the former Board of Directors. The revised recommendation from the new Board of Directors would substitute "with the first holding the greatest priority." This would place high priority on instruction but would recognize variations in roles, objectives, goals, and emphases among the institutions. Mr. Gomberg said greater emphases must be placed on teaching by increasing the tangible rewards for good instruction through the promotion and tenure process.

Dr. Victor Dahl, immediate past president of the Interinstitutional Faculty Senate and Professor of History at Portland State University, said the Senate had twice discussed the matter of faculty evaluation but a formal report had not been prepared as yet. Dr. Dahl said the Interinstitutional Faculty Senate concurs in the Board's Office recommendation that the words proposed for addition to paragraph 2, "in descending order of priority," are unwise and unnecessary.
Such language would impose too much rigidity in the academic process and would not
give consideration to the peculiar needs of various disciplines. Institutional
autonomy is also very important, and the proposed amendments seem to alter the
existing concept of the relationship of the Board to its institutions.

Faculty governance is being studied and reexamined at the institutions. Approval
of the proposed changes would inhibit the process of developing strong faculty
governance organizations.

Dr. Dahl stated that the Interinstitutional Faculty Senate opposes the amendments
on procedural and educational grounds. It does not oppose student evaluation of
faculty but has always supported it. However, post-instructional evaluations
would be difficult to obtain and would not be likely to divulge useful information.

Mrs. Feves asked whether it would be acceptable to the Interinstitutional Faculty
Senate if the Board were to mandate student participation in the evaluative process,
leaving the determination of the appropriate procedures to the institutions.

Dr. Dahl responded that this was similar to existing policies, but that the Inter-
institutional Faculty Senate would feel that any additional mandates to the institu-
tions would contravene its purposes.

Asked by Mr. Maden what he considered appropriate student input, Dr. Dahl said it
would include participation in the development of an evaluative instrument and the
use of that instrument in evaluating faculty. Students might also serve as members
of promotion and tenure review boards and in post-tenure review, he suggested.

Mr. James Bernau, former president of the Associated Students of the University of
Oregon, said that localizing decisions is extremely important. However, the pro-
posed changes do establish a basic policy which allows flexibility. He noted that
SB 413 was interpreted to have given institutional executives authority to deny
student access to faculty records. An independent study indicated that faculty
members favored giving students access to faculty evaluative data, but when the
question was presented through the present system of faculty governance, the
student proposal was defeated.

The University of Oregon faculty did enact in November and December 1975, faculty
legislation requiring development of course evaluation instruments and the systematic
and uniform use of these instruments in student evaluation of faculty performance.
The legislation also provided for the development of the following course informa-
tion to be solicited from each instructor pertaining to each course he or she
teaches for use by students and advisors: (10 assigned reading and optional
reading and their availability; the extent and nature of homework assignments;
laboratory assignments, required submissions and activities; (2) the objectives,
importance, and scope of the course; (3) the format of class meetings; (4) the
specific methods and frequency of evaluations for credit and relative weight of
each; (5) the office hours of the instructor; (6) academic prerequisites; (7) when
the course was last previously taught by the instructor; (8) the average size of
the class. A number of other institutions also provide for regular evaluation of
faculty instructional performance by students (EOSC, OIT, and under special faculty
senate legislation, SOSC, with data to be used in efforts to improve instruction
rather than for evaluative purposes).

Mr. Bernau said it was important to place students on personnel committees because
the quality of the academic program would improve as a result of introducing a
number of evaluative factors into the personnel decisions.

President Rice said it was expected that students would participate in faculty
evaluations at Oregon College of Education but he did not favor an institution-
wide system because of his experience with the results of institution-wide evalu-
ation instruments at three institutions. President Rice said the objective of
evaluation is to encourage communication between the students and the faculty
members for the improvement of instruction.
President Rice said he supported the recommendation of the Board's Office and indicated he would dislike having to deal with faculty and students on the basis of a mandate.

In responding to a question concerning appropriate student participation in evaluation, President Rice said students must have a means of communicating to department and school administrations. He indicated he would favor a committee but communication could be accomplished through an evaluation instrument. In appointing either faculty or student members to personnel committees, Dr. Rice said, it is important for the individual to respect the confidential nature of the information considered in the committee.

Dr. Harry Alpert, Vice President for Academic Affairs and Provost at the University of Oregon, said faculty legislation at the University requires student evaluations. All promotion and tenure evaluations include student evaluations and these are part of the review in connection with promotion, tenure, and related personnel matters. Students are included on committees in some departments but not on the overall personnel committees. The student evaluation forms are administered in the departments and schools.

President Briggs said there must be constant review of the evaluation instrument which is used. He said he has taken the position that there should be a continuous effort to improve instruction and that students must be a part of the process. He said he supported the Board's Office recommendation in its present form. He described the system for faculty, student, and classified staff to participate in the internal governance at Eastern Oregon State College.

Dr. Solon Stone, a member of the Executive Committee of the Oregon State University Faculty Senate and Assistant Dean of Engineering at Oregon State University, said the descending order of priority modification in paragraph 2 was not satisfactory to the Oregon State University faculty. He said Oregon State University is a very diverse institution and to imply that everyone is involved in instruction is not proper at that institution. He said the Oregon State University Faculty Senate questions the use of a uniform evaluation instrument because its use is based on the assumption that all faculty members teach and all students learn in the same way.

Dr. Stone said the Oregon State University Faculty Senate was particularly not in a position to endorse the last phrase in the last sentence of the proposed amendment to paragraph 3. He said there was agreement that expressions of opinion from former students concerning their perceptions of the instruction at the institution would be helpful, but when such responses have been obtained, there have been some rather curious results in evaluating the information received.

Dr. Stone said in response to a question from Mr. Maden that the assumption a student member of a school-wide or institution-wide personnel committee would have had classes from the instructors being evaluated is not necessarily a valid one. However, at the departmental level, there is a very good chance for excellent communication between students and faculty. This might not be true in those instances in which the students in a course are from outside the particular department. Dr. Stone said the most direct feedback from students to instructors is the most effective means of contributing to instructional improvement.

President Blumel said the present version of AR 41.160 is sufficiently directive and does require student participation. He said the two principal methods are through survey evaluations and student membership on committees. He stated he considered them complementary rather than alternative methods.

President MacVicar said the comments seemed to indicate a desire for greater specificity and suggested that paragraph 3 be modified to state "the source of such input may include, but need not be limited to, letters from students...." He said students were also urging that faculty members be judged with respect to their primary assignment, but significantly on the basis of their instructional
efforts. The faculty review cycle for this year is ended, Dr. MacVicar said, and if the Board's Committee wished to have more time to consider the issues under consideration, the institutions would not be disadvantaged.

A motion by Mr. Maden to send the amendments incorporated in paragraph 2 back to the staff for future study was defeated. In discussing the motion, Mr. Harms said any provision attempting to establish priorities in the Administrative Rules among the functions listed in paragraph 2 would be very difficult to implement. He said it was his opinion that there may be an error in administration because individuals are hired who are primarily attracted to the universities because of research and service functions and then are assigned to instructional positions which are filled by graduate assistants, but, he said, the fault does not lie with the Board's rules. He was prepared, he said, to vote that no change be made in paragraph 2 as it now is in the Board's Administrative Rules.

Dr. Romney said the Administrative Rules specify that initial notices of appointment to faculty members will state the duties expected of the individual. Any change in status or assignment that significantly affects the expectations for that faculty member must be stated in written form, together with information concerning the criteria to be used in evaluation.

The Committee recommended that the Board approve the staff recommendation pertaining to paragraph 2 as presented.

Mr. Harms moved to substitute the following language for the amendments proposed by students to paragraph 3: "and for post-tenure review. The sources of such input shall include, at a minimum, solicitation of student comments, uniformly administered valid student evaluations of instructors, and participation by students on personnel committees."

He explained that he has generally opposed putting detail in the Administrative Rules, but it would appear that the administration is subject to pressures from the faculty governance system which would make it difficult to implement these policies relating to student input into the evaluation process unless specific provision is stated in the Administrative Rules.

Mrs. Carpenter said that she was opposed to placing in the Administrative Rules the kind of specificity being proposed. She said she felt that some of the institutions had already moved to and beyond the kinds of things being proposed, and that with the Board's evidence of interest in this issue, manifested by this present review, the institutions would have further incentive to reexamine what they are doing in connection with assuring student input into the evaluative process. She said that perhaps the addition to paragraph 3 of AR 41.160 of illustrative ways in which student input might be sought (e.g. solicitation of views of present and former students, formal student evaluations of professorial performances, etc.) as President MacVicar had suggested, might be helpful, but she would be opposed to stipulating in the rules the specific processes to be used in every institution, as the proposed amendments do.

Mrs. Feves said she agreed with the chairman that there should be some requirement for student participation without specifying exactly how it should occur.

Mr. Harms said he would support a motion to recommend the language stated by President MacVicar. There was some discussion of the alternative wording to clarify the need for uniformity as well as flexibility.

The Committee then approved a recommendation by the Committee that the Board adopt the following language as an alternative amendment to paragraph 3: "and for post-tenure review. The sources of such input may include, but need not be limited to, solicitation of student comments, uniformly administered validated student evaluations of instructors, and participation by students on personnel committees."
Board Discussion and Action

Mrs. Carpenter called on Mrs. Feves to make the presentation of the Committee's recommendation to the Board.

Mrs. Feves called to the attention of the Board the amendments to AR 41.160 which had been proposed by the Associated Oregon Student Lobby (AOSL) as indicated below by the underlined portions in the body of the paragraphs.

2. The criteria shall reflect the primary functions for which the state system was established, namely (in descending order of priority):
   a. Instruction.
   b. Research accomplishments and other scholarly achievements, or where relevant, other creative and artistic achievement.
   c. Professionally-related public service, through which the institution and its members render service to the public (i.e., individuals, agencies or units of business, industry, government).
   d. Institutional service, which includes but is not limited to the contributions made toward departmental, school, or institutional governance, service to students through student welfare activities such as individual student advising with student organizations or groups, and similar activities.

3. The criteria shall provide guidelines as to the sources and kinds of data that are appropriate as a basis for the accumulation of the information and data necessary to an effective evaluation of faculty at each of the several administrative levels (e.g., department, school, institution) at which evaluations of faculty must be made in each of the areas identified immediately above (i.e., teaching, research and scholarly activity, etc.). Specific provision shall be made for appropriate student input into the evidence accumulated as the basis for reappointment, promotion, and tenure decisions, and for post-tenure review. The sources of such input shall include at a minimum, letters from students and former students solicited by the institution, uniformly administered standardized student evaluations of instructors, the appointment of students to serve on personnel committees, and information relating to the actual education of students due to instruction.

Mrs. Feves asserted that the Board's Committee recommended (1) that the proposed amendment in paragraph 2 above not be approved by the Board; (2) that the following language be substituted for the amendment proposed by the ASUO-AOSL (underlined portion of paragraph 3 above) and that it be adopted by the Board as an amendment to AR 41.160: "and for post-tenure review. The sources of such input may include, but need not be limited to, solicitation of student comments, uniformly administered validated student evaluations of instructors, and participation by students on personnel committees;" 

Mrs. Feves noted that at the Board's Committee meeting Mr. Harms had moved Committee adoption of the recommendation to the Board that the Board adopt the language immediately above, except that he proposed the word "shall" rather than "may."

Mrs. Feves noted that the Committee vote on Mr. Harms' motion had been 2-2 and that thereupon the word "may" was substituted for "shall" with the resulting vote being 4 to 0 in favor of the motion as it now stands.

President Layman then said that the time previously set for the public hearing on the proposed amendment to the Board's Administrative Rules had arrived. He called on Dr. Dav Carlson, Professor of Mathematics at Oregon State University, who is chairman of
the Interinstitutional Faculty Senate and who was speaking for the latter organization, as well as for the Oregon State University Faculty Senate. Dr. Carlson said he was speaking in support of the recommendation of the Board's Committee and in opposition to the original proposal made by the ASUO-AOSL. Adoption of the Board's Committee recommendation would, he said, recognize that the use of several different measures is necessary to get a fair and accurate picture of the students' perceptions of teaching effectiveness. The evaluation of teaching is very difficult, he said. In the Mathematics Department at Oregon State University they have used a variety of approaches to student evaluation of faculty (e.g., rating forms, letters from students, interviews with students, opinions solicited in a uniform way from former students, classroom visits by faculty). Faculty are concerned about teaching and its evaluation, he said. Faculty objection to the amendment proposed by the ASUO-AOSL stems in part from the fact that faculty teaching and evaluation are considered to be faculty prerogatives. The mandating by the Board of the use of the three approaches to faculty evaluation would be offensive to the faculties and would have a significantly adverse impact on relations of faculties with the Board.

Dr. Carlson urged that the Board follow its long-established custom of adopting broad general policies and leaving to the institutions the freedom to develop institutional policies and procedures responsive to the Board's policies, in accordance with institutional roles and traditions.

Questions from Miss McIntyre, Mr. Maden, Mr. Perry and Mr. Joss elicited the view from Dr. Carlson that the evaluation of teaching has been improving in the State System institutions. He cited the fact that at Oregon State University President MacVicar has placed great emphasis on teaching quality and that considerable attention has been and is being given to the quality of teaching. The same is occurring in other institutions.

Mr. Cris Vaughan, President of the Associated Students at Oregon College of Education and Chairman of the Board of Directors of the Associated Oregon Student Lobby, spoke next. He emphasized that the AOSL is not in disagreement with the concept that, in adoption of Board policies, provision must be allowed for institutional flexibility and adaptation in complying with Board policies. But, he said, the institutions would still be left with a good bit of flexibility in determining how most effectively to comply with the Board's Administrative Rules if the Board were to change the language of the Board's Committee recommendation from the permissive form to a mandatory form.

Mr. Robert McCoy, Chairman of the Faculty Senate at Southern Oregon State College, testified that the Southern Oregon State College Faculty Senate concurred fully with the Board's Office recommendation vis-a-vis the amendment to AR 41.160 proposed by the ASUO-AOSL. They were opposed to the Board's mandating of specific approaches to securing student input into faculty evaluation. The process of securing letters from students and former students would be an expensive and time-consuming process, he said. He also said that he favored student evaluation of instruction; that Southern Oregon State College had for two previous years utilized the well-known University of Washington evaluation form for securing student evaluation of teaching performance, but that after a two-year experience, the use of these forms was dropped because 30% of the evaluation forms were deliberately fouled, making the process of no use. For the moment, therefore, Southern Oregon State College has returned to department-generated forms, which are used primarily to assist faculty in the improvement of their instruction.

As for students serving on personnel committees, he said that the Southern Oregon State College experience would indicate that there is a lack of student interest. All faculty senate committees at Southern Oregon State College provide for student membership of not to exceed one-third of the total number on the committee. Yet, he said, student participation on these committees has been almost non-existent because of student apathy. Mr. McCoy emphasized that the Southern Oregon State College Faculty Senate concurs fully with the Board's Office recommendation to the Board that the Board should leave to the institutions the responsibility for working out within the context of the local academic community (students, faculty, administration) the institutional policies and procedures for complying with Board policies.
Dr. Romney asserted that a great deal has been done in the institutions toward complying fully with the Board's mandate that appropriate student input be provided for in the accumulation of information and evidence as the basis for making decisions relative to reappointment, promotion, and tenure. The University of Oregon has an institutional requirement that classes be evaluated by students each term (except for the 500- and 600-level courses) and these evaluations are used in making promotion and tenure decisions. Eastern Oregon State College, Oregon Institute of Technology, and Southern Oregon State College also use an evaluation survey form(s) for evaluation of faculty on a regular, systematic basis. Portland State University is using essentially the same approach. Oregon College of Education faculty, students and administration have likewise worked assiduously on this issue, and for two years in the recent past not only provided for student evaluation of faculty using a formal instrument, but the evaluations were published. Oregon State University stipulates very clearly in instructions to faculty and deans that there shall be available in the faculty member's file evidence of student evaluation as the basis for promotion and tenure decisions.

Mr. Bill Nelson, Executive Secretary for the Oregon Federation of the American Association of University Professors, urged that the Board adopt the recommendation of the Board's Committee as presented by Mrs. Feves. He asserted that the ASUO-AOSL proposal would place too much detail in the Board's Administrative Rules and would reduce the necessary and desirable institutional flexibility now available under the Board's rules. The Board's Committee recommendation, which uses the word "may" rather than the word "shall" as proposed by Mr. Maden, does provide for the institutions the flexibility they need. He said that with the adoption of the recommendation of the Board's Committee the institutions would be stimulated to continue their efforts to improve both the quality of teaching and to enhance their ability to evaluate teaching, which are the ultimate goals on which all can agree.

Mr. Dan Dorrjtie, Faculty Representative of the Oregon State Employees Association, testified in behalf of the Oregon State Employees Association membership in higher education, supporting the recommendation of the Board's Committee as presented by Mrs. Feves. He said that the added language proposed by the Committee would add strength to the rules and give added impetus to the institutions in their efforts to improve teaching and to improve their capacities to evaluate teaching, without reducing the necessary flexibility permitted the institutions under the general policies of the Board that have hitherto prevailed. An abundance of testimony had been heard, he said, to demonstrate that institutions of the State System were making a good faith effort to comply fully with the intent of AR 41.160, which requires that provision be made for student input in evaluation of faculty.

Mr. James Bernau, former president of the Associated Students of the University of Oregon, invited attention to the fact that the Teaching Research Division, in a report rendered about evaluation of teaching at the University of Oregon, had indicated that they found discrepancies between what the University says about the importance of the teaching function and what the University does about it. Mr. Bernau asserted that student interest in evaluation of teaching goes back a number of years. He noted that insofar as the issue as to whether the Board should put detail in its rules, the Board has been very detailed in its rules concerning how charges against faculty shall be investigated and dealt with, so as to protect the faculty against capricious acts against them. He said that the ASUO-AOSL proposal is asking that the Board adopt language that would detail the nature of the approaches to securing student evaluation of teaching that should be used by the institutions.

President MacVicar asserted that action by the Board to require institutions to use the three approaches to securing student input into the evaluation process would result in many serious and perhaps intractable problems. He asked, would institutions be required to use a single evaluation instrument in every class every term? What is meant by the term standardized? If validated means standardizing
the instrument against a normative group of personnel, for every course, for every student, the task would become so staggering as to be intolerable. He pointed out that before the Board adopted the presently-existing rules relating to evaluation of faculty, Oregon State University had adopted guidelines and criteria for promotion and tenure and for advancement in salary which stipulated that students would have an opportunity to participate in making evaluations in those instances in which the professor was engaged to any significant degree in instruction. In the intervening years, he had refused, he said, to act favorably on recommendations on these matters when information was not clearly in evidence. He urged that the Board accept the recommendation of the Board's Committee as presented by Mrs. Feves, with the assurance that the institutions are alert to the desirability of giving students the opportunity to do what they can do well, namely, give their impression of how the teaching was actually done. Responding to questions, Dr. MacVicar asserted that what students can do well is to give their perceptions of the teaching. But, he asserted, it is obvious that a freshman student, for example, is not in a very good position to evaluate whether or not the textbook being used in a course or the instruction presented in a lecture, represent the latest, the very best, the highest quality in terms of the views of the discipline at the moment.

Dr. Romney noted the fact that vigorous efforts have been made in recent years by the Board's Committee on Instruction, Research, and Public Service Programs, the Board's Office, the institutions, and the Teaching Research Division, to examine and to improve the evaluative processes through which decisions are made as to reappointment, promotion and tenure of faculty members. He cited the systematic program under which the Teaching Research Division has worked with the institutions, on an institution-by-institution basis, to evaluate institutional evaluative processes. He noted that the Teaching Research Division report on evaluation of teaching at the University of Oregon to which AOSL representatives referred, was a product of these efforts. He noted that it was out of this collaboration that the document prepared by the Teaching Research Division, entitled Professorial Assessment in Higher Education (1975), from which the Associated Oregon Student Lobby had drawn the materials sent to members of the Board, had come. He noted that for each institution in the State System, a specific report had been prepared by the Teaching Research Division, with institutional collaboration, discussing the institutional approach to faculty evaluation, and identifying areas of possible improvement. He noted that all of the institutions have included in their policies the stipulation that student input must be provided for in accumulating information as the basis for considering reappointment, promotion, or tenure, and that in almost all of the institutions systematic, regular evaluation of faculty performance by students is an accepted aspect of the evaluation process.

Mrs. Feves then moved the adoption of the recommendation of the Board's Committee. Mr. Maden moved that the motion be amended by striking the word "may" and replacing it with the word "shall."

Mr. Harms said that he would vote in favor of Mr. Maden's amendment, which was an expression of a position he had taken at the Board's Committee meeting in June. He did not agree the student evaluation of faculty members' instructional performance, as provided for in the motion, was a student right. But, he said, student evaluation would help to improve the quality of instruction. The faculty governance system, he said, makes it difficult to implement policies calling for student evaluation of faculty performance, without some such mandate from the Board.

Mr. Ingalls asserted that he felt that the expense of implementing the program proposed in Mr. Maden's motion would be exorbitant.

Mr. Harms asserted that adoption of the motion would leave the institutions some flexibility. With reference to solicitation of student comments, called for in the motion, the method of solicitation and the extent of solicitation would be left to institutional determination. Student participation on personnel committees if required, would leave to the institutions the decision as to whether students should be advisory members only, or voting members.
Mrs. Carpenter spoke against the amendment to the Committee's recommendation, asserting that what is involved is an educational function. She said she felt that the adoption of the recommendation of the Board's Committee as presented by Mrs. Feves would constitute the establishment of the Board of very clear guidelines for the institutions and that within those guidelines the institutions could be expected to provide fully for student input into the evaluative process. She felt strongly, she said, that enduring benefits can best be achieved by the educative process and that recommendation was based upon this principle, and is in keeping with the way that the Board can most effectively work with its institutions on such matters. To adopt Mr. Maden's proposed amendment to the recommendation by the Board's Committee would run counter to this educative process, she said.

Mr. Perry said that he would vote against the amendment to the recommendation of the Board's Committee. He was in favor of student participation in the process, he said, but he was unwilling to mandate certain minimum means or methods by which this should be accomplished, as Mr. Maden's amendment would. He supported, he said, the general proposition stated by Mrs. Carpenter.

Mr. Joss said that he found it difficult to decide on this issue, but that he felt that under Mr. Maden's amendment, there would still be considerable institutional flexibility, and he, therefore, would vote to support the amendment.

The Board approved the motion by Mr. Maden to amend the proposed rule by changing the word "may" to "shall" in paragraph 3. The following voted in favor of the motion: Directors Harms, Joss, Maden, McIntyre, McLaurin, and Layman. Those voting no: Directors Carpenter, Feves, Ingalls, and Perry. Director Stewart was absent from the meeting at this time.

The Board then adopted the main motion, as amended, with the following voting in favor: Directors Carpenter, Harms, Ingalls, Joss, Maden, McIntyre, McLaurin, Perry, and Layman. Those voting no: Director Feves. Director Stewart was absent from the meeting at this time.

Staff Report to the Committee

Proposed modification of paragraph 2. The Board's Office was of the view that the addition of the words "in descending order of priority" was an unnecessary and unwise addition to the rules.

The State System, in the aggregate, has important responsibilities in instruction, research, and public service. In the discharge of these State System responsibilities, the several institutions play differential roles, some having very significant roles in research as well as in instruction and public service, others having principally instruction and public service roles. And within those institutions having major research roles, as well as instruction and public service responsibilities, individual faculty members likewise have differential roles. Some faculty are expected to have greater responsibilities in research than others, but all having significant responsibilities in instruction.

Proposed modification of paragraph 3. When AR 41.160 was drafted, the Board's Office included in paragraph 3 the stipulation that "Specific provision shall be made for appropriate student input into the evidence accumulated as the basis for reappointment, promotion, and tenure decisions." It seemed to the Board's Office then, as it does now, that that's as far as the Board should go in the Administrative Rules; that having established the general policy, it should leave to the institutions the responsibility for working out within the context of institutional relationships (student, faculty, administrative staff) the institutional mechanisms for responding affirmatively to the Board's general rule on the subject. That approach is generally consistent with the Board's way of working with its institutions.
Criteria for Faculty Evaluation

1. Criteria for faculty evaluation, developed with the participation of appropriate faculty and institutional councils, shall be established in each institution:
   a. As a guide to evaluating faculty in connection with decisions as to reappointment, promotion, tenure.
   b. As a basis for assessing those aspects of the faculty member's performance in which improvement is desirable, whether the faculty member is tenured or non-tenured, with a view to stimulating and assisting the faculty member toward improvement through the resources available under the institution's staff career support plan.

2. The criteria shall reflect the primary functions for which the state system was established, namely (in descending order of priority):
   a. Instruction.
   b. Research accomplishments and other scholarly achievements, or where relevant, other creative and artistic achievement.
   c. Professionally-related public service, through which the institution and its members render service to the public (i.e., individuals, agencies or units of business, industry, government).
   d. Institutional service, which includes but is not limited to the contributions made toward departmental, school, or institutional governance, service to students through student welfare activities such as individual student advising with student organizations or groups, and similar activities.

3. The criteria shall provide guidelines as to the sources and kinds of data that are appropriate as a basis for the accumulation of the information and data necessary to an effective evaluation of faculty at each of the several administrative levels (e.g., department, school, institution) at which evaluations of faculty must be made in each of the areas identified immediately above (i.e., teaching, research and scholarly activity, etc.). Specific provision shall be made for appropriate student input into the evidence accumulated as the basis for reappointment, promotion, and tenure decisions, and for post-tenure review. The sources of such input shall include at a minimum, letters from students and former students solicited by the institution, uniformly administered validated student evaluations of instructors, the appointment of students to serve on personnel committees, and information relating to the actual education of students due to instruction.
Proposed Establishment of Labor Education and Research Center

(Considered by Committee on Instruction, Research, and Public Service Programs, June 22, 1976; present--Carpenter, Feves, Harms, and Maden.)

Committee Recommendation

The Board's Committee on Instruction, Research, and Public Service programs recommended that the Board authorize the establishment of a labor education and research center at the University of Oregon, effective Fall Term 1977, contingent upon the Legislature's providing the requested funding therefor ($247,278 for the 1977-1979 biennium).

A complete statement concerning the rationale for this proposal and the nature of the proposed Center is contained in the document "Proposed Establishment of Labor Education and Research Center," dated June 22, 1976, copies of which were sent to Board members on or about June 11, 1976. There is presented here a brief precis of the contents of that report.

Labor's Interest in Labor Education

Oregon labor has expressed its interest in having a labor education program established in several past legislative sessions.

- At its 1971 convention, the Oregon AFL-CIO passed a resolution calling for the creation of a labor studies center at the University of Oregon, and setting forth the role and function envisioned for the center.

- In 1975, two bills (SB 957 and HB 2595) were introduced into the Legislature, each designed to provide for the creation of a labor education program in the State System of Higher Education, funded from state General Fund appropriations. One (SB 957) called for creation of a separate Labor College within the State System of Higher Education; the second (HB 2595) called for establishment of a department of labor studies at the University of Oregon. Neither was enacted by the Legislature.

Appeals for Labor Education in Oregon Reflect National Trends

The appeals for expansion of labor education opportunities in Oregon are an expression of what has been occurring throughout the country. In states in every part of the nation, labor studies or labor education programs have been added to college and university programs, as reference to Appendix A of the full report reveals.

The cause is not new. It stems from the fact that workers' organizations have felt unable to afford the educational programs they need to equip their members with technical skills and social understanding needed to exercise their union and civic responsibilities most effectively.

Workers' organizations see themselves disadvantaged vis-a-vis business and industry. The latter are seen by unions and employee organizations as being favored by the nature of the traditional educational enterprise with its business and professional schools.

In a wide variety of states, legislative response to these urgent demands for labor education programs has been to provide general fund support in colleges and universities for noncredit and credit programs designed specifically to serve the interests of union and employee organization personnel -- both the leaders and the membership. So that by 1975 there were over 70 labor education programs in higher education in North America listed in the University and College Labor Education Association (UCLEA) directory.
Advisory Committee Appointed

In February 1976, Chancellor Lieuallen, under the authority of the State Board of Higher Education, appointed a committee to advise with the Board’s Office on the labor education issues relevant to consideration of possible provision within the State System of Higher Education for more extensive labor education activities than heretofore. The Committee consists of the following:

Mr. Daniel Dorritte, Oregon State Employees Association
Mr. Irvin Fletcher, Oregon AFL-CIO
Mr. Karl Frederick, Associated Oregon Industries
Mr. Roy Ockert, International Woodworkers of America
Mr. Dave Sword, International Brotherhood of Teamsters
Mr. Steve Telfer, Local Government Personnel Institute

A number of meetings have been held with the Labor Advisory Committee during the course of which a number of alternatives for providing a more adequate labor education program in Oregon have been reviewed. Out of these reviews emerges the proposal to create a Labor Education and Research Center, as set forth in the pages which follow.

It is the view of the Board’s Office and of the majority of the members of the advisory committee that visibility for the program and necessary flexibility for its development can be achieved through a Labor Education and Research Center established as an integral part of an existing State System institution; that as an integral unit within an established institution, the Labor Education program will find it easier to draw upon the relevant related resources to be found in the various departments and schools of the institution than if the Labor Education unit were established as a separate institution within the State System.

Functions of the Center

The Center, working with the education committees of central union bodies, local unions, and employee associations, would initially (1) offer leadership training and education programs and activities designed to contribute to a more effective, responsible, and better-informed labor leadership and membership in Oregon, (2) carry on research activities in areas of vital concern to the Oregon labor movement. It is further anticipated that once the Center’s staff is in place and a clientele established through noncredit educational offerings, the Center would likely commence offering credit courses in labor-related areas and in the appropriate social sciences.

It is proposed that the Center be established at the University of Oregon. As a service and training component, the Center would serve the growing educational needs of the traditional labor unions, as well as those of the growing employee organizations of nurses, teachers, government employees, taking education to the neighborhood and union halls as well as providing the same on campus, as needs may dictate.

Nature of Proposed Programs

In establishing a Labor Education and Research Center, Oregon would not be embarking on uncharted waters. Service and training components serving labor unions and employee associations are common in colleges and universities across the United States and in European countries, some of them with long and distinguished records of service to society.

Let us examine the elements of the proposed program in the light of experience elsewhere in the United States. For information concerning experience in other states with labor education programs, we draw upon two recent studies (1) Report to the Eighth Legislative Assembly of 1976 on Senate Resolution 257 & Senate Concurrent Resolution 148 Relating to Labor Studies and Activities in Higher Education, Paul P. Tinning, Acting Director, Center for Labor Management Education
Tinning reports that nationally, "instruction and related support activities including curriculum planning and the concurrent development of instructional materials consume the greatest amount of time and resources of university labor education programs in the United States." He notes, however, that a range of other services is commonly available also, including the following: research services, materials preparation, counseling and remedial activity, reference and consultative services, library services, special projects and liaison activities (Appendix A of full report).

Of the foregoing services, the advisory committee appointed by the Chancellor to advise with the Board's Office in the assessment of need, has identified noncredit training and educational programs, and research, as the most urgently felt needs of unions and employee associations. Credit courses applicable to degree requirements are secondary in their consideration.

The primary emphasis in these noncredit courses and programs would be upon union leadership training and education designed to prepare union and employee association officers to do their jobs better. A secondary, but important emphasis, would be to assist the general membership of unions and employee associations in the development of an understanding of union and employee association functions and the basic economics, political, and sociological structures and issues which affect employee status and conditions of employment.

By union and employee association leaders is meant such officials as local union business agents and full-time officers, as well as part-time officers, stewards, and committeemen of various descriptions, and comparable employee association personnel.

The subject matter of union and employee association leadership training relates to such matters as: union and employee association functions, collective bargaining (legislation, economics, execution of the process, trends), arbitration (the process and developments), insurance (development of fringe benefit programs, administration, legal evaluation and changes in applicable regulations), leadership development (communication effectiveness, administrative skills, human relations and sociology, financial records, parliamentary procedures, the generation and use of economic data relating to collective bargaining [e.g., trends in inflation, comparable wage increases, productivity], discipline, discharge, promotion, occupational safety and health, seniority, job evaluation, and other issues reflecting the problems of the work place).

But union and employee association leadership preparation includes much more than matters relating to the immediate work place. It includes, too, an understanding of broader community problems and the broader economic, social, and political problems of society (e.g., tax policies, unemployment, job programs [Comprehensive Employment and Training Act], energy proposals).

Experience in other states that have pioneered in labor education programs demonstrates that there is neither a dearth of need for nor of interest on the part of workers in the kinds of programs that can be made available through a dynamic Labor Education Center working closely with national and local unions and employee associations.

Accordingly, the proposed Labor Education and Research Center would be expected to focus initially on noncredit training and education programs aimed at serving the leaders and members of unions and employee associations in Oregon.
Noncredit Training and Educational Programs

Basic Noncredit Programs. Noncredit training and education programs would be developed by the Center in close cooperation with the national and local labor union and employe organization personnel, and would be offered at locations convenient to the participating unions and employe associations, normally in the form of classes, short courses, conferences, and institutes.

Long-Term Noncredit Programs. Long-term noncredit programs typically consist of "an integrated curriculum of six to eight classes in labor subjects and related social science courses completed over a period of from two to three years." Commonly, a certificate is granted for completion of the program.

Though these programs vary in form and content among institutions offering them, Tinning found that their purpose is universal, namely, to provide "an advanced intensive educational opportunity for highly motivated and committed labor students."

Research

It is expected that the research efforts of the proposed Labor Education and Research Center would reflect the two basic forms that Tinning found nationally, namely (1) research relating to current developments in collective bargaining and union affairs, and (2) information and analysis which focuses on labor problems and situations related to labor. The fundamental purpose of the research effort would be to help unions and employe organizations deal with the issues and problems which are the lot of working people in modern society. The research would be closely associated with the teaching program.

Don Vial, for many years Chairman of the Center for Labor Research and Education at the University of California at Berkeley, suggests five areas in which research in labor education ought to focus:

- Research aimed at the identification of educational needs and program development.
- Applied research concerning industry problems affecting unions.
- Research related to the broader community interests of labor.
- Research related to evaluating fringe benefits.
- Research relating to functional grants requiring implementation at the local level, such as equal economic opportunity programs.

Credit Programs

Following the establishment of a foundation of noncredit programs, it is envisioned that the proposed labor education center would also schedule credit courses to serve the interests and needs of the labor community, although this aspect of the program would be smaller than the training and noncredit programs. Offered would be labor-related courses and courses in the related social sciences. Initially, at least, they would be courses applicable to existing degree programs. At some point in the future, two or three biennia hence, it is possible that authorization would be requested to offer a baccalaureate labor education degree.

Tinning's survey revealed that most university labor education programs devote the bulk of their resources to basic and continuing noncredit needs, but that interest in credit programs is growing.

Lois Gray, in a recent (1975) survey, found that Labor Studies constitutes a major toward the associate degree in 28 colleges and universities, the Bachelor's degree in nine, and a graduate degree in three. At the associate degree level, Gray found that most programs are offered by community colleges--22 of a total of 28 such programs. Almost all of the labor studies degree programs are state supported.
Other Services

Tinning notes that his review of labor education programs nationally reveals that as they develop, they tend to offer additional services beyond those mentioned on preceding pages. He itemizes these under the following headings:

- **Materials Preparation** includes preparation of handbooks, fact sheets, questionnaires, visual aids, films, slide shows, and video tapes.

- **Counseling and Remedial Services** (including reading improvement) are being given increased attention by university labor education programs.

- **Consultation and Resource Development** involves the use of university resources, information and expertise in assisting unions to conduct their own educational programs. Illustrative of these services, Tinning lists the following: provision of speakers and resource people, participation in union-sponsored activities, assisting in the development of local labor histories or in the establishment of a speakers bureau, teacher training (to equip union leaders and other potential teachers in the union program, including lawyers, with an improved capacity to teach).

"All of these various consultative activities are directed toward upgrading labor education resources in the community by reinforcing the capabilities of unions to conduct their own labor education programs," Tinning notes.

- **Library Services** include the maintenance of resources particularly adapted to the needs of labor educators and their labor clientele (e.g., national and local union newspapers, collective bargaining agreements, statistical compilations, shop steward training manuals, handbooks on union activities, historical documents relative to the state's labor movement and to the history of workers' education).

- **Special Projects** for which, says Tinning, there is no ready definition, but which fall outside the framework of instruction, consultation and research. He cites the production of training films, development of labor histories (which some might classify under "research"), development of a TV series on the rights and responsibilities of workers, as illustrative.

- **Liaison Activities**, which involve "interpreting the educational needs of organized labor to other divisions of the university and to appropriate government agencies. University programs work actively to match union concerns with the university and community resources capable of addressing them.

'University programs also assist university faculty and departments in understanding and relating to the labor movement and in facilitating interaction between union leaders and university faculty.'

**Funding of the Center**

It is proposed that funds for the Oregon Labor Education and Research Center be requested from the Legislature as a program improvement from the General Fund, augmented by such federal and private funds and such internally-generated funds from tuition, fees, services charges, and the like, as the Center can generate.

A biennial budget of $247,278 is requested to establish the Center, effective 1977-78, and to maintain it during the 1977-1979 biennium. The proposed budgets for each year of the 1977-1979 biennium are shown in Table I (p. 706).
It is anticipated that the Center will charge for its noncredit training and education courses and programs. Fee income generated through offerings will be used as an offset against services and supplies, particularly in-state travel. An accurate estimate of potential fee income cannot be made at this time. However, it is anticipated that such income might conceivably range from $3,000 to $5,000 in 1977-78 and from $7,000 to $9,000 during 1978-79. Experience from other states points to the necessity to keep registration and tuition fees low if the programs are to reach the individuals for whom intended.

As the Center gains strength and stature, it is anticipated that gifts, grants and contracts will add to the funding source, although it is anticipated that legislative appropriation would always be the principal source of funding.

The appropriation request for the 1979-1981 biennium would be at a level justified in the light of the demonstrated need, and would, of course, be subject to review and approval by the State Board of Higher Education, the Executive branch, and the Legislature.

### TABLE I

#### 1977-78 Proposed Budget

<table>
<thead>
<tr>
<th>Salaries (twelve-month appointments)</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Director/Professor</td>
<td>$31,000</td>
</tr>
<tr>
<td>Associate Director/Associate Professor</td>
<td>$25,000</td>
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<tr>
<td>Assistant Professor</td>
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<tr>
<td>Secretary (0009)</td>
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<tr>
<td>OPE (15.5%)</td>
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<td><strong>Total</strong></td>
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<table>
<thead>
<tr>
<th>Services and Supplies</th>
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<tbody>
<tr>
<td>Noncredit Instr. Services</td>
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<td>Dupl/Copy/Printing</td>
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<tr>
<td>Telephone</td>
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<tr>
<td>Postage</td>
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<tr>
<td>Office Supplies</td>
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<tr>
<td>Equipment Maintenance</td>
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</tr>
<tr>
<td>In-State Travel</td>
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<tr>
<td>Out-of-State Travel</td>
<td>1,500</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>750</td>
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<tr>
<td><strong>Office Equipment</strong></td>
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<tr>
<td><strong>Annual Total</strong></td>
<td><strong>$111,894</strong></td>
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</tbody>
</table>

| Noncredit Courses - Projected Revenue | (3,000) |
| General Fund Appropriation           | $108,894 |

#### 1978-79 Proposed Budget

<table>
<thead>
<tr>
<th>Salaries (twelve-month appointments)</th>
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<tbody>
<tr>
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<td>Assistant Professor</td>
<td>$18,000</td>
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<td>OPE (15.5%)</td>
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<td><strong>Total</strong></td>
<td><strong>$117,884</strong></td>
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<table>
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<tr>
<td>In-State Travel</td>
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<tr>
<td>Out-of-State Travel</td>
<td>1,500</td>
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<tr>
<td>Miscellaneous</td>
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<tr>
<td><strong>Annual Total</strong></td>
<td><strong>$155,584</strong></td>
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</table>

| Noncredit Courses - Projected Revenue | (7,000) |
| General Fund Appropriation           | $128,584 |

#### Biennial Total -- 1977-1979

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Other Funds</th>
<th>Expenditure Limitation</th>
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