OREGAN STATE BOARD OF HIGHER EDUCATION

Minutes of Board Meeting, January 28, 1974

Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval of Minutes of Previous Meeting</td>
<td>2</td>
</tr>
<tr>
<td>Presentation by Representatives of EOSC</td>
<td>2</td>
</tr>
<tr>
<td>CHANCELLOR'S REPORT</td>
<td>3</td>
</tr>
<tr>
<td>M. Grier, Appointment as Compliance Officer</td>
<td>3</td>
</tr>
<tr>
<td>Report on Legislative Session</td>
<td>3</td>
</tr>
<tr>
<td>B. Feves, Recipient of Governor's Award in Art</td>
<td>3</td>
</tr>
<tr>
<td>Appointment to Advisory Council, UOHC</td>
<td>3</td>
</tr>
<tr>
<td>Request for Authorization to Offer MS Degree Program in Business</td>
<td>3</td>
</tr>
<tr>
<td>Administration, SOSC</td>
<td>3</td>
</tr>
<tr>
<td>Lease of Land for Office Building Adjacent to Corvallis Environmental</td>
<td>20</td>
</tr>
<tr>
<td>Research Laboratory, OSU</td>
<td></td>
</tr>
<tr>
<td>Curricular Changes, OIT</td>
<td>23</td>
</tr>
<tr>
<td>Enrollment Adjustments, Year 1976-77</td>
<td>26</td>
</tr>
<tr>
<td>Daycare for the Children of Students</td>
<td>30</td>
</tr>
<tr>
<td>Procedural Changes in Reporting Gifts, Grants, and Contracts</td>
<td>34</td>
</tr>
<tr>
<td>Amending Protection of Employees Against Tort Liability</td>
<td>38</td>
</tr>
<tr>
<td>Authorization of Grant and Contract Proposals</td>
<td>38</td>
</tr>
<tr>
<td>Amendment of Administrative Rules To Provide for an Assistant Secretary</td>
<td>40</td>
</tr>
<tr>
<td>Funding of Intercollegiate Athletics</td>
<td>41</td>
</tr>
<tr>
<td>Review of Selected Aspects of Teacher Education Programs in OSSHE</td>
<td>48</td>
</tr>
<tr>
<td>Tri-State Veterinary Medicine Program-A Progress Report</td>
<td>64</td>
</tr>
<tr>
<td>Audit Committee</td>
<td>67</td>
</tr>
<tr>
<td>Nursing Education in Oregon</td>
<td>67</td>
</tr>
<tr>
<td>Confirmation of Institutional Degree List</td>
<td>74</td>
</tr>
<tr>
<td>Authorization To Offer for Sale the KOAC Cottage at Granger, OEPBS</td>
<td>75</td>
</tr>
<tr>
<td>COMMUNICATIONS, PETITIONS, AND MEMORIALS</td>
<td>75</td>
</tr>
<tr>
<td>Letter in Support of Veterinary Program</td>
<td>75</td>
</tr>
<tr>
<td>Report of Appointment of Architects for Campus Planning Consultation,</td>
<td>76</td>
</tr>
<tr>
<td>EOSC</td>
<td></td>
</tr>
<tr>
<td>Sale of Waggoner Property, Klamath Falls, Oregon, OIT</td>
<td>76</td>
</tr>
<tr>
<td>Report of Appointment of Architects for Student Union Addition and</td>
<td>76</td>
</tr>
<tr>
<td>Remodel, OIT</td>
<td></td>
</tr>
</tbody>
</table>
Minutes of Board Meeting, January 28, 1977

Table of Contents - Page 2

Report of Bids and Contract Award for Parking Lot Addition, OIT 77

Report of Inspection and Acceptance of Safety Deficiency Corrections, Phase I (Apperson, Chemical Engineering and Moreland Halls and Pharmacy Building Enclosed Stairways and Fire Detection Systems), OSU 78

Report of Bids and Contract Award for Safety Deficiency Corrections, Phase I (Women's Building & Langton Hall Stairway & Exit Corridor Additions), OSU 79

Report of Bids and Contract Award for Meeting/Dining Building at Yaquina Bay Marine Science Center, OSU 80

Report of Inspection and Acceptance of Marine Science Center Library and Laboratory Addition, OSU 81

Report of Inspection and Acceptance of Safety Deficiency Corrections, Phase I, and Remodel (Friendly Hall), UO 83

Report of Bids and Contract Award for University Hospital North and University Hospital South Food Service Facilities Alterations, UOHC 84

Report of Appointment of Architects for Preclinical Technique Dental Laboratories Remodel, UOHC 85

Tuition for Postbaccalaureate Students 86


Governor's Recommended Budget 1977-1979 91

Report on Student Housing, Fall Term 1976 102

Teaching Research Division Report of the Citizens Review Committee 105

Condition of Board's Special and Plant Rehabilitation Reserves 109

GIFTS AND GRANTS 110

ADJOURNMENT 139

Appendices

Appendix A - EOSC - The Small School Alternative 140

Appendix B - Oregon State Board of Higher Education Comparison of Board's Requests and Governor's Revised Budget Recommendations for Capital Construction Program for 1977-1979 146

Appendix C - Oregon State Board of Higher Education Report on Student Housing for Fall Term 1976 149
STATE BOARD OF HIGHER EDUCATION
MINUTES OF MEETING HELD IN
ROOM 338, SMITH MEMORIAL CENTER
PORTLAND STATE UNIVERSITY, PORTLAND, OREGON

January 28, 1977

MEETING #435-1

A regular meeting of the State Board of Higher Education was held in Room 338, Smith Memorial Center, Portland State University, Portland, Oregon.

ROLL CALL

The meeting was called to order at 8:30 A.M. (P.S.T.), January 28, 1977, by the President of the Board, Mr. Louis B. Perry, and on roll call the following answered present:

Mr. Jonathan A. Ater
Mrs. Jane H. Carpenter
Mrs. Ruth Daniels
Mrs. Betty Feves
Mr. Edward C. Harms, Jr.
Mr. Robert C. Ingalls

Mr. W. Philip McLaurin
Ms. Valerie McIntyre
Mr. Lorin L. Stewart
Mr. Loren L. Wyss
Mr. Louis B. Perry

Absent: None.

OTHERS PRESENT

Centralized Activities--Chancellor R. E. Lieuallen; Secretary D. R. Larson; J. I. Hunderup, Vice Chancellor for Facilities Planning; Miles C. Romney, Vice Chancellor for Academic Affairs; E. Rex Krueger, Vice Chancellor for Educational Systems; W. T. Lemman, Jr., Vice Chancellor for Personnel Administration; Edward Branchfield, Assistant Attorney General; Richard Zita, Director of Public Services and Publications; Diane Richardson, Assistant Director, Public Services and Publications; Keith Jackson, Budget Director; James Beaird, Director, Teaching Research Division; Don Bryant, Executive Director, Oregon Educational and Public Broadcasting Service; Tom Berkey, Assistant Budget Director; Melinda Grier, Compliance Officer; Alison Baker, Fiscal Analyst; Wilma Foster, Assistant Board Secretary; Francetta Carroll, Administrative Assistant; Karen McCumsey, Secretary to the Chancellor.

Oregon State University--President R. W. MacVicar.

University of Oregon--President William B. Boyd.

University of Oregon Health Sciences Center--President Lewis W. Bluemle, Jr.; Michele Wiley, Media Relations Officer.

Portland State University--President Joseph Blumel; J. Kenneth Harris, Director of the Budget; Leon Richelle, Vice President for Academic Affairs.

Oregon College of Education--President Leonard W. Rice; Ronald Chatham, Assistant to the President.

Southern Oregon State College--E. C. McGill, Dean of Faculty; Don Lewis, Dean of Administration; Gary L. Prickett, Chairman, Business Division.

Eastern Oregon State College--President Rodney A. Briggs; Gerald Young, Chairman, Science Division; Paul Couse, Director of College Relations; Irene Campanaro, Director of Admissions; Douglas Treadway, Director of Student Development; Betty Peck, Assistant to the President.

Oregon Institute of Technology--President Kenneth F. Light; W. M. Douglass, Dean of Administration.

Others--T. K. Olson, Executive Director, Oregon Educational Coordinating Commission; Elizabeth Johnson, Member, Oregon Educational Coordinating Commission; Elinore Rogers, Researcher, Oregon Educational Coordinating Commission; Wanda Silverman,
Member, Oregon State Board of Education; Helen Briggs, La Grande, Amy Briggs, La Grande; Arlene Young, La Grande; Victor C. Dahl, Representative, Interinstitutional Faculty Senate; Bruce Clere, Consultant for State Agencies & Instruction, Oregon Education Association; J. E. Hoffman, President-elect, Oregon Veterinary Medical Association; R. Stevens Gilley, Trustee, Oregon State University Foundation; Jim Dunn, Oregon State University Foundation Executive Secretary; Lyman E. Seely, Trustee and Vice President, Oregon State University Foundation; Melissa Morris, Executive Assistant, Foundation for Oregon Research and Education.

STUDENT REPRESENTATIVES: Oregon State University: Dave Gomberg, Randy Rose, Kristi J. Norgart; University of Oregon: Jan Oliver, Mark Cogan, Bob Nagler; Portland State University: Max Rae; Eastern Oregon State College: Allen C. Trachsel.

MINUTES APPROVED

Presentation by Representatives of EOSC

Mr. Perry stated that the agenda included a presentation by representatives of Eastern Oregon State College concerning the programs and goals of that institution. He invited President Briggs to proceed with the presentation.

President Briggs began the review of Eastern Oregon State College with preliminary remarks, entitled "EOSC - The Small School Alternative." At the conclusion of his remarks, the following additional statements were presented by other staff members:

"Programs and Program Development," presented by Gerald E. Young, Chairperson of the Science-Mathematics Division and of the EOSC Policy and Curriculum Committee.

"Student Information Program," presented by Irene Campanaro, Director of Admissions and Student Information.

"Student Support Services," presented by Douglas M. Treadway, Director of Student Development.

President Briggs summarized the presentation as set forth in the conclusion of his statement. All of the statements appear as Appendix A to these minutes.

Mr. Perry said the program of the Board for this year included an effort to acquaint itself more thoroughly with each of the institutions.

Presentations similar to the one from Eastern Oregon State College will occur throughout the year.

The Board commended the staff of Eastern Oregon State College on the presentation.

Mr. Perry said the regional function of Eastern Oregon State College had been described but the institution was obviously fulfilling statewide functions. He asked President Briggs to comment on the regional versus the statewide relationships as a guide to the Board in the revision of guidelines for the institutions with respect to these two responsibilities.

President Briggs responded that there is always a state component even in the regional activity. He said his concern would be to provide an educational opportunity for students which could be used effectively wherever they might go. He said programs should not be "watered-down" programs in terms of a regional program but should meet a specific need for the citizenry of the region.
The Chancellor introduced Melinda Grier who has been employed as a compliance officer in the Board's Office, effective February 1, 1977. The appointment is in accordance with rules adopted by the Board to implement Chapter 204, Oregon Laws 1975. This statute is concerned with identification and elimination of any possible discriminatory practices in public education in Oregon.

The Chancellor said that legislative subcommittee 3 dealing with education budgets is proceeding more rapidly than has been the case in earlier sessions. He said Dr. Terry Olson, Executive Director of the Oregon Educational Coordinating Commission, had presented an overview of the education budgets for the subcommittee and hearings were held on the budgets for the Crippled Children's Division and the dental clinics. He said hearings were scheduled for Forest Research, Oregon Educational and Public Broadcasting Service, and the Agricultural Experiment Station. The Chancellor indicated that the Education and General Services budget probably would not receive much consideration until judgments on basic school support and property tax relief become clearer.

It was announced that Mrs. Betty Feves was the recipient of an award from Governor Straub as one of six Oregon individuals honored for their contributions to the development of the arts in Oregon.

President Bluemle said Mr. Yih is a resident of Albany and on occasion had been helpful in providing insights from that part of Oregon about the program at the University of Oregon Health Sciences Center.

The Board approved the recommendation as presented, with the following voting in favor: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, Wyss, and Perry.

Southern Oregon State College requests authorization to offer a master of science degree program in business administration, effective 1977-78. A brief resume of the proposed program is presented below. The complete report of the staff and the full Southern Oregon State College presentation is filed in the Board's Office.

The Board's Office recommended that Southern Oregon State College be authorized to award a master of science degree in business administration to persons completing the proposed program as described below, effective 1977-78.

Dr. Romney made a brief presentation of the Southern Oregon State College request for authorization to offer a program in business administration leading to the master of science degree. He stated that the Board's Office recommended approval of the request, effective fall term 1977.

President Sours and Dr. Gary Prickett, head of the business program at Southern Oregon State College spoke briefly in support of the request following which Dr. Prickett introduced the following business leaders from Southern Oregon and Portland who spoke in support of the request:
Mr. Lynn Newbry, director of government affairs for the Medford Corporation and long-time member of the Oregon Legislative Assembly.

Mr. Dick Calkins, publisher of the Daily Tidings, Ashland, past president of Ashland Chamber of Commerce, and member of the Jackson County Economic Development Commission.

Mr. Ron Dixon, CPA, Medford, president of the Southern Oregon chapter of the CPA's, and member of the board of directors of the Oregon Society of Certified Public Accountants.

Mr. Cliff Jones, regional manager for Pacific Power and Light, former chairman of the Jackson County Economic Development Commission and a former member of the University of Oregon College of Business Advisory Board.

Mr. Don Smith, Vice President of Jantzen, Portland.

Mr. Newbry stated that he spoke from experience of a number of years with the Southern Oregon State College business division. He is well acquainted with the individual faculty members of the division and thinks them highly competent. His son, he said, has a bachelor's degree in business from Southern Oregon State College, and a master of general studies with an emphasis in business from Southern Oregon State College. His son's education in business had been, he said, excellent and had led to his son's forging ahead in the business field. He appreciated, Mr. Newbry said, the observations in the Board's Office report to the Board about accreditation, but he felt, he said, that accreditation by the American Assembly of Collegiate Schools of Business is not essential to a student's getting a first-rate education at the master's level in business at Southern Oregon State College.

Mr. Newbry said that it could be amply demonstrated that Southern Oregon State College students who have been earning general studies degrees with an emphasis in business have an excellent preparation for entry into, and achievement of success in, the business world. But, he said, the general studies degree is an unknown quantity to many business people, not familiar with Southern Oregon State College, and students with the degree sometimes have difficulty in getting employer acceptance of their education in business because of the businessman's unfamiliarity with the degree program. It would be a great boon to individuals living in the southern Oregon region, if the Board would authorize the granting of a program leading to the master of science in business degree at Southern Oregon State College.

He spoke of the excellent background—both academic and experiential—possessed by faculty at Southern Oregon State College and testified to the quality of their teaching. And he emphasized the importance of the requested degree program for the continued growth and prosperity of the southern Oregon region. He urged Board authorization of the proposed degree program.

Mr. Dick Calkins then spoke of the importance attached to the proposed program by the Jackson County Economic Development Commission, which is seeking to develop a plan and strategy for bringing new industry into the southern Oregon region. Business and industry which are considering moving into the southern region invariably ask, he said, about the educational facilities and opportunities open to their employees and their families. The type of industry the Commission is seeking to attract is usually highly technical. He said that the Jackson County Economic Development Commission had been encouraged by the new director of the State Economic Development Commission, who was recently in southern Oregon, to look to the educational opportunities that could be made available at Southern Oregon State College as an important selling point in talking with industry and business representatives. The proposed program in business is one that the state director felt would be of particular interest to business and industrial representatives.

Mr. Calkins said that there are many persons in the business community in the southern region who are anxious to have access to graduate business work and who feel strongly that the Southern Oregon State College faculty and resources would meet their needs admirably. He said that he had gotten well acquainted with the
business faculty at Southern Oregon State College through an internship program operated jointly by Southern Oregon State College and the Daily Tidings. He had, he said, only the highest regard for the extensive experiential background of the staff and for their academic qualifications.

Mr. Ron Dixon said that, as a CPA, he held a master of general studies degree with emphasis in business--earned at Southern Oregon State College. He said that his preparation at Southern Oregon State College had been first-rate and had enabled him, as a member of a national accounting firm, to compete successfully with graduates of numerous other better known institutions from throughout the country. Continuing education is very important to CPA's, he asserted. So much so that the Oregon Society now requires that CPA's complete 40 hours of continuing education each year. Those living in the southern region are most anxious to have access to this needed continuing education through Southern Oregon State College. He urged the Board to authorize Southern Oregon State College to offer the requested MS in business degree. There are many place-bound business and professional people living in the southern region who could take advantage of courses and programs offered in early morning, late afternoon, or evening hours if they were available within relatively easy commuting distance. They cannot, he said, go to Eugene, Corvallis, or Portland to earn a master's degree.

Mr. Smith stated that in addition to being vice president of Jantzen, he has for the past five years been the head of the marketing panel for the college symposium which is sponsored by the Portland Chamber of Commerce. In that capacity he has had many opportunities to be in touch, through seminars and other activities, with business students from all of the business programs in the postsecondary institutions of the state. He said that he has been most favorably impressed by the quality of students from the business division at Southern Oregon State College. They have been uniformly excellent, he said. Their quality bespeaks both the quality of students admitted to the business division, and the quality of the instruction given there. He urged the Board to approve the proposed degree in business at Southern Oregon State College, as a service to the southern region and to the state as a whole.

Mr. Jones said that he'd moved to Medford two and a half years ago. He had one daughter graduate from the University of Oregon college of business, and he now has a daughter enrolled in the division of business at Southern Oregon State College. He spoke of the rapid changes occurring in business, and illustrated his comments from his own experience in the Pacific Power and Light Company. There's an increasing competition for markets; business is faced with the necessity of establishing improved liaison with governmental agencies, environmental groups, the general public; and the internal problems companies face have multiplied enormously. All of this insures that there will be increasing demands on regional and corporate offices and personnel. Medford is headquarters for a number of major companies; it is a medical and financial center for the southern region, and it may also be said to be an educational center for southern Oregon.

The southern region must develop marketing and management skills, Mr. Jones said. The region must diversify and look to the future. The southern region has suffered more than the state as a whole during this past recession. Tomorrow's managers are going to be sorely tested. They must have access to effective educational programs in the field of business and management, if southern Oregon is to thrive. The Economic Development Commission of the southern region needs desperately to develop improved educational opportunities in the southern region, particularly in business, if it is to be able to attract industry into the region. Southern Oregon is in a transitional state. What it is to become will depend to an important degree upon what happens in the next half-dozen years. It is absolutely critical to the economic well-being of southern Oregon that it have available graduate work in the field of business.

That there are master's degree programs in business in Eugene, Corvallis, and Portland does nothing for the many business and professional people who are employed full-time in the southern region and who are, in a very real sense, place-bound.
Nor will the fact that these programs exist in the Willamette Valley assist the southern region to attract new industry which the region sorely needs. The Southern Oregon State College business division understands southern Oregon's needs. It is staffed by highly qualified faculty with significant practical experience in nationally known firms, as well as having sound academic credentials. The requested master of science in business degree program would give the southern region that important attribute that it now lacks as it seeks to upgrade management skills of those presently living there, and to attract new industry into the region. Mr. Jones urged favorable Board Committee action on the Southern Oregon State College request.

Dr. Prickett then alluded to a letter from Mr. Terence Healy, submitted to the Secretary of the Board in support of the Southern Oregon State College request. Mr. Healy is a partner in the firm of Haskins & Sells, an international accounting firm. Mr. Healy recruits from the entire Northwest and speaks most highly of the quality of students from the Southern Oregon State College business division—resulting both from the quality of the students and the nature of the instruction provided at Southern Oregon State College in the business division. Dr. Prickett again emphasized the importance to the southern region of the proposed master's program, noting that to attract the technical, sophisticated industries the southern region needs, will require the kind of program in business that Southern Oregon State College is proposing.

Mr. Wyss said that those testifying in support of the Southern Oregon State College proposal had made a convincing case that the students turned out from the Southern Oregon State College business division under current degree authorizations are persons of great competence in the field. He said that in view of the expressed difficulty in getting the business community to understand the meaning of the master of general studies with emphasis in business, he wondered whether the situation would be much improved by Southern Oregon State College's offering a master of science in business administration. The master of science degree in business is not well known to the business community, he said. It is the MBA that is the well-recognized business degree. He wondered, he said, whether the employer would be sufficiently sophisticated to know the difference between the master of science in general studies with emphasis in business, and a master of science in business. As a holder of the MBA degree, and as an employer and hence an interviewer of candidates for employment, he had come to believe that the importance of the degree is much more in the eye of the beholdee than that of the beholder. In any case, after the first job, the ownership of any degree is much less important than the performance of the individual.

Dr. Prickett said that the MS in business was desired by Southern Oregon State College rather than the MBA because it offers greater flexibility in designing of a program fitting given individuals. It has a less restrictive core than the MBA. And in some areas of the United States, he said, the MS in business is as well known as the MBA degree. What Southern Oregon State College desires is that its students be able to enter the employment market on an even footing with graduates of the master's programs in business from other institutions. As it stands, employers are unacquainted with the master of general studies and the student being interviewed then has to spend valuable time explaining the nature of the degree he holds.

Mrs. Carpenter said that she felt that it is unfortunate that students desiring master's work with a business emphasis at Southern Oregon State College now have available to them only the master of general studies degree, which requires that they take 9-12 credit hours in education, when the latter courses are unrelated to their central interest.

Dr. Prickett said that Southern Oregon State College views the proposed program as complementing rather than competing with the master's programs at the three universities. The staff and other resources are available to mount the proposed program, and the business community urgently desires that the program be offered.
Mr. Hanns expressed appreciation for the loyalty and support of the southern region for Southern Oregon State College, and for the enthusiasm of Southern Oregon State College faculty, graduates, and employers of Southern Oregon State College's business division graduates.

He asserted, however, that he felt he could not vote to authorize Southern Oregon State College the requested program for the following reasons:

- The argument that the proposed program would be a cultural adornment and an economic advantage to the southern region and would serve the place-bound is an argument which, if accepted by the Board's Committee as being persuasive, could as well be used to justify master's degree programs in every discipline in every part of the state.

- The proposed program would, in his judgment, he said, be violative of the guidelines adopted for Southern Oregon State College by the State Board in 1973. He was aware of the fact, he said, that the guidelines statement does say that the Board would not be unwilling to examine the case for graduate work in such areas as theater, business administration, and counseling at some point in the future.

- The proposed program is duplicative of programs already available in the State System in Eugene, Corvallis, and Portland.

- The program if authorized, and if it is successful, will grow, and hence the statement in the proposal that the enrollment will be limited, has little meaning.

- The issue of accreditation by the American Assembly of Collegiate Schools of Business has not been adequately faced. It is the policy of the Board to expect that the programs it authorizes will achieve accreditation. It is clear that Southern Oregon State College could not, at present, meet AACSB accreditation requirements.

Mr. Harms said that he did think that the proposed program, if offered at Southern Oregon State College, would contribute to the diversification of the economy of the southern region and of the state and would assist the southern region in attracting the type of industry that everyone in the State of Oregon wants. But, he said, he questioned whether that is a function of the Oregon State Board of Higher Education, and that he would, therefore, vote against recommending approval of the proposed program.

Mrs. Feves expressed disagreement with Mr. Hanns' position. She asserted that it is important that the regional colleges be strengthened in their service to the regions. Their mission is to serve the special needs of the regions they were established to serve. She was fully persuaded, she said, that the proposed program should be authorized Southern Oregon State College.

As for the issue of duplication, Mrs. Feves said that the issue is not duplication, but unnecessary duplication. She said that courses and degree programs are duplicated, and wisely so, in many fields in the State System. But, she said, she did not consider the proposed program in business administration an instance of unnecessary duplication of programs.

Mrs. Carpenter said that she had appreciated the discussion of the accreditation issue as presented in the Board's Office report to the Board. She said that she felt that it is important the Board be able to assure employers that the degree programs through which State System students pass are effective programs. Hence, she said, she felt that the Board would need duly to consider accreditation, but she felt that the Board's Office report did speak to that issue adequately.

Mrs. Daniels said she was concerned about the issue of duplication of programs as identified by Mr. Harms.
Mr. Wyss observed that with respect to Board rules he considered himself a strict constitutionalist and that until the rules are changed, he felt that he would have to vote against granting Southern Oregon State College the requested authorization. He felt, in any case, that the quality of the education offered in a master's program is more important in an individual's career than the letters of the alphabet attached to the degree.

President Sours spoke briefly to the effect that the issue was, in his judgment, more than a matter of the letters of the alphabet attached to the degree. He emphasized the need of the southern region for access to the proposed program and the obligation that he feels Southern Oregon State College has to meet these regional needs. He expressed the view that Southern Oregon State College has been circumspect in what it has asked the Board to authorize it in the way of degree programs, and that the present request has been made to the Board only after long and searching examination into the needs of the southern region and the resources of the college. He expressed the hope that the Board would authorize Southern Oregon State College to provide this much needed service to the southern region—a service that could have a profound effect on the development of the southern region of the state.

Mr. Hanns said that since, in his earlier remarks, he had mentioned duplication of programs, he would like, in fairness to the Southern Oregon State College position and the staff recommendation, to read from the guidelines statement of the Board which does, in fact, say that the Board would not be unwilling to examine the case for graduate work at Southern Oregon State College in such areas as theater, business administration, and counseling should it appear that a need therefore can be effectively demonstrated and the necessary funds made available for the funding thereof. The presentation made by Southern Oregon State College and the Board's Office is directed to these two points—the demonstration of need and the availability of resources to mount the program, he noted. But, he said, in fairness to his own position, he would like also to note that the guidelines do also say that the Board would not consider lightly the addition of master's programs at Southern Oregon State College.

Mrs. Carpenter noted that teacher education, which was such an important function of the regional colleges, has become less dominant in recent years and that the Board has asked its institutions—including the regional colleges—to reduce the numbers of teachers being produced. If the regional colleges are to serve the regions, she said, the Board must consider alternative offerings that will provide education leading to vocational and professional outlets for the people of the region. That is what the Board would be doing in authorizing Southern Oregon State College the proposed program in business, she said.

Mr. Hanns responded that he could not disagree with anything that Southern Oregon State College had presented to the Board's Committee. And he would agree, he said, that some curricular shifts may be necessary as Mrs. Carpenter had said, but that he felt that if changes are to be made, they should be premised upon prior changes in the guidelines rather than in the form of piecemeal program changes.

Chancellor Lieuallen said that the Board's Office had given careful consideration as to whether the proposed program was consistent or inconsistent with the guidelines established by the Board for Southern Oregon State College. And the Board's Office had concluded that the request was wholly consistent with the guidelines. For the Board had specifically said in the guidelines (adopted in 1973), as Mr. Hanns had noted, that the Board would not be unwilling to review proposals from Southern Oregon State College for master's degree programs in theater, business administration, and counseling. Thus, the guidelines specifically do make provision for consideration by the Board of a master's program in business administration at Southern Oregon State College. He also said that those individuals who are enrolling in the master of general studies-business education are not being forced, as had been intimated in earlier testimony, to take 9 to 12 credit hours of education courses. They are, in fact, enrolling in a master of general studies degree in business education, and the courses in education are a legitimate part of that program. It is the student's own choice when he elects to enter the master of arts in general studies program.
Mr. Harms said that he felt that perhaps the Board should reexamine the guidelines for the regional colleges to assure that they reflect the present Board's views as to the appropriate role for the regional colleges in the State System.

Mrs. Feves then moved that the Board's Committee recommend to the Board approval of the request for authorization to Southern Oregon State College to offer a program in business leading to the master of science degree, effective fall term 1977. Mrs. Carpenter, Mrs. Daniels, and Mrs. Feves voted aye. Mr. Harms and Mr. Wyss voted nay. The motion carried.

Board Discussion and Action

Mrs. Feves summarized the report and the Committee discussion and called attention to the divided vote on the Committee recommendation. She moved adoption of the Committee recommendation and asked the Committee members who voted against the recommendation to speak to their areas of disagreement with the program.

If the recommendation were adopted, Mr. Perry asked how the program would be monitored with respect to success, enrollments, and other aspects of the program. He referred to the limited enrollment of 15 students which was indicated in the report. Mrs. Feves said it was not anticipated that the program would develop into a large program but would remain at approximately the same level in the foreseeable future. Also in response to a question, Mrs. Feves said the increased faculty load might necessitate the reduction of certain undergraduate course work but there would be no particular hardships or loss of quality as a result.

Mr. Wyss said one area of disagreement which he had with the request was with the argument that the students would have a more marketable degree. The MBA is the marketable degree, he said, but the institution is requesting a change from the masters degree in general studies with an emphasis in business to the master of science degree in business administration.

Mr. Wyss said he was concerned further with discussions of the 1932 regulations and the 1973 interpretations of those regulations about the avoidance of duplication. He said the Board seems to be basing its decisions on two rather conflicting views of what the regional colleges should offer. These schools were originally established primarily for teacher training, and the present job market for teachers has left the institutions without a mission that conforms to the present needs of society.

Mr. Wyss suggested that it would be appropriate to consider the mission of the regional colleges under present circumstances. Prompt consideration of the mission of the regional colleges and the philosophy of the Board on the development of graduate programs at the regional colleges would then provide a sound basis for early action on individual requests.

Mr. Wyss indicated that his difficulties with the proposal were not from the point of view of the presentation made by Southern Oregon State College. The presentation was quite convincing that the program being offered was excellent and was meeting the need for graduate business education at the institution as it is presently offered.

Mr. Ater said he had many of the same concerns expressed by Mr. Wyss and did not feel prepared to act on the proposal without further discussion of the role of the regional colleges. Mr. Ater said he did not intend to reflect adversely on the proposal which might have great merit and perhaps should be implemented. He suggested that the Board hold the request for perhaps 60 days and attempt to address the institutional missions in that period of time. This would provide the philosophic framework for a decision on the request.

It was noted by Mr. Perry that a Board decision to defer action would not in any way reflect on the deliberations of the Committee because the divided vote indicated there were also some concerns in the Committee.
In response to a question from Mr. Perry, Mr. Ater agreed that he was interested in the development of guidelines expressing the general philosophy of the Board at the present time with respect to the regional function contrasted with the statewide function of the regional colleges.

Mrs. Carpenter said it was her understanding that the 1973 statement was the result of very intensive effort on the part of each institution to establish goals, which were then presented to the Board for review. The conclusions were reached after very careful deliberation. She said a board cannot summarily evaluate a whole mission of an institution in a very brief period of time without knowledge in depth about the goals of that institution and the expectations of the state and the region from which it comes. Mrs. Carpenter said it was her own feeling that any board must accept the validity, at least to a point, of the work that has gone before and then gradually incorporate and review the previous concepts as they need modification.

Mr. Ater said he did not disagree with that, but, in his opinion, the 1973 guidelines did not answer the question presently before the Board.

Mr. Hanns said a delay would not reflect any lack of confidence in past boards or any feeling that the present Board should review all policy judgments made by previous boards. In fact, with regard to the particular proposal, the Board would be following the guidelines which said the Board would not consider lightly the addition of graduate programs at Southern Oregon State College. Evidence shows there is a need for the program, but it is also a duplicative program. The question is whether it is a matter of unnecessary duplication. Mr. Hanns said the guidelines stated, "the Board would not be unwilling to examine the case for graduate work in such areas as theatre, business administration, and counseling, should it appear that a need therefor could be effectively demonstrated and necessary funds could be made available for the funding thereof...but that the Board would not consider lightly the addition of master's programs at Southern Oregon State College." The postponement would not be a violation of past Board policy. Mr. Hanns said he could not agree that the adoption of the business program was clearly within the guidelines. If it is time to change the direction set forth in the guidelines, it should be done on an overall basis, not as a result of individual proposals.

Dr. Romney reviewed the background of the guidelines which were adopted by the Board in 1973 after an examination of more than a year. At that time, there was considerable discussion about the role of the regional college and the development of a variety of programs at Southern Oregon State College. The intention of the Board at that time was to indicate in the guidelines that the intent of the Board was not to develop at Southern Oregon State College programs at the graduate level in the liberal arts. There were certain indications that in the southern region, Southern Oregon State College could serve a regional purpose by developing in certain areas which were mentioned in the guidelines. At the same time the Board clearly said it would not take lightly the addition of masters programs at Southern Oregon State College.

Dr. Romney said the Board indicated at that time that it would not be unwilling to examine the case for programs at the master's level in selected fields in which the enrollment might be sufficiently high to justify permitting Southern Oregon State College to offer a program to serve a regional need. The specific areas then defined by the Board were business administration, counseling, and possibly theatre.

Dr. Romney said there are three other programs in the State System at the master's level in business administration. This is a field in which there is substantial interest nationally, and enrollments are high wherever such programs are offered. It is unlikely that the Southern Oregon State College program, designed to serve a regional need, would have an adverse impact upon enrollments at any of the three universities. Dr. Romney said he would be pleased to provide staff assistance in the examination of the guidelines, but the particular subject matter under consideration appeared to be in keeping with the guidelines adopted in 1973.
Mrs. Feves said she had no problem with the guidelines as they currently existed, although she would not object to discussing them again. She said she would question the premise that anything can be controlled by the establishment of precise guidelines. One of the basic functions of education in this state, Mrs. Feves said, is to provide its citizens, wherever they may be, with the best possible programs. She said that, in her opinion, programs must be considered through a case-by-case analysis of whether the proposed program is a quality program which meets a particular need or function at the moment. If times change, it is necessary to be flexible and drop or add programs as required.

Mr. Ingalls moved that the motion to approve the Committee recommendation be tabled until the May meeting, and that time be scheduled at the March meeting for a philosophical discussion of the regional colleges and their function and the Board's present thinking relative to the guidelines. Mr. Ingalls said he agreed that the guidelines adopted by a particular Board were for its benefit and the benefit of future boards, but he did not think they were inflexible. In addition, there has been no general discussion and agreement by the Board on the function of the regional colleges.

There was general discussion of the timing specified in the above motion and the possibility of referring the question back to the Committee in February.

Mr. Harms said guidelines must be flexible. However, when a recommendation is in an area designated for consideration, but when it has also been indicated the addition of master's programs will not be considered lightly, it is time to review the guidelines themselves.

Mr. Perry said the Board should be flexible in establishing guidelines so that it can meet changing needs. He said if the program were approved and an effort made for accreditation from the National Association of Schools of Business, the Board might be locked into a position which would be difficult to change.

Mr. Perry said the motion before the Board was to table the recommendation at the January meeting with further general discussion at the March Board meeting, possible reassignment to the April Committee meeting, and final Board consideration in May. The motion was approved, with the following voting in favor: Directors Ater, Daniels, Harms, Ingalls, McIntyre, McLaurin, Stewart, Wyss, and Perry. Those voting no: Directors Carpenter and Feves.

Mrs. Carpenter explained that the need for the program had been established and she favored reviewing the guidelines. However, this particular program has had considerable scrutiny over a period of three years and is a proper function according to all of the background available. For that reason she voted against the motion which would delay action on the program.

Chancellor Lieuallen said the program itself is not the primary issue, but rather the guidelines. He said there was no reason the guidelines could not be considered at the February meeting of the Instruction Committee. Since the entire Board wished to participate in that discussion, it was agreed that the Board would meet as a Committee of the Whole. The discussion would be limited to consideration of the appropriate function of Southern Oregon State College at the present time.

Staff Report to the Board

Nature of the Proposed Program

Southern Oregon State College is requesting authorization to offer a 45-hour graduate program in business administration designed primarily to serve employed persons in the Rogue valley region who have already made an active commitment to a career in business or government, who wish advanced training in management, and who would pursue the degree program as part-time students.
The degree program would consist of:

<table>
<thead>
<tr>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
</tr>
</tbody>
</table>

1. Required Business Core

<table>
<thead>
<tr>
<th>Course Name</th>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA 501 Research</td>
<td>3</td>
</tr>
<tr>
<td>BA 520 Administrative Accounting</td>
<td>3</td>
</tr>
<tr>
<td>BA 548 Statistical Applications for Management</td>
<td>3</td>
</tr>
<tr>
<td>BA 563 Business, Society, and Public Policy</td>
<td>3</td>
</tr>
<tr>
<td>BA 570 Management of Human Resources</td>
<td>3</td>
</tr>
</tbody>
</table>

2. Approved Business Electives (400G and 500-level)

<table>
<thead>
<tr>
<th>Course Name</th>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other areas according to student interest</td>
<td>9</td>
</tr>
</tbody>
</table>

3. Approved Electives in Supporting Courses

<table>
<thead>
<tr>
<th>Course Name</th>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economics</td>
<td>6</td>
</tr>
</tbody>
</table>

4. Final Written Comprehensive Examination

<table>
<thead>
<tr>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
</tr>
</tbody>
</table>

A total of 24 of the 45 credit hours of work submitted for the degree would be in courses reserved for graduate students (500-level courses).

Description of Proposed Program

The program proposed by Southern Oregon State College is a master of science rather than a master of business administration (MBA) degree program because the pattern of the master of science program is more flexible than that of the MBA and better fits the varied needs of the students Southern Oregon State College wishes to serve.

The MBA pattern requires both breadth and depth beyond the prerequisite undergraduate core of business; the MS degree pattern includes a smaller required core, and leaves the student and his/her advisor more elective opportunities.

The MBA is also more restrictive as to courses which can be applied toward the degree. For example, the American Assembly of Collegiate Schools of Business (AACSB), the national accrediting body for programs in business administration, recommends that 36 credit hours of work in the master of business administration degree program be in 500-level courses (that is, courses admitting only graduate students). The master of science degree program recommended by AACSB requires 24 credit hours of course work in 500-level courses in business administration.

As defined by AACSB, neither the MBA nor the MS in business degrees require a thesis. However, institutions offering both programs often require a thesis for the MS degree. Southern Oregon State College will accept a thesis as part of the approved business electives, but, since some students will be better served with course work, prefers to make the thesis optional.

Admission. Students will be admitted to the program regardless of their undergraduate field of study, provided they meet admissions requirements as set forth below. However, students who do not have an undergraduate program in business equivalent to Southern Oregon State College's undergraduate core curriculum in business will be required to demonstrate competency in, or to complete foundation courses equivalent to, this basic core in accounting, business writing, business statistics, organization management, personnel management, corporate finance, marketing, income tax, business law, business research, introduction to economics, and mathematics.
The full-time student who enters the program after having completed work in business administration equal to that required in Southern Oregon State College's undergraduate program, would be able to complete the 45-hour master's degree program in three terms. Four to six terms of work will be required if the student needs to complete foundation courses prerequisite to entry into the master's degree program.

In addition to having satisfactory foundation course work or demonstrated competency in the basic business areas described above, candidates for admission to the degree program will need to meet regular requirements for admission to the graduate school at Southern Oregon State College.

Candidates for admission would be held to meet one of the following requirements:

1. Have a minimum 2.75 grade-point average on all course work taken in their undergraduate program, or a grade-point average of 3.00 on the last two years of undergraduate work.

2. Graduate in the upper one-third of their undergraduate class.

3. Attain a minimum score of 450 on the Admission Test for Graduate Study in Business (ATGSB).

The foregoing requirements are consistent with recommendations of AACSB.

The admission process will include review of previous academic record and recommendations, and a personal interview.

Admission to the graduate program for fall term 1977 would be limited to about 15 students, the maximum number Southern Oregon State College feels it can accommodate with present staff. About 70% of these are expected to be part-time students. Admission will be controlled to maintain an enrollment level in the program's core courses at 13-18 students per course. After the program is fully operative, Southern Oregon State College expects approximately 30 students will be working at some stage in the program. Since most of the students will be enrolled on a part-time basis, only 5-10 students are expected to graduate from the program each year. Southern Oregon State College expects it will have applications from 25-30 persons for admission fall term 1977 who will be admissible to the graduate program. Students who have to complete make-up course work in business will not be admitted to the graduate program until the foundation course work is completed. Students will be selected for admission to the program on the basis of probability of success as shown by academic record, ATGSB test scores, and the personal interview.

Scheduling of Courses. Course work required for the program will be scheduled for the convenience of employed students, generally in the early morning, late afternoon, or evening hours.

SOSC Program Configuration

Southern Oregon State College—like Eastern Oregon State College—is a regional college. The institutional guidelines approved for Southern Oregon State College by the Board in January 1973, stipulate that, as a regional college, Southern Oregon State College is to serve the southern region of Oregon, and the State of Oregon, through programs of instruction, research, and service based upon programs in the liberal arts and in selected professional fields.

Under those guidelines and the earlier ones, there have been developed at Southern Oregon State College:

- A substantial array of teacher education programs leading to baccalaureate and master's degrees.
Departmental major programs in 18 different liberal arts fields leading to baccalaureate degrees.

Professional programs leading to the baccalaureate degree in three fields other than teacher education: business administration, nursing, criminology.

One- and two-year programs leading to a certificate or an associate degree, respectively, in: the arts and sciences, theater, medical/dental receptionist, merchandising, nursing, office administration.

Transfer and preprofessional programs of one-, two-, and three-years' duration, leading into baccalaureate degree programs in other institutions (e.g., agriculture, engineering, medicine, dental hygiene).

An interdisciplinary program leading to a master's degree.

Guidelines Statements Relevant to the Present SOSC Curricular Request

Several points from the guidelines seem relevant to the present discussion. They are:

- That SOSC's most important function as a regional college is instruction; that research is not regarded as a major mission at SOSC, although it is regarded as an important aspect of institutional life, particularly as it relates to instructional improvement.

- That service to the southern region is an important aspect of Southern Oregon State College's mission, that SOSC should, as its resources will permit, serve the southern region as an academic, cultural, and informational center; that to the extent its primary function of instruction will permit, SOSC should seek to make the expertise of its faculty and other institutional resources maximally available to industry, business, the professions, government, and other similar agencies in the broader community under mutually agreeable conditions.

- That Southern Oregon State College should, through its instructional programs, provide leadership in meeting, initiating, and responding to opportunities and challenges in a changing society; that in the process, SOSC should examine existing curricula and emerging needs with a view to elimination of selected existing programs where indicated, modification where desirable and where feasible, and additions where need can be clearly demonstrated and resources can be made available to mount an acceptable program.

- That Southern Oregon State College should recognize the interest among Jackson-Josephine County citizens in development of broader public post-high school education and training opportunities and should seek cooperatively with interested groups in the region to find the most effective way to achieve an expansion of these services with the least possibility of unnecessary duplication of effort and service.

- That the Board does not envision development of graduate work to any degree at Southern Oregon State College beyond that in teacher education and general studies or interdisciplinary studies.

- That the Board would not be unwilling to examine the case for graduate work in such areas as theater, business administration, and counseling, should it appear that a need therefor could be effectively demonstrated, and necessary funds could be made available for the funding thereof; but that the Board would not consider lightly the addition of master's programs at Southern Oregon State College.
Responsive to the immediately foregoing point from the guidelines, Southern Oregon State College now presents to the Board a request that the Board authorize SQSC to offer a program in business administration leading to a master's degree.

Southern Oregon State College is of the view that there is now a demonstrable need for such a program, and that SQSC now has, or can make available, the resources necessary to mount a program of reasonable quality to serve the identified need.

The Board's Office has examined the matter and concludes that there is justification for the Board to authorize Southern Oregon State College the requested program, for the following reasons:

1. The program would serve an identified need in southern Oregon for a master's program in business administration.

The emphasis in the above sentence should be upon the words "in southern Oregon." The request for authorization of the proposed program is based not upon the fact that there are no master's programs in business available in State System institutions or in the independent colleges, but rather, upon the fact that there are in the southern region of Jackson-Josephine Counties approximately 160,000 persons of whom approximately 100,000 live within commuting distance of SQSC; that there is a significant number of employed persons who would benefit from and who desire to enter into a program leading to the master's degree in business administration, providing they could pursue the program on a part-time basis, taking courses in the early morning, later afternoon, and evening hours to permit them to continue in their employment while completing degree requirements.

There is a variety of evidence as to the extent of the desire of southern Oregon place-bound persons for access to a master's degree program in business. Some was presented orally at the meeting of the Board's Committee on Instruction, Research, and Public Service Programs on December 17; some was provided the Committee in written form, including the following:

- Mr. Warren Brown, Personnel Director of the Boise-Cascade Medford plant, who is also the president of the Rogue Valley Chapter of the Northwest Personnel Association, has petitioned for a program to be offered in the southern region during the evening hours. His letter (August 1976) asserts that he has identified a minimum of 35 persons who would wish to enter such a program immediately.

- Included with the Southern Oregon State College presentation are representative letters from more than 50 on file in the Board's Office from business and civic leaders and firms in the southern Oregon region, explaining in some detail the need they see for the proposed program.

- An SQSC survey of management-level personnel employed in business and governmental offices in Jackson County, identified more than 50 employees expressing themselves as "very interested" in enrolling forthwith in an MS degree program in business administration, were it available at the appropriate time and location (namely, in the early mornings, later afternoons, and evenings in southern Oregon).

Currently, some employed persons desiring graduate work in business administration are enrolling in the Master of General Studies-Business Education program which permits students to take up to 36 hours in business, but requires that they take 9-12 hours in professional education. Over the past 3 years, 22 students have been awarded this degree. Of these, nine were employed in business in the southern region, seven were employed in teaching in high school or private colleges, two have gone on to advanced graduate work in business administration, and the status of four graduates is unknown.
Southern Oregon State College has the faculty and other resources to offer the proposed program.

Faculty. The graduate faculty which would teach the five core courses in the proposed program and much of the elective work, would consist of nine persons, seven who are currently on the faculty, and two who will be named to replace temporary appointments in the fields of marketing and management.

Southern Oregon State College has sought to employ persons having significant experience in various aspects of business, as well as having appropriate academic credentials, as the following brief citations reveal. The highest academic degrees held and a brief summary of business experience of the nine faculty members are as follows:

- Professor Gary L. Axon, business law, real estate, and insurance; J.D. degree from Drake University.
  Professor Axon is admitted to the practice of law in Oregon, Iowa, and U. S. Federal District Court. He's a member of the Commercial and Accident Claims Panels of the American Arbitration Association and a member of the Oregon State Bar Committee on Administrative Law. Experience includes general practice of law with emphasis on commercial, real estate, business, and insurance law.

- Professor John W. Bodilly, personnel, management, labor relations; MBA, Harvard University Graduate School of Business Administration.
  Professor Bodilly was director of industrial relations for Pabst Brewing Company for four divisions in which capacity he negotiated and administered 55 contracts with production, craft, and service unions; he was vice president of personnel for Hertz Corporation in which capacity he was responsible for negotiating and administering over 200 contracts with Teamsters and Machinists Unions; and he was, for a time, vice president of industrial relations for the E & J Gallo Winery.

- Professor Ethel D. Hansen, management, communications, research; Ph.D., University of Minnesota.
  Professor Hansen has an extensive background in the fields of communications, applied research, and banking. She was manager of a mid-western bank, served as a consultant in the area of communications to Minnesota Mutual Life Insurance Company, and served as a consultant in the areas of research for several businesses and banking interests in the southern Oregon region.

- Professor Thomas E. Jones, marketing, organization theory, business environment; MBA, Santa Clara University (Candidate for Doctor of Business Administration degree at the University of Washington. All courses are completed and the dissertation is well along. The degree is expected to be awarded in the summer of 1977.)
  Professor Jones has had experience in managerial positions with Remington Rand and Philco Corporations in areas of coordination and control of budgetary information and personnel functions.

- Professor Rosie S. Morris, accounting; MBA, Louisiana State University; Certified Public Accountant in Oregon and Louisiana.
  Professor Morris was a senior accountant for Cerimi's Certified Public Accountants in New Orleans, with responsibility for preparation of corporate and partnership tax returns, auditing, and transfer of clients to computerized accounting processes.
Meeting #435-17

January 28, 1977

Professor Robert B. Tauer, accounting, taxation; M.S., University of North Dakota. (Enrolled in Ph.D. program at the University of Colorado. He will be on sabbatical leave 1978-79, to complete degree requirements.)

Professor Tauer was employed for 11 years by the international accounting firm of Haskins and Sells, as senior accountant. Major areas of experience were in taxes and auditing.

Professor Dennis L. Varin, computer programming, systems analysis, credit management; Ph.D., Oregon State University.

Professor Varin has served in several managerial capacities in banking, and was employed in the data processing section of the U. S. National Bank in Portland.

The two faculty members to be appointed - in marketing and management - will have either Ph.D. or DBA degrees. These two positions are temporarily filled by fixed term appointments.

Courses. Southern Oregon State College regularly offers some 80 credit hours of course work at the 400G level. Many of these courses are appropriate to a graduate program in business administration.

If the proposed program is approved, Southern Oregon State College will need to add the following five courses numbered at the 500 level (i.e., restricted to graduate students) as the required core courses for all students enrolled in the program.

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA 520</td>
<td>Administrative Accounting</td>
<td>3</td>
</tr>
<tr>
<td>BA 548</td>
<td>Statistical Applications for Management</td>
<td>3</td>
</tr>
<tr>
<td>BA 563</td>
<td>Business, Society, and Public Policy</td>
<td>3</td>
</tr>
<tr>
<td>BA 570</td>
<td>Management of Human Resources</td>
<td>3</td>
</tr>
<tr>
<td>BA 509</td>
<td>Practicum</td>
<td>Hours arranged</td>
</tr>
</tbody>
</table>

Southern Oregon State College already offers limited opportunities for graduate-level research, reading and conference, seminar, and workshop, as a part of its program in business education.

Library. In a recent assessment by the current Southern Oregon State College director of libraries, Richard E. Moore, Professor Moore asserts:

The general library collection in this subject area appears to be adequate in size and currency to support a master's level program in business. There is a strong additional support in the form of serial literature and government documents. The Business Division has worked closely with the library in the development of the library collection in recent years and the collection reflects the objective and goals set forth by the faculty of the Business Division.

In addition, Southern Oregon State College can draw upon the libraries of the University of Oregon and Oregon State University through interlibrary loan arrangements.

Computer facilities. The computer facilities at Southern Oregon State College consist of six time-sharing terminals to Oregon State University and a Harris 200 in-house system with time-shared as well as batch capability. These facilities are used in the instruction and computation of data in decision and statistical models. The principles of data processing are taught through programming and "hands on" use of the computer.
The system "in-house" is small enough to give training on a system comparable to a small-to-medium size business, with access to a high-level, sophisticated system of the type used by a large company, through the use of the Oregon State University computer facility.

Physical facilities. No special physical facilities are needed for the proposed program. Since most of the students are expected to be employed persons, courses needed in the program will be offered during early morning, late afternoon, or evening hours when the Southern Oregon State College physical facilities are less heavily used.

3. The program can be offered without adverse effect on other institutions in the state or on other programs at Southern Oregon State College.

Five institutions in the State System, including Southern Oregon State College, offer baccalaureate degree programs in business. Three institutions, UO, OSU, and PSU, offer master of business administration (MBA) degree programs, OSU offers a MS degree program in management science, and UO offers MS and Ph.D. programs.

Every business faculty in the State System is hard-pressed to keep up with enrollment demands. Since Southern Oregon State College will be serving for the most part students who are place-bound by reason of full-time employment, acceptance of 15 students a year into a master's degree program is not going to relieve any of the pressure on other institutions. Nor is it going to divert from these institutions students they need to maintain economical programs.

The program will not have an adverse effect on other programs at Southern Oregon State College because the additional instruction contemplated in the program will be accommodated by changes in instructional assignments within the division of business. Undergraduate instruction in business, on balance, is expected to benefit by the introduction into the student body of employed master's degree candidates from the business community.

4. The program can be accomplished without change in Southern Oregon State College's budget allocations.

By limiting admission to the master's degree program to 15 students per year, Southern Oregon State College will be able to offer the program without addition of staff.

Expansion or other modification of the program will be based on experience with students enrolled in the program; review of applications for admission; activities of students completing program; evaluation of undergraduate program strengths and deficiencies as shown in accreditation process; and such other considerations as appear appropriate.

The estimated cost of offering the master of science degree program, in terms of faculty FTE assigned to activities required for the program which would not be so assigned if the program were not offered, is .41 FTE. Salary for .41 FTE for the first year of operation is projected at $7,665. Cost for support personnel for the hours devoted to the program is estimated at $230 for the first year. Since the added costs for the program would result primarily from the addition of five 500-level core courses (which would be offered in rotation for a new class of 15 students each year), costs are expected to remain relatively constant after the first year except for increases resulting from salary and wage increases. Assignment of faculty to teach the 500-level courses required for the program would reduce slightly (by one or two courses a term) the number of courses scheduled for undergraduate students, but in a program as large as the Southern Oregon State College program (which enrolls approximately 900 students) this kind of scheduling adjustment can be accomplished without serious damage to the on-going program.
The Question of Accreditation

As members of the Board may recall, it has been the policy of the Board since 1964 to approve new professional programs for institutions with the expectation that the program will, in time, become accredited by the national accrediting association where such an association exists.

When the Southern Oregon State College request for authorization to offer a master's program in business was received, the Board's Office asked that Southern Oregon State College determine where it stood vis-a-vis requirements for specialized accreditation by the American Assembly of Collegiate Schools of Business (AACSB), the national accrediting association for undergraduate and graduate programs in business.

Southern Oregon State College spent some time examining its program in the light of the AACSB standards and concluded that the area in which it was most vulnerable under these standards is in the area of faculty.

With the business graduate faculty at Southern Oregon State College set at nine, as earlier noted, and with the standard requiring that a minimum of 75% should have the Ph.D. or D.B.A. degree, Southern Oregon State College would need to have 6.75 FTE with one or the other of those two degrees. The picture at SOSC is this:

- Two Ph.D.'s in business are already aboard.
- Two faculty members (one MBA and one MS-CPA) are enrolled in advanced graduate programs - one a Ph.D. program at the University of Washington, the second in a D.B.A. program at the University of Colorado. The first will receive his degree in the summer of 1977; the second will take a sabbatical leave in 1978-79 to complete the requirements for the degree.
- SOSC has two positions--one in marketing and one in management--presently filled by persons with term appointments. SOSC is seeking to fill these positions with persons with either the Ph.D. in business or D.B.A. degree, effective 1977-78.
- One J.D. degree holder.
- One MBA and one MBA-CPA.

If therefore, Professor Jones is awarded the Ph.D. degree in the summer of 1977, and the two positions in marketing and management are filled for 1977-78 with faculty having either the Ph.D. in business, or the D.B.A. degree, Southern Oregon State College would have five faculty with the Ph.D. or D.B.A. The sixth faculty member would expect to complete Ph.D. requirements during his sabbatical leave in 1978-79. The seventh faculty member with a Ph.D. or D.B.A. degree would be appointed when vacancies occurred either through resignations or retirements. If present faculty continue to age 65, the first retirement would occur in 1982.

To meet the "doctoral and professional qualifications" standards for faculty, for accreditation at the undergraduate level, Southern Oregon State College would need to have not less than 8 faculty members with the Ph.D. in business or D.B.A. degrees (40% of the total of 20 FTE faculty in the SOSC business division). As noted earlier, Southern Oregon State College expects to have 5 faculty with those qualifications by fall term 1977-78, and a sixth by the close of 1978-79, with a seventh in 1982, or earlier. The eighth faculty member would be appointed when a vacancy occurred in the faculty.

(In the foregoing discussion, we have accounted for the 9 faculty members who would offer the graduate core program and many of the electives for the proposed master's degree program. The nature of the academic preparation of the remaining 11 of the total of 20 faculty members in the Southern Oregon State College business division,
and their assignments, ought also to be noted here. Six of the 11 hold the Doctor or Education [Ed.D.] degree, one holds the Ph.D. degree in business teaching, one holds the MBA, and the remaining three all assigned to the lower-division program in secretarial science hold master's degree in business education. The assignments of these 11 faculty are as follows: four are assigned to the secretarial science and business education programs; one is assigned part-time in business education and part-time in accounting; five are assigned to the business administration program; and one is the head of the business division at Southern Oregon State College. Unfortunately, under AACSB standards, none of these Ed.D. degrees nor the Ph.D. degree in business teaching will count toward meeting AACSB requirements for accreditation in business.)

AACSB accreditation sought or achieved by minority of institutions. If Southern Oregon State College were to offer undergraduate and graduate programs in business for a number of years before securing accreditation from AACSB it would not mark Southern Oregon State College as a maverick. That is the common approach to AACSB accreditation throughout the country. And, many institutions never seek AACSB accreditation at all.

Lease of Land for Office Building Adjacent to Corvallis Environmental Research Laboratory, OSU

It was recommended that the appropriate Board officers be authorized to execute a lease with the Oregon State University Foundation, Inc. for approximately one and one-fourth acres of land at the southwest corner of 35th Street and Campus Way, adjacent to the property deeded to the federal government in 1962 as the site of the building now identified as the Corvallis Environmental Research Laboratory. This additional land would be used by the Foundation as the site of a new office building which it proposes to construct for leasing to the federal government to complement the laboratory facilities available within the present structure. It is expected that the land rental charge would be based upon an independent appraisal of the property and that the lease term would be for a period of approximately 20 years.

Board Discussion and Action

In discussing the lease term, Mr. Hunderup said the Board could lease the land for a longer period of time if it wished to do so. Further, the intent of the Foundation is to provide a reinforced concrete building, valued in excess of $1 million, and the prospect of tearing the building down at some future date appears to be somewhat remote. Nevertheless, it is difficult to predict space requirements for other functions over a 20- to 30-year period, and on prior occasions, the Board has limited terms of leases to 20 years, except in leases with federal or city government agencies.

Mr. Hunderup said that in conferring with Mr. R. Stevens Gilley, a member of the Board of Trustees of the Oregon State University Foundation, it was indicated that it would be helpful to the Foundation in financing the construction if the term were longer than 20 years. There was also a request by the Foundation for the Board to subordinate its interest in the land so that the land could be a part of the base for the mortgage. However, because of the constraints of the Constitution and the statutes, the Board cannot convey an equity in the property, such as by subordination of its interest, to a private person (and the Foundation would appear to qualify in that capacity).

Based upon information received after the agenda item was prepared, Mr. Hunderup said the reference in the staff report to establishing the building lease price at a level which would amortize the investment at the end of a 10-year guaranteed lease term was unrealistic. He said the Foundation would not be able to amortize its investment in the original lease term with the federal government, and it was probable a future extension would have to be obtained or other arrangements made for the use of the facility in order to amortize the investment beyond the original lease term.
Mr. Hunderup said there was no question that Oregon State University would benefit from the arrangement because the Foundation exists solely for the benefit of Oregon State University, and whatever benefits the Foundation is of value to Oregon State University. He then invited Mr. Gilley to comment further on behalf of the Foundation.

Mr. Gilley described the negotiations with the federal government which are set forth in the staff report. He said the Foundation is now ready to negotiate with the federal government for a building lease, if the Board will accept the land lease proposal by the Foundation. The lease with the federal government would be for no less than 10 years and no longer than 20 years. It is also important for the benefit of the Foundation to secure a 30-year lease on the property from the Board. A 30-year lease would reduce the interest rate for financing the building by at least one-half of 1%, and would lengthen the term that the Foundation can negotiate with the lender to reduce the total debt constant approximately $19,000 per year. The Foundation is willing to agree that in the event the Board has a specific use for the building at the end of 20 years, the Foundation would allow the Board to have the building at that time, provided the Board would assume the balance of the debt. The Foundation would not enter into any lease with the federal government for longer than 20 years nor any renewal options without the approval of the Board.

Mr. Gilley said the lender is now willing to advance the necessary funds without subordination, so that is no longer a factor.

President MacVicar pointed out that the proposed lease arrangement was a means of providing space for the Environmental Protection Agency in the absence of federal funds for construction of adequate space. The laboratory will serve a national and regional need as well as being advantageous to all parties concerned. He said that because of the location of the building it was unlikely it would be rededicated to some other use in the future.

Mr. Ater said the recommendation apparently was for the construction of a large permanent building. He asked whether the objective was to create a building which would ultimately be used by the University for office purposes or to build an investment property.

Mr. Gilley said the planning committee of the Foundation had stated that the Foundation should not do things which could and should be done by state funding. Projects which, for whatever reason, will not be available for state funding, may be considered by the Foundation. Every project must be clearly identifiable as contributing to the educational process or the quality of life in the educational process.

With respect to the particular project, the objective of the Foundation is to build something which would be usable by the General Services Administration, and at the same time, be a suitable activity for the University.

President MacVicar said this would not be a desirable proposal to make if it were not in the best interests of both the federal government and Oregon State University.

Mr. Lyman E. Seely, Trustee and Vice President of the Oregon State University Foundation, indicated that any surplus cash flow would be held as a reserve in the event the lease were not renewed.

Mr. Harms moved that the Board approve the staff recommendation, but that the lease term be for a period of approximately 30 years. Mr. Harms said the opportunity to recapture the building at the end of 20 years, on the basis of a specific need and assumption of the unpaid obligation, was within the scope of his motion.
Mr. Gilley and Mr. Seely described briefly the assets and operations of the Foundation in response to questions from Mr. Wyss. It was indicated that it was unlikely there would be any default on the mortgage and the Board would have no legal obligation if such an event were to occur.

Mr. Stewart stated for the record that he was a trustee of the Oregon State University Foundation.

The Board approved the motion by Mr. Harms as presented, with the following voting in favor: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, and Perry. Those voting no: Director Wyss.

Staff Report to the Board

Following approval by the Board on March 13, 1962, a tract of approximately ten acres was deeded to the federal government in order to provide a site for a "Scientific Research in Water Pollution Project." The installation is now named the Corvallis Environmental Research Laboratory and is under the direction of the Environmental Protection Agency. The land involved is within the approved campus boundaries of Oregon State University and is located on the west side of 35th Street between Jefferson Way and Campus Way, with a frontage of about 500 feet on 35th Street.

In adopting a resolution for the transfer of title to the federal government, the Board noted that the research program to be undertaken on this land would be beneficial to the Oregon State University and to the State of Oregon. The quitclaim deed stipulates that if the United States ceases to use the property for research and other activities relating to water pollution control and environmental health, title shall revert to the State subject to the right of the federal government to remove or otherwise dispose of improvements located on the premises.

According to information furnished recently by officials of Oregon State University, the federal laboratory is in need of office space adjacent to its present building and has filed a request with the General Services Administration to arrange for such space. Inasmuch as funds for the construction of the additional facilities have not been appropriated, the General Services Administration has expressed interest in entering into a lease agreement for a building containing about 19,500 square feet of net usable space. If appropriate arrangements can be made with the Board for the use of about one and one-fourth acres of land immediately north of the property deeded to the federal government, the Oregon State University Foundation, Inc. plans to submit a proposal to the General Services Administration for the design, construction, leasing and management of such an office building. This land lies within an area designated in the long-range land use plan for research activities. It is currently being used for animal pasture by the School of Agriculture.

Institutional officials cite several advantages to the University in proceeding with a cooperative arrangement to serve the Corvallis Environmental Research Laboratory. The laboratory staff has close working relationships with several departments on campus having course work and research in environmental or ecological topics. Graduate students at the University utilize facilities, equipment and staff assistance of the laboratory on a regular basis. Furthermore, any net income from the building lease would accrue ultimately to the benefit of the University's programs.

It is contemplated that the building lease price would be established at a level which would result in amortizing the Foundation's investment for planning and construction by the end of the guaranteed lease term. Tentatively, this is expected to be about 10 years. Future extensions are likely to occur.
Although institutional officials have proposed that the land lease agreement with the Foundation be for a term of 25 years with two 10-year options for renewal, the Board's staff recommends that the commitment be limited to a term not exceeding 20 years. This is the same time period granted to another state agency in the leasing of the site of the Corvallis Human Resources Center recently. Requirements for the use of campus lands beyond a 20-year period are virtually impossible to predict and it would appear desirable to retain the opportunity to rededicate the property to other uses at that time, if necessary. In the event the land or the improvements are not needed for alternate purposes, the Board could then extend the lease with the Foundation on terms mutually acceptable.

The Foundation plans to submit its proposal to the General Services Administration early in February if the Board concurs in the recommendation to lease the site for the development of the office facilities. The detailed provisions of the lease would be developed in consultation with the Board's attorney and would include, among other matters, a requirement that the drawings and specifications for the building would be subject to review and approval by institutional and Board officials prior to the award of a construction contract. Furthermore, the Foundation would be responsible for taxes, if any, which might be assessed against the property.

(Considered by Committee on Instruction, Research, and Public Service Programs, December 17, 1976; present--Carpenter, Daniels, Feves, Harms, Wyss.)

Oregon Institute of Technology requested authorization, effective 1977-78:

1. To award a certificate in dental assisting to students completing the first year of Oregon Institute of Technology's inverted curriculum leading to the associate degree in dental assisting;

2. To discontinue associate degree programs in three areas in which enrollments have dropped to three or fewer students, namely,

   - physical science technology
   - air quality control technology
   - electricity and fuel systems technology.

The statement of the Oregon Institute of Technology request follows.

Several minor curricular changes seem warranted and are hereby recommended for Oregon Institute of Technology. The changes have been suggested by the faculty and academic administrators after detailed study by our Academic Standards Commission. Dr. Harvey Fraser, Dean of Academic Affairs, has discussed these changes with academic affairs members of your staff.

First of all, I recommend OIT be granted permission to award a certificate in Dental Assisting after the student successfully completes a nine-month curriculum approved by the American Dental Association. OIT is the only college in the state that requires two years of study and an associate degree before being certified as a qualified dental assistant. We would, of course, allow the student the option to continue for the second year and obtain the associate degree. In our inverted curriculum the required practical courses are offered during the first year of our program. Students in the nine-month and the two-year programs would take the practical courses jointly. Our present program has only nine students in the first year and nine in the second year of the program. We could double the number of graduates in Dental Assisting without hiring any more faculty members or requiring any extra academic space.
There is presently a demand for these dental assistants in Klamath Falls which OIT cannot fill. The local dental association strongly recommends the nine-month certification program in Dental Assisting. If this change is approved it is anticipated the cost per student in our assisting program will be materially decreased. In addition, we'll be better able to meet the demand for qualified dental assistants.

My second recommendation is to delete two associate degree programs in each of which there are less than three students enrolled. These programs have been low enrollment programs for the past several years and do not economically merit continuation at OIT. Therefore, we request permission to drop the following programs from our 1977-78 catalog:

1. Associate Degree in Physical Science Technology
2. Associate Degree in Air Quality Control

My third recommendation is to drop the associate degree in Electricity and Fuel Systems Technology. We presently offer the following three associate degrees in our Auto-Diesel Department:

1. Associate Degree in Automotive Technology
2. Associate Degree in Electricity and Fuel Systems Technology (formerly called Automotive Tune-up and Instrumentation)
3. Associate Degree in Diesel Technology

The student interest in our automotive and diesel programs is such that we have been required to limit enrollment in these programs. We have only limited enrollment in the Electricity and Fuel Systems program (three in the first year and seven in the second year). The newer automobiles with electronic ignition and better reliability do not generate a large demand for tune-up specialists.

We request permission to discontinue the Associate Degree program in Electricity and Fuel Systems Technology effective September 26, 1977. We will restructure our automotive and diesel programs to require a one-term course in automotive electricity and fuel systems instruction so graduates in these two areas will have general competence in the tune-up part of the profession. If approved, this change will facilitate our continuing to accept high level enrollments in our automotive and diesel programs.

In the discontinuance of any program, all presently enrolled students will be provided the opportunity to complete the requirements for the degree before the program is terminated. No new students will be accepted into the programs approved for deletion.

We are presently preparing our 1977-78 catalog for printing and would appreciate action on these recommendations before January 1, 1977, if at all possible, so the new catalog can reflect those curricula changes approved.

Sincerely,

Kenneth F. Light
President

Staff Recommendation to the Committee

It was recommended that the Board approve the requested changes.
Discussion and Recommendation by the Committee

Mr. Jack Douglass stated that for the last two or three years Oregon Institute of Technology has worked to improve its offerings and to reduce the number of small classes. The low demand for the three programs cited above, has led Oregon Institute of Technology to feel that it ought to drop the programs.

As for the certificate in dental assisting, Oregon Institute of Technology feels that only one year is needed to prepare a well-qualified dental assistant. The requested authorization would recognize this fact.

Responding to a question from Mr. Wyss as to what would happen to students who are already enrolled in the programs that Oregon Institute of Technology proposes to drop, Mr. Douglass asserted that Oregon Institute of Technology would make provision for those students to complete their programs.

Asked how many students are enrolled in dental assisting, Mr. Douglass said that there were 6, 8 and 7 in 1974, 1975, and 1976, respectively. He said that Oregon Institute of Technology feels that it can increase the number of enrollees if the one-year certificate program is authorized.

Mr. Charles Schaumburg, of the Oregon Educational Coordinating Commission staff, asked whether Oregon Institute of Technology had calculated the reduction in costs resulting from discontinuation of the three programs recommended for elimination. Mr. Douglass responded that Oregon Institute of Technology did not envision that there would be any savings, since the courses offered in these programs are, for the most part, courses that are also necessary to other programs being retained by Oregon Institute of Technology. For instance, the auto-diesel tune-up and instrumentation program actually is part of the auto technology and the auto diesel technology programs. A few courses could be dropped with the discontinuation of the associate degree program in tune-up and instrumentation, but not enough to affect materially the number of staff required or the space needs. Some staff and space reassignments will be made if the three associate degree programs are dropped, he said.

The Committee recommended that the Board approve the Oregon Institute of Technology requests. The motion carried unanimously.

Board Discussion and Action

President Light said it had been stated that the nine-month's program in dental assisting would be the first year of the associate degree program. This is incorrect because the nine-month's program will consist of separating the practical courses from the two-year associate degree program and placing them in the nine-month's program.

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

Staff Report to the Committee

Enrollment problems of the four associate degree programs involved in this request reflect the fact that students interested in these areas of study can be better served in other curricula. Oregon Institute of Technology is the only institution in the state requiring students who wish certification as dental assistants to complete a two-year program; placement for graduates of two-year programs in physical science technology and air quality control has never developed as anticipated when the programs were inaugurated; and changes in the automotive field have reduced demand for tune-up specialists.
Oregon Institute of Technology proposes to permit students presently enrolled in the programs to be discontinued to complete their associate degree requirements, if they so choose, but no new students would be enrolled.

Permitting students interested in dental assistantship to receive certification upon completion of a nine-month program and discontinuing the three curricula as proposed will permit more efficient use of Oregon Institute of Technology's resources.

(Considered by Committee on Finance, Administration, and Physical Plant, December 17, 1976; present--Ingalls, McIntyre, Ater, Perry.)

Staff Recommendation to the Board (Recommendation submitted to Committee and subsequently adjusted to reflect action by the State Emergency Board.)

As authorized by the Committee, it was recommended to the Board that:

1. $418,502 in additional instruction fee income for year 1976-77 be applied toward the costs of enrollment changes and energy inflation. Application of $125,421 for enrollment changes and $293,081 for energy inflation is detailed by institution on exhibits provided as a part of the staff proposal.

2. $173,744 approved previously by the State Emergency Board for energy inflation be allocated to the institutions.

Board Discussion and Action

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

Staff Report to the Committee (Including subsequent adjustments.)

Each year the Board's staff reviews enrollment estimates and income projections following fall term enrollment experience to determine the adjustments to be recommended for the Education and General Services Program. Preliminary enrollment information and revised income estimates have now been prepared as the basis for the staff recommendation for expenditure budget adjustments.

Budgeted and preliminary actual enrollments for year 1976-77 are compared on the attached exhibit. Fall term headcount enrollments for the colleges and universities and Oregon Institute of Technology exceed estimates by 1,787 students. Based upon fall credit hour registrations, these numbers result in an estimate of 49 fewer three-term FTE than were budgeted. The change in the relationship between headcount and three-term FTE appears to be the result of changes in credit hour carrying loads of students and the shift to larger numbers of graduate students who, in general, carry fewer credit hours than undergraduates. The same changes result in shifts in income generation patterns on which an increase in fee income is projected.

Instruction fee income of $569,257 in excess of original estimates is now expected during year 1976-77. The amount is the net increase determined from increased academic year income offset by summer session income of less than initially budgeted. Approval of the State Emergency Board is required before the additional fee income can be expended.
Budget adjustments for enrollment changes are displayed by institution on the following exhibit. Academic year adjustments are based upon a lower division equivalent 3-term FTE at the annual undergraduate instruction fee income of $537 per student. Summer session adjustments are based upon the variance from estimates of student credit hour production calculated at $9.43 per credit hour. The net cost of the adjustments for the seven institutions is $125,421. When deducted from the additional fee income of $569,257, the remainder of $443,836 is available to fund the costs of energy inflation.

Energy Inflation

Energy inflation has increased more rapidly than was anticipated in the biennial budget funded by the 1975 Legislature. Additional costs incurred by the institutions in 1975-76 were absorbed within existing resources. The cost impact in 1976-77 is of such magnitude that budgetary relief is considered to be imperative.

Costs for year 1976-77 have been estimated at 1975-76 consumption rates and 1976-77 estimated prices for each of the institutions. With the exception of Oregon College of Education and the University of Oregon Health Sciences Center, deficiencies total $789,457. The deficiencies differ markedly by institution, as the result of differences in types of fuel and energy consumed, as well as differences in fuel and energy availability when compared with those expected when the biennial budget was prepared. Inflation rates on natural gas and electricity have exceeded increase rates for other energy sources.

In September 1976, the State Emergency Board authorized use of $173,744 from prior year balances as partial recognition of the energy inflation need. That amount added to $443,836 from current income estimates and $30,896 reallocated from Oregon College of Education and the University of Oregon Health Sciences Center, would provide $648,476 or 82% of the estimated need.

The recommended action would increase the 1976-77 operating budget for Education and General Services by $743,001, funded by balances from prior years and current income produced by changes in enrollment.

Further Staff Report to the Board

At the Committee meeting on December 17, the staff reported that State Emergency Board action had reduced the requested expenditure authority from $569,257 to $418,502. The reduction resulted from a calculation by the Executive Department which applied lesser inflation rates to energy costs than were estimated by the institutions. Rates applied by the Executive Department are fairly representative of prices experienced so far during the fiscal year. Further rate increases are expected, however, to be effective in 1977 for electricity and natural gas. Similarly, recent indications are that oil prices will increase before the end of the winter heating season. Such additional costs will not be covered by amounts approved by the State Emergency Board. It should also be noted that consumption is based upon the relatively mild winter experienced in year 1975-76, so that unusual weather conditions could aggravate a funding deficiency through an increase in consumption levels.

The staff recommendation presented to and approved by the Committee in anticipation of possible changes has been modified to adapt to the lesser funding authorization by redistributing energy inflation allocations in accord with the Executive Department's calculations. Under the Executive Department's assumptions, the plan will thereby fully fund energy requirements at each institution.

Since institutions are currently attempting to absorb funding deficiencies in postage rates and Other Payroll Expense, any further increases in energy costs may require that relief be sought during the 1977 Legislative Session. Income estimates currently exceed the expenditure authority by $150,755, so that funds would be available, with legislative approval, to apply toward a deficiency should it occur.
## Department of Higher Education

### ENROLLMENT COMPARISON

Year 1976-77

<table>
<thead>
<tr>
<th></th>
<th>Fall Headcount</th>
<th>3-Term FTE</th>
<th>Student Level FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budgeted</td>
<td>Actual</td>
<td>Change</td>
</tr>
<tr>
<td>UO</td>
<td>16,524</td>
<td>16,832</td>
<td>308</td>
</tr>
<tr>
<td>OSU</td>
<td>15,537</td>
<td>16,233</td>
<td>696</td>
</tr>
<tr>
<td>PSU</td>
<td>14,949</td>
<td>15,162</td>
<td>213</td>
</tr>
<tr>
<td>OCE</td>
<td>3,000</td>
<td>3,555</td>
<td>555</td>
</tr>
<tr>
<td>SOSC</td>
<td>4,440</td>
<td>4,404</td>
<td>(36)</td>
</tr>
<tr>
<td>EOSC</td>
<td>1,556</td>
<td>1,494</td>
<td>(62)</td>
</tr>
<tr>
<td>OIT</td>
<td>2,232</td>
<td>2,345</td>
<td>113</td>
</tr>
<tr>
<td>Total</td>
<td>58,238</td>
<td>60,025</td>
<td>1,787</td>
</tr>
</tbody>
</table>

### Lower Division
- Budgeted: 21,637
- Actual: 21,466
- Change: 171

### Upper Division
- Budgeted: 21,197
- Actual: 20,888
- Change: 309

### Graduate
- Budgeted: 6,575
- Actual: 6,806
- Change: 451

### Total
- Budgeted: 49,209
- Actual: 49,160
- Change: 49
### Education and General Services

**Proposed Energy Inflation Funding Allocations**

Year 1976-77

<table>
<thead>
<tr>
<th>UD</th>
<th>OSU</th>
<th>PSU</th>
<th>OCE</th>
<th>SOSC</th>
<th>EOC</th>
<th>OIT</th>
<th>HSC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(439)</td>
<td>499</td>
<td>(25)</td>
<td>425</td>
<td>(142)</td>
<td>(113)</td>
<td>106</td>
<td></td>
<td>311</td>
</tr>
</tbody>
</table>

**Enrollment Change**

**Academic Year**

- **Lower Division Equivalent FTE Students**
  - Budgeted Adjustment at $537 per FTE for Instruction Fee Income
    - UD: $(235,743)
    - OSU: $267,963
    - PSU: $(13,425)
    - OCE: $228,225
    - SOSC: $(76,254)
    - EOC: $-0-56,922
    - OIT: $-0-56,922
    - HSC: $-0-56,922
    - Total: $227,688

- **Summer Session**
  - Reduced Enrollments at $9.43 per SCH
    - UD: (13,258)
    - OSU: (22,075)
    - PSU: (49,054)
    - OCE: (3,820)
    - SOSC: (12,485)
    - EOC: (594)
    - OIT: (981)
    - HSC: $-0-102,267

- **Adjustment for Enrollment Change**
  - UD: $(249,001)
  - OSU: $245,888
  - PSU: $(62,479)
  - OCE: $224,405
  - SOSC: $(88,739)
  - EOC: $(594)
  - OIT: $(55,941)
  - HSC: $-0-125,421

**Energy Inflation**

**Inflation Allocation Based on 1976-77 Estimated Rates**

<table>
<thead>
<tr>
<th>UD</th>
<th>OSU</th>
<th>PSU</th>
<th>OCE</th>
<th>SOSC</th>
<th>EOC</th>
<th>OIT</th>
<th>HSC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>112,708</td>
<td>407,296</td>
<td>20,795</td>
<td>(77,488)</td>
<td>43,740</td>
<td>41,675</td>
<td>39,806</td>
<td>(121,707)</td>
<td>466,825</td>
</tr>
</tbody>
</table>

**Funding Adjustments**

**Allocations Based Upon State Emergency Board Actions**

<table>
<thead>
<tr>
<th>UD</th>
<th>OSU</th>
<th>PSU</th>
<th>OCE</th>
<th>SOSC</th>
<th>EOC</th>
<th>OIT</th>
<th>HSC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(136,293)</td>
<td>$653,184</td>
<td>$(41,684)</td>
<td>$146,917</td>
<td>$(44,999)</td>
<td>$41,081</td>
<td>$95,747</td>
<td>$(121,707)</td>
<td>$92,246</td>
</tr>
</tbody>
</table>

**Resources**

- Fee income balances from year 1975-76 authorized for expenditure by the State Emergency Board in October 1976
  - Total: $175,744

- Fee income estimate for additional enrollments in year 1976-77 ($418,502 authorized for expenditure from an estimated increase of $569,257)
  - Total: $418,502

- Total: $922,246
Daycare for the Children of Students

(Considered by Committee on Finance, Administration, and Physical Plant, December 17, 1976; present--Ingalls, McIntyre, Ater, Perry.)

Staff Recommendation to the Committee

It was recommended that the Committee approve for Board consideration and adoption the following statement:

The Board notes the proposed introduction of special legislation to provide General Fund support for daycare costs for student-parents. Since daycare costs are, in fact, a major economic barrier for many prospective students, the Board would view the addition by the Legislature of this form of student financial assistance with favor.

Discussion and Recommendation by the Committee

Mr. Perry said he could foresee the possibility of problems in connection with the daycare bill and questioned how strongly the Board should support the legislation.

In response, Mr. Holmer said the proposed legislation would have an impact in terms of the financial assistance provided for students. He commented that the Department of Human Resources licenses daycare facilities and the Department of Higher Education normally does not interfere in the affairs of other state agencies by recommending expansion. One possibility which was available to the task force was a recommendation that the Children's Services Division administer a daycare program. The Board needs to be in a position to express its views concerning the daycare legislation, because it is probable an opinion will be requested.

Mr. Perry said he was concerned about the possibility of trade-offs that might cut into the basic educational budget for higher education.

Mr. David Gomberg, President of the Associated Students of Oregon State University and a member of the Executive Committee of the Oregon Student Lobby, said he had previously urged the Board to consider the problems experienced by student parents and also problems of student associations in trying to fund daycare centers through the incidental fee budgets. He introduced Mr. Robert Nagler to comment on the work of the Interinstitutional Task Force on Daycare.

Mr. Nagler said the daycare legislation has a very high priority with student groups and there would be a relatively intense campaign to insure passage of the legislation. It is important to secure the support of this concept by the Board, although it is recognized that there are difficulties in appropriating money for the program and there are possibilities of trade-offs. He said it was the firm intention of the students to lobby for the legislation independently from the regular higher education budget. Mr. Nagler said daycare is viewed as an intersegmental matter affecting not only the State Board of Higher Education but community colleges as well. The daycare program is a worthwhile, needed effort that ought to stand on its own merits. The cost of daycare represents an extremely important and major economic barrier to educational access for potential students who are parents. The proposed legislation has been well thought out, he said, in terms of policy implications and in discussions with various state agencies. It represents a constructive solution to the financial problems parents face in attending school.

Mr. Nagler requested that the Board modify and strengthen the language in the staff recommendation by stating that the Board "strongly supports" or "supports" the addition by the Legislature of this form of student financial assistance.
In response to a question concerning reactions from legislators to the proposed legislation, Mr. Nagler said he would expect that legislators would be responsive to the strong support from student organizations throughout the state. Mr. Nagler also indicated that although the requested appropriation of $2.75 million dollars would fund only a portion of the costs for the total eligible population but would provide a realistic start for the program. Assuming the proposed legislation is approved, the program could then be reviewed at the end of two years to decide whether it should be expanded.

The student financial aid application, Mr. Nagler said, lists daycare as an expense, but there is no direct correlation between that expense and the financial aid received. Some students do receive daycare as a form of assistance from the state through the Children's Services Division and may also receive student financial aid. The problem with the existing state policies is that the eligibility requirements are too restrictive. Students have a choice of attempting to expand the eligibility requirements with respect to the Children's Services Division policies or of integrating the daycare program into the financial aid system. It was decided that the latter choice would be preferable. Mr. Gomberg commented that financial aid is also a primary issue in the legislative platform of the Oregon Student Lobby, but there has been no action as yet on any specific proposal. In addition, other proposed legislation is under consideration, but the daycare bill is the only one which actually has been drafted.

It was explained by Mr. Nagler that once it is determined that the parent is eligible for the program, the parent contributes a certain portion of the daycare expense directly to the daycare center. The balance of the cost is paid by the State Scholarship Commission or the institution involved directly to the daycare center. There is not a direct payment to the parent, nor are the funds a loan with a repayment obligation.

Mr. Gomberg described the daycare centers which are presently in operation and indicated that there was a substantial demand at Oregon State University for an expansion of the program. However, additional funding would be required, and an increase in the amount of support from incidental fees is not considered a proper expenditure of incidental fees.

In discussing the proposed program with the Human Resources Department and the Children's Services Division of that Department, Mr. Nagler said the primary question seemed to be the proper administrative setting. The Children's Services Division is willing to administer the program if necessary.

Mr. Ingalls said if he were a legislator, he would be reluctant to split the daycare program so that part of the program was administered by Human Resources and part through the State Scholarship Commission. Mr. Nagler said the Oregon Student Lobby probably would be willing to shift the administrative setting since the primary concern is to provide some aid to student parents in order to increase access to education.

In response to a question, Mr. Nagler said the present draft of the measure requires only that the student be making satisfactory progress toward completion of a degree or program but does not limit the period of eligibility for daycare assistance nor require that the student take a certain number of hours. The student must show financial need.

Mr. Max Ray, a student at Portland State University and a member of the task force, said establishment of a loan program for daycare would not provide any additional assistance to students. It would be better to incorporate the daycare assistance into existing loan programs, to the extent possible. With a separate loan program for daycare, there would be no advantage in terms of lower interest rates. At the completion of their education, students would be faced
with another payment to repay the daycare loan, which would be in addition to repayment of any other funds which might have been borrowed. Mr. Ray also commented that certification of the daycare centers would still be done through the Children's Services Division. The bill proposes only that the funding be handled through a different agency.

The Chancellor called attention to several factors which might affect the strength of the language which the Board might wish to adopt in connection with the daycare legislation. He referred specifically to proposals for a reduction in program maintenance funds at Eastern Oregon State College and an increase in tuition levels, plus a possible need to seek additional funds for non-major revenue-producing sports. It ultimately may be necessary to consider the priority of funding for the daycare program in relationship to other needs of the State System, regardless of whether the allocation is to the Board or to other agencies for higher education purposes.

Ms. McIntyre moved that the Committee recommend the adoption of the staff recommendation amended to change the words "would view" to "endorse" and to delete the final two words, "with favor." The amended statement, as recommended by the Committee, reads as follows:

The Board notes the proposed introduction of special legislation to provide General Fund support for daycare costs for studentparents. Since daycare costs are, in fact, a major economic barrier for many prospective students, the Board endorses the addition by the Legislature of this form of student financial assistance.

The Committee approved the motion by a vote of two to one. Mr. Ingalls voted no.

Board Discussion and Action

Ms. McIntyre summarized the Committee discussion and indicated that she believed the amended statement represented a fair compromise between the stronger language desired by the students and the concern regarding funding in light of other legislative priorities. She moved approval of the Committee recommendation.

Mr. Ater said the Board is being asked to react to a proposal that presently only indirectly impacts the State System operation, although it is a matter of considerable concern to the students. The request before the Board, Mr. Ater said, is to indicate to the Legislature support of the efforts to bring the daycare issue and its seriousness to the attention of the Legislature. A daycare program for which the Board was solely responsible might be entirely different from the one proposed by the Oregon Student Lobby.

Mr. Ater stated, however, that if the daycare proposal were to threaten other parts of the Board's program, the Board would consider very carefully the extent to which it would support the daycare program.

Mr. Ater said he believed this was understood by the individuals who appeared before the Committee in support of the legislation. Subject to that qualification, Mr. Ater said, the Board could support the concept of better daycare facilities.

Mr. Perry said he was not opposed to the legislation but if the basic educational function were threatened, the extent of support would require additional consideration.

Mr. Ingalls said the original bill proposed going through the Scholarship Commission for administration of the daycare program. He said it should go through the Children's Services Division because the Scholarship Commission would have to set up separate administrative machinery for the program.
Further, Mr. Ingalls said, he did not know the extent of need and neither did the students. The funding was an arbitrary figure and there is no limitation on the aid any parent can receive. Information has not been provided on the success of the limited campus daycare center programs.

Mr. Ingalls also questioned whether the students would be willing to support the program from their own funds.

Mr. Stewart expressed concern that the Board was becoming involved in a program which would result in a lower instructional budget.

Ms. McIntyre said incidental fees are allocated by the students to child care. She also indicated that many legislators have been very supportive of the program and have not talked about taking the funds from the higher education budget.

Mr. Harms said he had a number of questions and probably opposed the proposal. However, he said he could not disagree with the statement recommended by the Committee.

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Ater, Carpenter, Daniels, Feves, Harms, McIntyre, McLaurin, Wyss, and Perry. Those voting no: Directors Ingalls and Stewart.

Staff Report to the Committee

The Board’s Office of Administration was directed to call together an Interinstitutional Task Force on Daycare for the Children of Students. A group was assembled which met for the first time on September 24, 1976. The Task Force met three additional times and disbanded at the conclusion of its November 30, 1976, meeting. All State System institutions were invited to send representatives. The Oregon Student Lobby agreed to appoint student representatives and representatives were sent by the Oregon Children’s Services Division, the Oregon Educational Coordinating Commission, the Oregon State Scholarship Commission, the Oregon Community Colleges Division of the Department of Education, and by the Oregon Executive Department. The independent colleges and universities were represented by a delegate from Willamette University.

The first determination of the Task Force was that special legislation would have to be drawn up as it was too late to include an additional General Fund request in any state agency budget. The Oregon Student Lobby agreed to take responsibility for the drafting of the legislation.

The Task Force agreed that the problem should be approached as one of financial aid to particular students, rather than as direct support to certain daycare centers. This would insure that students would have the freedom to choose the daycare center in which to enroll their children. Given this assumption, a decision had to be made as to where the program should be administered. The Department of Higher Education could not be the administrative agency as the program would likely be intersegmental. The Children’s Services Division was a likely candidate but no regular lines of communication exist between the Children’s Services Division and the institutions. The Children’s Services Division would have difficulty determining a student’s status at an institution and also was unfamiliar with the missions of higher education in Oregon. The choice finally fell on the Scholarship Commission because there already exist good lines of communication with all Oregon institutions; the program can be integrated with other forms of financial aid, as well as being potentially more receptive to user needs and input.

The question of whether community colleges or independent institutions should be included was not settled until the last meeting. The Task Force survey indicated that the need at the community colleges was at least as great as that in State System institutions. However, there were fears that community college students
would not adequately support the bill, thus justifying their inclusion in it. The Community Colleges of Oregon Student Association Commissions (CCOSAC), however, determined that the daycare program was their first legislative priority. The Oregon Student Lobby has agreed to work with CCOSAC and include community college students in the legislation. The need at independent institutions seems to be limited and enthusiasm there, at this time, is also limited. However, both student organizations have agreed that the bill could be amended should support come from the independent institutions.

The other major problem in developing such a program is to assess the extent of the need. The Task Force survey could only approach this question due to time restrictions. It asked student program administrators at all Oregon institutions of higher education what their knowledge was in this area. Their responses showed that there are, currently enrolled, hundreds of student-parents who would be helped by this program. However, their responses were only estimates based on their experience in such areas as financial aid, admissions, and operation for campus daycare centers. There may be many more enrolled whose need is currently unexpressed. The OSL and CCOSAC will be working on a much more comprehensive survey to take place at next winter's registration. Still, this information will only concern itself with those who are already within the Oregon State System of Higher Education and the community colleges. There may be a large population outside the System who are currently not pursuing further education because of a lack of such a program. It would be difficult, indeed, to assess the extent of this population.

The Oregon Student Lobby's proposed bill requests that General Funds of $2.75 million be appropriated to aid students in Department of Higher Education institutions for the 1977-1979 biennium. The extent that this figure must be increased to cover students at community colleges will be determined as more information becomes available. The Task Force concurs with the OSL figure and the way in which it was derived. It supports a similar analysis of community college needs and approves in advance any appropriate biennial figure under $5 million.

It was understood that 4% of the total figure must be appropriated for the costs of administering the program. This conforms to the requirements of other financial aid programs. Financial aid representatives on the Task Force noted that this 4% will not likely cover the actual costs of administration and that additional institutional support of financial aid operations will probably be necessary.

The Task Force is convinced that there is a bona fide need for General Fund support for daycare for the children of students and that the bill in draft by the Oregon Student Lobby and the program it proposes is a good approach to take toward the lowering of this barrier.

(Considered by Committee on Finance, Administration, and Physical Plant, December 17, 1976; present--Ingalls, McIntyre, Ater.)

Staff Recommendation to the Committee

The Board's staff recommended three procedural changes in reporting gift, grant, and contract information to the Board's Office and the Board: (1) raise the minimum value of individual items the institution is required to report to the Board's Office from $100 or more to $1,000 or more; (2) discontinue the Board's Office practice of reporting in every Board docket individual gifts and grants or contracts, as well as prior Board meeting cumulative totals of gifts and grants or contracts; and (3) dispense with the Board's ratification of the acceptance of gifts, grants, or contracts.
Discussion and Recommendation by the Committee

Modifications to the proposed second procedural change were suggested during the Committee discussion and the final wording appears in the Committee recommendation to the Board.

In discussing whether any distinction should be made between contracts and gifts and grants, it was indicated that the Board actually is receiving a report rather than taking specific action. Any matter requiring specific Board action would continue to be presented as an agenda item in the docket. The following points also were made in connection with these recommendations:

- If significant policy issues were involved in connection with a gift, grant, or contract, they would be reported to the Board.
- As a matter of information, the Board should periodically receive some indication of the variety of organizations or gifts, but a detailed monthly report is more extensive than necessary.
- Unusual items or gifts that might result in a change in the physical appearance of a campus should be called to the Board's attention.
- An annual summary report would still be prepared.
- The total listing from each of the institutions would be available in the Board's Office for review.

The Committee recommended that the Board approve the following three procedural changes in reporting gift, grant and contract information to the Board's Office and the Board. The procedural changes incorporate modifications to the staff recommendation as suggested during the Committee discussion:

1. raise the minimum value of individual items the institution is required to report to the Board's Office from $100 or more to $1,000 or more;
2. report to the Board only significant issues or other matters pertaining to gifts, grants, and contracts, as well as prior Board meeting cumulative totals of gifts, grants and contracts; and
3. dispense with the Board's ratification of the acceptance of gifts, grants, or contracts.

Board Discussion and Action

Mrs. Carpenter expressed the view that there is value in having the Board receive an overall view of the kinds of contracts that are being undertaken and the source of those contracts.

The Chancellor said it was his understanding that the Committee, in modifying the staff recommendation, intended to provide for the examination and reporting of the significant issues to the Board. Many gifts, grants and contracts have ultimate policy implications which should be brought to the attention of the Board.

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, Wyss, and Perry. Those voting no: None.
Staff Report to the Committee

These recommendations are made following a review of the evolution and growth of gift and grant or contract reporting policies and procedures beginning with the Board's first meeting on June 28, 1929.

The number of items considered at any Board meeting has increased from four items on October 15, 1929, to 784 items on November 25, 1975. Space in the Board's docket devoted to this purpose has increased from two pages during the 1929-30 fiscal year to 116 pages during the 1974-75 fiscal year. The annual value of the items reported reached $64,404,418 in fiscal year 1974-75.

It is estimated that the total annual cost of preparing, reviewing, and reporting the gifts and grants, or contracts, to the Board, exclusive of the cost of the annual summary reported in May of each year, and Board member reading time, is $19,653.

The recommended changes should reduce this cost by at least $12,000 without effecting any change in the application and enforcement of the Board's AR's 32.010, 32.020, 65.010, 65.020, 65.030, 65.031, and 65.040. In addition, the change in reporting procedure would provide greater responsibility to the presidents of the institutions for compliance with the financial and fiscal controls required by the Administrative Rules.

The Vice Chancellor for Administration would continue to monitor the institutional gift and grant or contract request and acceptance activities by means of monthly schedules submitted to the Office of Administration (copy of the proposed report form on the following page), and would bring to the Board for its approval any proposed deviations from or recommended changes in existing policies. The Board's docket would include the annual summary report of gifts and grants, or contracts, including student scholarships classified by source of funding and purpose for which the funds were used. Should there be a significant change in the volume, amount, or character of gifts, grants, or contracts, not otherwise reported to the Board, it would be the responsibility of the Vice Chancellor for Administration to report such change to the Board.
MONTHLY SCHEDULE OF GIFTS, GRANTS, CONTRACTS

<table>
<thead>
<tr>
<th>Institution</th>
<th>Month Reported</th>
<th>Year</th>
<th>Name of Reporter</th>
<th>Title</th>
</tr>
</thead>
</table>

DUE DATE IN OFFICE OF ADMINISTRATION 10th OF FOLLOWING MONTH

NUMBER AND TOTAL VALUE OF GIFTS, GRANTS AND CONTRACTS VALUED AT LESS THAN $1,000

| Number | $ |

Record individually gifts, grants, and contracts, including student scholarships, of $1,000 or more. Do not record donor scholarships for designated students selected by other than usual institution-approved methods. (See AR 32.0020.)

Attach copies of conditions specified by the donor relating to the use of a gift. Prior to expenditure or other disposition thereof, all conditional gifts, other than student scholarships, must have prior Board's Office of Administration approval. All applications for and acceptance of bequests, devises, gifts, grants, and contracts must have been executed in accordance with ORS 351.310 and Board's AR's 32.000 and 63.000. Place an asterisk next to estimated value of gifts in kind.

<table>
<thead>
<tr>
<th>DONOR/GRANTOR</th>
<th>PURPOSE OR USE (TITLE OF RESEARCH, NATURE OF GIFT)</th>
<th>RECIPIENT SCHOOL/DEPT.</th>
<th>GRANT/CONTRACT NO.</th>
<th>ACCOUNT NO.</th>
<th>TITLE</th>
<th>AMOUNT OR VALUE</th>
</tr>
</thead>
</table>

January 26, 1977

Page ___ of ___
Amending Protection of Employees Against Tort Liability

(Considered by Committee on Finance, Administration, and Physical Plant, December 17, 1976; present--Ingalls, McIntyre, Ater.)

Staff Report to the Committee

The provisions of law for the protection of state employes against liability for tort actions are generally adequate. Two exceptions relate to the definition of "scope of employment" (when does an employe cease to be an employe) and adequacy of the coverage of physicians sued for malpractice.

It had been planned to seek general legislation authorizing each state agency to establish its own definition of "what activities are in performance of duty." The University of Oregon Health Sciences Center is of the opinion that a specific statute applicable to physicians would be useful and would also permit correlation of general tort liability with the specific requirements of law relating to medical practice liability.

The University of Oregon Health Sciences Center requests authority to seek introduction of the alternative legislation. Mr. Branchfield sees no objection to presentation of an alternative as a basis for full legislative review of the issues.

Discussion and Recommendation by the Committee

The Committee recommended that the Board authorize the University of Oregon Health Sciences Center to seek introduction of alternative legislation.

Board Discussion and Action

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

Authorization of Grant and Contract Proposals

(Considered by Committee on Finance, Administration, and Physical Plant, October 22, 1976; present--Ingalls, McIntyre, Ater, McLaurin, Stewart, Perry.)

Staff Recommendation to the Committee

It was recommended that, following a public hearing, the Board amend AR 63.020 to add a requirement of Board approval prior to application for or acceptance of a grant or contract that would result in:

"(7) Establishing or significantly expanding a clientele for services of an essentially non-research or non-instructional nature."

Discussion and Recommendation by the Committee

There was a general discussion of whether approval of the specified grants or contracts should come to the Board or go directly to a legislative agency. It was indicated that a grant or contract reviewed by the Board would automatically come to the attention of the Executive Department and Legislative Fiscal Office as part of the public records of the Board.

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

Public Hearing (December 17, 1976)

The Committee on Finance, Administration, and Physical Plant, and the Committee on Instruction, Research, and Public Service Programs met in joint session on December 17, 1976, for the purpose of the public hearing on the proposed change.
The following Board members were present: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, Wyss, and Perry.

Mr. Perry said the time set for the public hearing on the amendment to AR 63.020 had arrived and asked if anyone wished to be heard for or against the proposed change. There being no response, Mr. Perry declared the hearing closed.

The Chancellor explained that in discussions with the legislative fiscal staff there had been general agreement that there should be Board approval prior to applications for grants or contracts in the situations specified in the amendment.

Mr. Holmer called the Board's attention to two awards made by the Collins Foundation to the University of Oregon Health Sciences Center—one for training of advanced medical technicians and the other for upgrading the medical communications system. He said neither grant would be affected by the proposed amendment to AR 63.020 because both would be brought to the Board under other provisions of the existing rule.

Board Discussion and Action

The Board approved the Committee recommendation and adopted the amendment to AR 63.020 as presented, with the following voting in favor: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, Wyss, and Perry. Those voting no: None. Mr. Perry declared the amendment duly adopted by a unanimous vote.

Staff Report to the Committee

The Ways and Means Committee adopted a budget note in 1975 declaring its intent that the Board of Higher Education adopt regulations requiring it to review any grant application by an institution affecting enrollment, requiring "hard match," or imposing a potential requirement for continuation of effort. The Board of Higher Education adopted amendments to its Administrative Rules on September 23, 1975. The amendments spoke directly to the three legislative suggestions and added items of land acquisition or building projects exceeding $10,000, activities inconsistent with approved missions, or support of curricular programs not previously approved by the Board of Higher Education.

Unlike other state agencies, the Department of Higher Education has received a general exemption from the requirement of legislative review of grant or contract proposals (ORS 291.375 (3)). The exemption does not apply to programs of the Department that operate within legislatively established expenditure limits.

For grant or contract activities falling within the areas directly affecting or effecting research or instruction, the legislative exemption has rarely occasioned any controversy. However, in those cases where the grant or contract breaks new ground in the provision of a service of a non-instructional or non-research type or substantially extends such an existing service to additional persons, there have been objections that there should be an external review of the proposal before the institution is committed to the new grant or contract.

From an institutional point of view, the inclination is to accept "new money" that will augment its services (consistent with its mission).

A case in point is a current grant from the U. S. Public Health Service to the Crippled Children's Division of the Health Sciences Center. The grant is effective December 1, 1976, and will permit the establishment of a Regional Comprehensive Hemophilia Diagnostic and Treatment Center. The CCD already operates a hemophilia
clinic serving about 100 patients; the new Center would serve about 250 patients in Oregon and parts of Washington, Idaho, Nevada, California, and perhaps Montana. The program for which the grant is made would have a substantial training component in preparing dentists, physical therapists, orthopedists, social workers, and others to serve hemophiliacs effectively.

Because such a program, once established, develops political support for its continuance even if the grant is discontinued, broad issues of public policy can be raised: Should the State of Oregon be committed to a regional program? Is the CCD the appropriate state agency? Is the program of sufficient significance to warrant undertaking the contingent liability (however remote) of continuing it should the grant be discontinued?

Answers to such queries have been made in the present case by the Health Sciences Center and the Public Health Service. Both agencies, however, have an essentially limited range of concerns. Their questions relate to the propriety and relevance of the program for their assigned missions. From those perspectives, the propriety of the grant is unassailable.

The broader issues referred to above can be addressed by a legislative agency (e.g., Ways and Means or the Emergency Board), by the Executive Department, or by the Board of Higher Education. It is suggested that the Board of Higher Education is the appropriate agency because it is both intimately acquainted with institution programs and thus can assess the internal propriety of the proposed activity, and, as a citizen body, it can be expected to share the popular concerns for the propriety of an activity as an undertaking of the state government. Further, because Board actions are a matter of public record, Board approvals of grant or contract proposals would provide ready notice for the Executive Department or the Legislative Assembly of the intention to undertake a new or expanded program of the type identified before the commitment to act is finally made.

It is not expected that this proposal will add significantly to the Board's agenda. It is estimated that perhaps half a dozen grant or contract proposals per year might fall in this limited category. Because of their sensitive nature, it is recommended that the Board take the initiative in assuring that they receive the review that has been proposed.

Staff Recommendation to the Committees

The present Board rules do not authorize appointment of an assistant secretary. It is frequently necessary for an official document to be signed on behalf of the Board, or for a certificate to be signed identifying officials or attesting to the accuracy of a copy of a rule or other document. Such requests call for routine, ministerial actions in most instances. But, in the absence or disability of the secretary for any reason, no one is presently authorized to sign such papers. Sometimes there is an urgent need for a certifying signature. It is common in corporate business to have an assistant secretary to sign corporate documents. It was recommended that the Board create the office of Assistant Secretary and specify the authority of that officer. This can be done by the amendment of AR 10.110 and the adoption of a new rule, as follows:

AR 10.110 Officers

The officers of the Board shall consist of the President, the Vice President, the Secretary, the Assistant Secretary and the member of the Executive Committee elected by the Board as provided in Section 10.150.
Assistant Secretary

Upon the recommendation of the Chancellor, the Board shall appoint an employee of the Department to serve as Assistant Secretary of the Board.

The Assistant Secretary shall, in the absence or disability of the Secretary, accept service of process and shall execute documents and certificates on behalf of the Board, when requested to do so by another officer of the Board, the Chancellor or a Vice Chancellor.

Public Hearing (December 17, 1976)

The Committee on Finance, Administration, and Physical Plant, and the Committee on Instruction, Research, and Public Service Programs met in joint session on December 17, 1976, for the purpose of the public hearing on the proposed change. The following Board members were present: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, Wyss, and Perry.

Mr. Perry said that the time set for the public hearing on the amendment to AR 10.110 and the adoption of AR 10.146 had arrived and asked if anyone wished to be heard for or against the recommended action. There being no response to his request, Mr. Perry indicated that the matter would be forwarded to the Board for consideration at the January 1977 meeting.

Board Discussion and Action

The Board approved the recommendation and adopted AR 10.146 and the amendment to AR 10.110 as presented, with the following voting in favor: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, Wyss, and Perry. Those voting no: None. Mr. Perry declared the amendment to AR 10.110 and the new AR 10.146 duly adopted by a unanimous vote.

Committee Recommendation to the Board

It was recommended that the Board:

1. Seek the approval of the Executive Department for the introduction of legislation to appropriate for 1977-1979, the sum of $986,480 for support of "other athletic activities" (as defined in the Board’s policy statement of July 20, 1976) at the colleges, universities, and the Oregon Institute of Technology.

2. Direct its staff to prepare the needed regulations to establish an athletic activities fee, separate from the incidental fee, for the support of "other athletic activities," to become effective if the appropriation described in 1., is made. The regulations will assure that:
    a. There will be student involvement as in the incidental fee process in the development of institutional recommendations as to the nature and scope of intercollegiate athletic activity, student privileges in relation thereto, and the amount of the athletic activities fee.
    b. The budgeted share of financial support of intercollegiate athletics provided by student fees may not be altered without Board approval.
    c. Student privileges (e.g., seating at athletic events) may not be reduced as a result of establishment or modification of the athletic activities fee, without Board approval.
3. Direct the staff to prepare such other directives as may be necessary to assure that budgeting for intercollegiate athletics is consistent with requirements of law, is fiscally responsible, is responsive to public and student interest, and is adapted to institutional differences. The directives shall, among other things, provide that if income of major revenue-producing athletic activities exceeds the budget estimates, it may be used, with Board approval, in meeting the following order of priorities:

a. Establish needed reserves;
b. Increase support of "other athletic activities"; and
c. Enrich the programs of major revenue-producing athletic activities.

Board Discussion and Action

Mr. Ingalls moved approval of the Committee recommendation as presented.

In response to a question from Mr. Perry, Mr. Ingalls said the funding situation was similar to that in the daycare proposal. Money appropriated for funding of intercollegiate athletics would have to come from some other part of the recommended state budget.

The distribution of athletic fees under the proposed plan was discussed. It was indicated that the funding received from the Legislature, plus the student fees that are presently apportioned to athletics would be placed in a single fund. Athletic fees at an institution would remain at present levels of support. Any money received from the Legislature would be additional money and would not substitute for the present level of student funding. Mr. Harms noted that items 2a, b, and c had been developed by the Committee in an effort to address some of the concerns of students. It was indicated also that there would be no change in the involvement which students have had with respect to which programs should be emphasized.

Mr. Mark Cogan, Vice President for State Affairs of the Associated Students of the University of Oregon, asked that the Board determine a priority rank for the higher education budget request, the daycare proposal, and the athletic funding. He suggested that the athletic funding be placed below both of the other items.

Mr. Cogan also asked the Board to clarify the ambiguity which exists as to whether the proposal is intended to address the needs of minority sports or has been devised to augment the big college sports programs which also have needs.

Mr. Ingalls said if this money were not appropriated there would be a complete demise of the non-revenue-producing sports for both men and women.

Ms. McIntyre said she did not think the Board should prioritize in the way Mr. Cogan had suggested. She asked him to comment on the question of student involvement. Mr. Cogan said students were intensely concerned about the rule and the amount of student involvement. They are disturbed that the athletic fee matter needs to be isolated from the incidental fee. If the student involvement is expected to be the same as in the present incidental fee process, there appears to be no need to create a separate athletic activities fee.

The Chancellor said the original motivation for proposing a separate athletic activities fee was to provide assurance to the Legislature that the requested appropriation was not intended as a method of using those dollars in lieu of other money currently being used to support intercollegiate athletics. The identification of a separate athletic activities fee makes it possible to assure the Legislature that this would not occur. The Chancellor indicated that if students could persuade the Legislature that students would continue to appropriate the present amount for athletics from the incidental fees, the athletic activities fee would not be a significant matter.
Ms. Jan Oliver, President of the Associated Students of the University of Oregon, said students feel that the incidental fee process is being undermined.

Mr. Cogan said inserting a statement that there would be student involvement through the incidental fee process in the development of institutional recommendations would answer the concern of students.

Mr. Ater suggested the possibility of making an administrative commitment with respect to guaranteeing to the Legislature that a certain portion of the incidental fee should be committed to athletic purposes. Such a commitment presumably would follow negotiation of an agreement with the students.

The Chancellor said he would have no problem with the suggestion made by Mr. Cogan to elaborate on the question of student involvement.

Mr. Ingalls said in addition to being fair in the representations to the Legislature, the athletic directors at all the institutions need to know the budget which will be available. Schedules are prepared several years in advance.

Mr. Max Rae, a student at Portland State University, pointed out that the Board was asking the Legislature for a substantial sum and should understand very clearly what benefits would accrue to the state by this expenditure. He then commented on various benefits.

The athlete gains from a physical and competitive form of recreation, and from financial support through scholarships. Vocational training for coaches and professional athletes is also of value. There is an area of value in entertainment of students and citizens of Oregon. The institutions benefit through involvement of additional citizens which results in financial donors to the institutions.

Mr. Rae said the physical and recreational benefit can be provided through group sports, intramural programs, and other activities. Consequently, the additional money would not result in a more significant contribution in this respect over that which could be provided through other available programs.

The training of professional athletes and coaches is a valid benefit, but the Board should apply the same criteria with respect to duplication that is used in the allocation of other training programs.

In the matter of the monetary value of scholarships, Mr. Rae questioned whether it was proper to provide a greater opportunity for the athletically gifted as opposed to the academically gifted.

In commenting on benefits to spectators, Mr. Rae pointed out that there would be no problem with minor sports if there were enough spectators. He asked why the Legislature should provide funds for programs which are not of value to spectators.

Benefits to the institution probably come from the revenue-producing sports, and it is unlikely the contribution would be altered significantly if some sports were reduced to the club level.

In conclusion, Mr. Rae said he could not see the justification for the request to maintain the existing level of competition in all sports at all schools. If the Board did see that justification, Mr. Rae asked that it rank the programs in priority so that the Legislature might consider first those programs which the Board found most essential to the State of Oregon.
Mr. Ater said Mr. Rae had addressed some very fundamental issues in his remarks. Mr. Ater said one reason for bringing the request to the Legislature without a priority attached is to give the Legislature an opportunity to address the issues raised by Mr. Rae with respect to what the Legislature wants the Board to do in terms of providing athletic programs at the institutions. The status of athletics in our society and our institutions, Mr. Ater said, should be presented to the Legislature for determination. The proposal does a very good job of presenting this as a separate issue for legislative discussion of the appropriate role for the athletic program.

Mrs. Fewes commented that Oregon is not isolated, and if it is to compete on an intercollegiate basis, the institutions must compete in sports other than basketball and football in order to maintain conference status.

Mr. David Gomberg, President of the Associated Students of Oregon State University, said that students there view the whole athletic situation as operating within the constraint that the present framework for the major sports is not going to change much in the foreseeable future. What is really involved in the proposal is the future of the minor sports and women's programs. He said he believed the proposed program would resolve the problem in these areas and for that reason he was appearing in support of the recommendation.

Mr. Gomberg said students were very appreciative of the effort to keep student fees from increasing. He indicated the concern for student involvement and a preference for retaining the students' contribution for the minor sports through the incidental fee process, because there are more guarantees for students under that system.

Mr. Curt Johnson, State Affairs Director of the Associated Students of Oregon State University, indicated supplementary material was available for distribution. He commented that the proposal deserved a fair hearing in the Legislature and urged the Board to approve the recommendations.

Mr. Ater moved to amend the recommendations to insert in 2 a, after the word "involvement," the phrase "as in the incidental fee process." In discussing the meaning of the amended language, it was indicated that the athletic fee would have the same student involvement and the same veto power available to the president of the institution that is presently the case in the incidental fee process.

Mr. Ingalls accepted the amendment to his original motion and the amended language has been incorporated in recommendation 2 a.

Mr. McLaurin referred to reports in the media that Oregon State University would award a number of scholarships to women next year. President MacVicar indicated that it was planned to have an equitable relationship in making financial assistance available to men and women in the non-revenue-producing areas, but that the funds would not come from either of the sources under discussion by the Board. He said, in his opinion, it would be inappropriate to divert student athletic funds or the state-appropriated fund to athletic scholarships.

Mr. McLaurin said he was concerned that the present support of other athletic activities would be continued, and after that the establishment of a reserve would be considered.

Ms. McIntyre said this item had very low-priority for her personally but since she was asked to vote in the best interests of all the citizens of the state, she would vote in favor of the proposal.
The Board approved the Committee recommendations, including the amendment proposed by Mr. Ater and accepted by Mr. Ingalls. Those voting in favor: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, Wyss, and Perry. Those voting no: None.

Committee Report to the Board

On July 20, 1976, the Board adopted the following policy relating to intercollegiate athletics:

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 institutional president (concurred 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.
In addition to its meeting on July 19, the Committee met in Eugene on November 30 for an extended hearing. The recommendations of the Committee were adopted by unanimous vote of the members present.

In addition to the formal recommendations, and despite some concern about its jurisdiction, the Committee has requested the staff to prepare and submit to the Board a study of the "problems and financial impact of a fee remission program." The request is related to the funding of intercollegiate athletics since the substitution of fee remissions for athletic scholarships would materially reduce what is now a direct cost of some athletic programs. However, a fee remission program of broader scope than that presently available to foreign students and to some students at Eastern Oregon State College could serve a number of useful purposes in attracting students of special merit. The staff is planning to respond to the Committee's request, with an initial report to be presented at the Board's February Committee meetings.

With respect to the subject of funding intercollegiate athletic activities, the Committee heard on November 30 from several institutional presidents, from leaders of the student associations, and from administrators of two athletic programs. The wide-ranging comments included the following views:

1. The role of intercollegiate athletics

The significance of intercollegiate athletics in enhancing an institution's identity and prestige was the subject of several comments, generally stressing its importance in attracting donor support of other institutional activities. The Committee was reminded of the high degree of student interest in athletic programs at the University of Oregon and Oregon State University, as demonstrated in a Bardisley-Haslacher poll in the early 1970's. President MacVicar also identified the deep interest of many citizens not currently associated with one of the institutions in questions relating to intercollegiate athletics.

The testimony before the Committee also included criticisms of some of the less laudable aspects of intercollegiate athletics, such as excesses in recruiting and in emphasis on winning. Concern was expressed about the implied competition for funds between athletic and academic programs and the impact of athletic activities costs on the level of required tuition.

The Committee's conclusion generally affirmed its belief that intercollegiate athletics are an important aspect of institutional activity that should be maintained.

2. Student role in planning for intercollegiate athletics

Although Chancellor Lieuallen's introductory statement was intended to assure the Committee that the proposals were designed to stabilize the existing levels of student support, it was clear from the testimony of five student association representatives that further assurance was required.

The second recommendation to the Board has been modified to provide additional assurance that:

- students will be involved (as in the incidental fee process) in the development of institutional plans for intercollegiate athletics;
student fees for support of intercollegiate athletics will not be increased disproportionately (in relation to other sources of income) or, indeed, changed at all without explicit Board approval following public hearing;
student privileges (e.g., seating) may not be reduced without specific Board approval.

It appeared to be the consensus of all who spoke on the subject that student support of the proposed appropriation is a prerequisite to legislative success for the proposal.

3. Allocation of appropriated funds

The appropriation of $10 per three-term full-time equivalent student contemplated an allocation to each institution based on its projected FTE enrollment. The presidents of Eastern Oregon State College and Oregon Institute of Technology noted that fielding an athletic team is essentially as costly for an institution with 1,500 or 2,000 students as for one with 3,000 or 3,500 students. They suggested that the total sum (at $10 per FTE) for the four smaller institutions be allocated in equal amounts ($26,482) to each institution. The presidents of Oregon College of Education and Southern Oregon State College concur in this recommendation.

4. Other budgetary issues

It is clear from questions raised at the hearing that the proposed rules for budgeting of intercollegiate athletics must be carefully drawn to assure that no portion of a General Fund appropriation should be used to support major revenue-producing athletic activities.

5. Title IX and Chapter 204, Oregon Laws 1975

The Committee's recommendations are believed to be consistent with the requirement of equitable provision of opportunities for women's intercollegiate athletic competition. There may be those who believe otherwise. The resolution of the issue may require judicial determination.

There has been correspondence with the Office for Civil Rights in the regional office of the U. S. Department of Health, Education, and Welfare concerning the consistency of the Board's athletic funding policy with the requirements of Title IX of the Education Act Amendments of 1972. The response asserts that "the proposal per se does not violate" Title IX. It goes on with the caveat that the results of its implementation could render the athletic programs unacceptable.

Testimony on this issue at the hearing was inconclusive.

6. Fee remissions

Several of those testifying noted the provision of athletic scholarships at the universities. These are provided from funds contributed by private donors and are awarded to athletes without primary regard to financial need.

Quite apart from its recommendations for Board action, the Committee requested a comprehensive staff report on the "problems and financial impact of a fee remission program." Fee remissions are waivers of tuition and, under present legislative policy, they are subsidized from tuition paid by other students. The major group of fee remissions now authorized are those available to foreign students.

A study of fee remissions will require attention to NCAA and conference rules, the relationship of fee remissions to other programs of financial assistance (and the role of the State Scholarship Commission), the processes and propriety of determining financial need, and the categories of students to be eligible for fee remission. Undoubtedly, there will be other aspects to be suggested by the Board or others.
The Committee's estimate is that the subject is too complex to anticipate development of specific proposals for legislative review in 1977.

(Considered by Committee on Instruction, Research, and Public Service Programs, December 17, 1976; present--Carpenter, Daniels, Feves, Harms, Wyss.)

Dr. Romney asserted that the Board's Office would like: (1) to have Dr. Rempel review with the Committee the recommendations made in the teacher education report presented to the Board's Committee on Instruction, Research, and Public Service Programs at its October 22 meeting; (2) to present some additional information in the form of addenda to the October 22 report, concerning (a) the costs of teacher education and (b) selective admissions and retention policies and practices in the State System teacher education programs; (3) to invite representatives of the Teaching Research Division and the deans of the State System schools and colleges of education to make brief presentations concerning steps being taken to maintain effective teacher education programs.

Staff Recommendation to the Committee

Dr. Rempel presented the three recommendations proposed by the Board's Office for consideration by the Committee, namely:

1. That the Board continue to rely on its institutions to control production of elementary school teachers through (a) the maintenance of admissions-retention policies and procedures consistent with assuring a good quality of entering students into the elementary teacher education program, and (b) assuring that prospective elementary teacher education students are fully informed as to the qualities necessary to success in teacher education and teaching, and, in particular, that they understand the state of the teacher employment market.

2. That the Board employ the above procedure in encouraging its institutions to examine their secondary teacher production and to seek to bring secondary teacher production within the limits of permissible imbalance with employment opportunities.

3. That the Board commend the institutions for work well begun to improve the quality of teacher education through such initiatives as the competency-based, field-centered programs described in the report to the Board, and that the Board encourage the early completion of the major study of teacher in-service educational needs and resources which is currently underway as described in the report to the Board.

He then alluded briefly to the materials on (1) the cost of teacher education programs and (2) the selective admissions and retention policies and practices of the institutions, which were addenda to the October 22 report on teacher education.

There followed then, presentations to the Committee by the following individuals.

- Dr. Del Schalock of the Teaching Research Division, who heads up the Teacher Education Program of the Teaching Research Division, and who has worked with the State System institutions over a period of years in their development of improved teacher education programs and practices.
- Dr. Bert Kersh, Dean of Faculty at Oregon College of Education.
- Dr. Richard Hersh, Associate Dean of the University of Oregon College of Education.
- Dr. Ronald Petrie, Dean of the Portland State University School of Education.
Dr. Sylvia Tucker, Dean of the Oregon State University School of Education.

Dr. Bill Sampson, Southern Oregon State College Director of Teacher Education.

Mrs. Edith Maddron, Oregon Educational and Coordinating Commission.

Discussion and Recommendation by the Committee

The presentations by the foregoing individuals and the ensuing Committee discussion turned upon the following matters:

1. Institutional efforts to improve the effectiveness of their teacher education programs through such devices as the following:
   - Development of competency-based, field-centered programs of teacher education.
   - Follow-up of teacher education graduates to ascertain how effectively they perform on-the-job and to secure leads as to ways in which the teacher education program may in the future be improved.

2. Institutional efforts to assure that students admitted into teacher education programs are qualified, and that they understand—before admission to the teacher education program—(1) the qualities required for success in teacher education and teaching, (2) the state of the teacher employment market at the level (elementary, secondary) or in the subject matter field in which the individual wishes to teach.

3. Factors affecting the student credit hour costs of teacher education programs in the State System.

4. Relationship of teacher production in State System institutions to demand for teachers, and ways of maintaining production/demand in a suitable state of permissible imbalance.

5. Anticipated future efforts in the State System to continue systematic investigations of matters relating to the continuing improvement of teacher education programs in the State System.

In the paragraphs which follow, we summarize briefly the discussion under each of the foregoing headings.

Improving the Effectiveness of Teacher Education

Discussion of institutional efforts to improve their teacher education programs focused on greater emphasis on competency-based, field-centered teacher education.

Competency-based teacher education is that education which defines its objectives in terms of the competencies that it expects its students to be able to demonstrate in working with elementary and secondary school students.

A competency-based teacher education program measures its effectiveness by the extent to which its students are able to demonstrate, before graduation, that they can, in fact, teach elementary or secondary school students in a regular classroom in a manner to bring about in these latter students the desired outcomes.
In a competency-based teacher education program, institutions do not recommend their students to the Teacher Standards and Practices Commission for the receipt of a teaching certificate until they (the students) have demonstrated, to the satisfaction of the institution, their capacity to handle effectively a classroom of elementary or secondary school students (i.e., to bring about in the latter students the desired outcomes).

Competency-based educational programs also include program improvement procedures through which, by continuing evaluative follow-up of graduates of the program, institutions are able to assess the effectiveness of the teacher education program and to strengthen it as and where needed.

It is not happenstance that the terms "competency-based" and "field-centered" are used jointly. If prospective teachers are to be familiar with and at home in the environment of the elementary and secondary school classroom, and aware of the problems to be encountered there and able to demonstrate a capacity to deal with these problems, their teacher education experiences must of necessity be "field-centered."

State System institutions are at varying stages in the adoption of the competency-based, field-centered concept of teacher education.

Oregon College of Education, which has perhaps gone to competency-based, field-centered education more than any other institution in the State System, reported the following advantages to the program:

1. It has aided in the placement of graduates because they are recognized as being fully competent to take over full teaching responsibilities immediately upon graduation.

2. The junior year public school classroom performance of Oregon College of Education’s teacher education candidates provides an effective screen for admission to the more expensive advanced professional study in the junior and senior years. Thus, only the most promising beginning teacher candidates are advanced into the junior and senior year programs of teacher education.

3. Students who do exceptionally well in the junior year practicum (approximately 5%) may challenge the higher level practicum, and if successful in the challenge examination, be given credit therefor, so they can be accelerated through the program.

4. Emphasis on the student teacher’s need to demonstrate competence in the public school classroom results in a significant in-service benefit to the public school teachers and supervisors who are cooperating with Oregon College of Education in its teacher education program. Supervising classroom teachers and public school supervisors participating in the evaluation of the student teacher’s performance as he/she seeks to demonstrate competence are provided opportunity to sharpen their own concepts of competence in the classroom. To assist them, Oregon College of Education asks that the participating public school classroom teachers and supervisors complete a formal course of study with Oregon College of Education usually during the summer term prior to being employed by Oregon College of Education as cooperating teachers.

5. The systematic evaluative follow-up of its graduates is providing Oregon College of Education some very useful insights as to the effectiveness of its teacher education program, and as to ways in which the program may be strengthened.
Oregon State University reported that it attaches great importance to the field-centered aspect of its teacher education program and has its senior, most seasoned faculty members actively engaged in supervising and evaluating teacher education students in their work in the public schools. Oregon State University considers this field work on the part of senior staff an important aspect of service and as providing a sound base for research related to practice.

Oregon State University is currently in the midst of a study of its teacher education graduates to discover in what employment they are now engaged, and how their teacher education programs at Oregon State University have been helpful to them, or might have been made more helpful.

Dean Petrie of the Portland State University school of education asserted that there are different approaches to teacher education appropriate to different circumstances. For instance, Portland State University has cluster schools in which Portland State University teacher education students get experience. In these schools Portland State University has designated certain public school teachers and supervisors as "clinical professors," employed part-time on the Portland State University budget to work with Portland State University students. Portland State University students in the public schools are supervised by these "clinical professors" or by supervising teachers in the public schools who are paid a small stipend by Portland State University for their supervisory services ($25 per student supervised if the supervising teacher has not completed 18 hours of training with PSU; $100 per student if they have completed the PSU training program). Portland State University leans heavily upon these "clinical professors" and supervising teachers for much of the supervision of Portland State University students when they are working in the public schools.

Portland State University is addressing itself to competency-based teacher education but not in the same way as Oregon College of Education. Portland State University does not seek to objectify its evaluation of the competency of its students as Oregon College of Education does, but relies much more heavily on the subjective judgments of its "clinical professors" to indicate when, in their judgment, a student appears to meet the requirements for certification by the Teacher Standards and Practices Commission as a teacher. Dean Petrie asserted that he would like to have the resources that would permit Portland State University to objectify the evaluation of the competency of its student teachers more after the manner of Oregon College of Education.

Mrs. Carpenter asked whether teacher education students in a competency-based, field-centered program would be in a position to perform more effectively in a competence-based public school program where the elementary and secondary school programs emphasize competence as a measure of student progress. Dr. Schalock responded affirmatively. At Oregon College of Education, for instance, all teacher education students must, when they teach lessons, set forth, at the beginning, what outcomes they are planning on achieving; what they will accept as evidence of achievement of the desired outcomes in the children or youth; and they must collect evidence as to the achievement of the anticipated outcomes. This they must do plus making appropriate adaptations to individual differences of the children with whom they are working; and they must do it in a 2- to 5-day teaching context, and again in a 2- to 5-week teaching situation.

Mrs. Feves and Mrs. Maddron raised a question as to the extent of the record keeping required of teachers in the competency-based program. Does it become so voluminous that it detracts from the teaching time? Dr. Schalock said the problem is manageable. Dr. James Beaird, of the Teaching Research Division, reported that in the exceptional child program of the Teaching Research Division they have found a way of keeping track of the competencies being developed by the exceptional children on a day-to-day basis so that the data-keeping becomes an integral part of the instructional process, to the benefit of the latter.
Testimony was given as to the efforts of the institutions to assure that students admitted to teacher education are qualified for entry into the program and that they understand--before admission into the program--(1) the qualities required for success in teacher education and in teaching, and (2) the state of the teacher employment market at the level (elementary or secondary) or in the subject matter field in which the individual wishes to teach.

Since detailed information is given on both of these matters in the Board's Office report to the Board's Committee on Instruction, Research, and Public Service Programs, which was distributed to all members of the Board for the October and December meetings of the Committee, it will not be elaborated here.

**Student Credit Hour Costs of Teacher Education**

The student credit hour (SCH) costs of teacher education were discussed at some length. Among the questions which formed the basis of the discussion were these:

1. What is the student credit hour cost of instruction in teacher education in the several institutions?
2. Does it appear that the student credit hour cost of competency-based teacher education is significantly more than student credit hour costs in the more traditional programs?
3. Does the variation in student credit hour costs of instruction in teacher education in the several State System institutions appear to stem from differences in the nature of the programs being offered, or are such differences purely the result of random factors?
4. Are the credit hour costs of education courses sufficiently larger than the student credit hour costs of other courses in the same institution to warrant a greater control of the number of elementary and secondary school teachers produced by State System institutions?

Among the responses arising from these questions were the following:

1. There is a significant difference among the institutions in the cost per student credit hour for teacher education (based upon salary costs only). The cost at the University of Oregon and Portland State University is significantly lower than at Oregon State University or the three colleges (SOSC, OCE, EOSC). (The extent of the variation is shown in the written report and is not, therefore, reproduced here.)

2. An examination of the data appears to indicate that the relatively lower costs per student credit hour for education courses at the University of Oregon and Portland State University stem principally from:

   At the University of Oregon, (1) the relatively large number of student credit hours generated by the student-administered ESCAPE program at the University, for which the College of Education provides little or no faculty supervisory time and which, therefore, costs the College very little, and (2) the relatively large number of student credit hours that the University of Oregon attributes to graduate assistants per graduate assistant FTE.
At Portland State University, the relatively low cost of the credit hours generated by "adjunct" faculty. These "adjunct" faculty are persons usually from the public school systems in the Portland area who teach education courses for Portland State University--usually in the evening—at wage rates ($630 per course, which is considerably lower than even the lowest-paid faculty member in the school of education).

If these relatively large numbers of student credit hours were taught by regular faculty at the University of Oregon and Portland State University, carrying the same student credit hour load per faculty FTE that faculty at these institutions currently are carrying, the student credit hour cost of teacher education would not be significantly less at the University of Oregon and Portland State University than at Oregon State University.

Dr. Schalock reported on a detailed analysis of the per student costs of teacher education at Oregon College of Education in the pre-competency-based teacher education program (1970-1972) and during the competency-based program (1973-1975). The costs in the study included direct and indirect costs (indirect costs were calculated as 40% of the salary costs); college salary costs were estimated on the basis of a $15,000 average faculty salary, $5 per hour estimated cost for school supervisors. The students in the study numbered 275 in 1970-71; 300 in 1971-72; 240 in 1973-74 and 270 in 1974-75.

The analysis revealed, as the figures below indicate, that the per student cost to the college increased 6.1% ($62), while the cost to the participating public schools increased by 53.4% ($163).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>College costs</td>
<td>$1,009</td>
<td>$1,071</td>
<td>$62</td>
</tr>
<tr>
<td>Public school costs</td>
<td>305</td>
<td>468</td>
<td>163</td>
</tr>
<tr>
<td>Total</td>
<td>$1,314</td>
<td>$1,539</td>
<td>$225</td>
</tr>
</tbody>
</table>

The aggregate dollars attributed to the participating school districts are not actual dollars that appear as an item in the school district's budget. They are estimated costs associated with the time given by public school personnel to the teacher education program. The amount of supervisory time given students in training increased from 2 to 2-1/2 hours per week under the pre-CBTE program to 4 to 5 hours per week under the CBTE program. It's donated time, given as a contribution to the profession, Dr. Schalock said.

Dr. Schalock emphasized that the foregoing cost figures are operational costs only; that is, they do not include developmental costs, research costs, or costs in documenting, describing, and publishing reports about the program.

Dr. Schalock observed that a field-based program is not necessarily more expensive than a more traditional program. Cost is a function of what one does in the field. If supervision is increased, particularly if supervision by college faculty is increased, the cost would be expected to go up. To the extent that the prospective teacher's demonstration is carefully assessed, reviewed and critiqued, to that extent the cost tends to increase. If one establishes detailed assessment procedures shared in by the student and college faculty, there's a lot of work to be done and that increases times and energy required in the program.
Dr. Hersh, associate dean of the University of Oregon college of education, with extensive experience with competency-based teacher education in Ohio, asserted that:

- Start-up costs of competency-based teacher education are going to be higher than the long-run costs. Competency-based teacher education requires increased time for students to demonstrate competence. Teacher education is working with a model that is at least as complex as that involved in training doctors, with about one-tenth the time allocated to professional teacher education that is allocated to the professional education of doctors.

- The costs in time and energy involved in working with a student teacher can be seen from the fact that if a faculty member has 4 or 5 student teachers to supervise, and if he/she visits them once weekly for a term, it will require three to four times what would be required if the faculty member were to teach one course on campus for 50 students. And to evaluate a student teacher's competence properly may require 2, 3, 4, or 5 days, maybe even two weeks.

- Although the start-up costs of competency-based instruction tend to be higher than long-run costs, it ought also to be noted that in the early years of a competency-based teacher education program a significant portion of the actual cost in time and energy to mount the program goes unaccounted for in the budget simply because in the euphoria and enthusiasm generated in the launching of a new program, faculty are willing to work 75 hours a week. But over the long-haul that will change, and the actual costs of time and energy necessary to competency-based education must be recognized in the funding pattern.

- Oregon is one of the few states that has looked sanely at the philosophical issues relating to competency-based education. But Oregon has not thought about it sanely in an economic sense. The State Board of Education has mandated competency-based education in the public schools but has made no provision for funding of the necessary in-service teacher education required if Oregon's public school teachers are to be effective in competency-based instruction.

- As teacher education moves to field-centered instruction there will arise both economic issues (who shall pay for the cost of field-centered instruction, the teacher preparation institution or the public schools?) and political issues (who is to control the making of decisions as to who is competent? Should it be the public school teachers themselves, the teacher education institutions, the State Board of Education, or a combination of these?)

Dean Petrie commented that to get fully into competency-based instruction requires (1) resources and time to train the University faculty and the public school people who will be part of the supervision and evaluation team, and (2) the resources to develop instrumentation to objectify the evaluation process. Portland State University is doing what it can to borrow from other programs the best that's been developed and to apply it to the Portland State University program, Dean Petrie said. Portland State University has a teacher corps project that provides some additional resources and some additional ways to get instructional packages which have been developed elsewhere that improve the quality of offerings at Portland State University.

Dean Petrie asserted that to move the Portland State University teacher education program more into a competency-based mode with more field supervision and evaluation of Portland State University teacher education students, would require more resources.
Dr. Sampson of Southern Oregon State College asserted that the primary reason for the relatively higher cost of teacher education than other curricula at Southern Oregon State College is that the department of education consists primarily of senior, tenured faculty.

It is they who teach the education courses and who provide the student teacher supervision and evaluation. Consequently, the student credit hour cost tends to be higher than in Southern Oregon State College curricula in which there are junior faculty. He commented that arbitrary enrollment limitations placed on the Southern Oregon State College department of education would have the effect of increasing student credit hour costs of the education division rather than decreasing the cost unless, in setting those limitations, a fiscal emergency were declared and tenured faculty dropped from the institution. Such a course of action would have an adverse effect on the quality of the Southern Oregon State College program since expertise is thinly spread.

During the course of the presentations and ensuing discussion, Mr. Wyss made a number of observations and raised a number of questions:

The case for competency-based, field-centered education, as presented in the Board's Office report and in Dr. Schalock's presentation, was comprehensible and convincing. But it is important, Mr. Wyss said, to examine how much more effectively spent a dollar is in a competency-based teacher education program than in a more traditional program.

It is important to know whether the differences in the student credit hour costs of teacher education in the several State System institutions are occasioned by differences in the nature of the programs being offered, or are reflections of such circumstances as the availability at the University of Oregon of graduate assistants to whom the University is able to assign responsibilities which, on some other campuses, are the responsibility of regular faculty.

The per student credit hour cost of education courses at the University of Oregon and Portland State University appears to be significantly lower than the student credit hour cost at Oregon State University and the three colleges (SOSC, OCE, EOSC).

When one considers only undergraduate courses in education, it appears that with the exception of Eastern Oregon State College, the per student credit hour cost of upper-division courses is slightly higher than the per student credit hour cost of upper- and lower-division courses combined. [The range fall term 1975 is from 1.7% higher in the case of the University of Oregon (i.e., $11.35 per SCH upper-division course vs. $11.06 for upper- and lower-division courses combined) to 12.2% higher at Oregon State University (i.e., $24.58 per SCH upper-division vs. $21.91 per SCH combined upper- and lower-division courses).]

On the other hand when one considers all undergraduate courses (not just courses in education) the per SCH cost of upper-division courses appears to be significantly higher than for upper- and lower-division courses combined. [The range fall term 1975 is from 27.2% higher at Portland State University (i.e., $16.65 per SCH for upper-division courses vs. $13.09 for upper- and lower-division courses combined), to 49.4% higher at Oregon College of Education (i.e., $26.89 per SCH for upper-division courses vs. $18.00 per SCH for upper- and lower-division courses combined).]
It has been suggested that the cost of competency-based teacher education is greater than traditional teacher education, but we do not yet know how much more effective it is. But Oregon does have a laboratory now (i.e., State System institutions that have made the commitment to competency-based teacher education) that can be used to seek answers to some of these questions.

One of the most fundamental questions we must ask ourselves is whether we need to be more concerned about the number of elementary and secondary school teachers being produced than we were when teacher education costs per student credit hour were no more than for many other types of curricula, and in some institutions less than the student credit hour costs in the institution generally.

Maintaining Production of Elementary and Secondary Teachers and the Demand for Teachers in a State of Permissible Imbalance

The Committee concluded that it would be unwise for the Board to establish arbitrary quotas for the production of elementary and secondary school teachers in State System institutions. Rather, the Committee felt that such controls as are needed should grow out of (1) maintenance by the institutions of admissions and retention policies and practices relating to teacher education that will assure high quality teacher education students, and (2) decisions by prospective teacher education students based upon enlightened self-interest as to whether to enter teacher education. Necessary to such decisions is the provision to students of information as to (1) the qualities required of the individual for success in teacher education and in teaching, and (2) the state of the teacher employment market at the level (elementary or secondary) or in the subject matter field in which the student is interested.

Future Investigational Activities in Teacher Education

Among the areas relating to teacher education which are deserving of continuing investigation in the State System are the following: (1) factors affecting the quality of teacher education, (2) improved approaches to the evaluative follow-up of teacher education graduates as an aspect of program evaluation and upgrading, (3) the cost/benefit of alternative approaches to teacher education, (4) a state-wide, profession-wide approach to in-service teacher education programs for public school teachers and administrators.

Committee Recommendation

The Committee recommended:

1. That the Board continue to rely on its institutions to control production of elementary school teachers through (a) the continuing improvement of admission-retention policies and procedures so as to assure a good quality of entering students into the elementary teacher education program, and (b) assuring that prospective elementary teacher education students are fully informed as to the qualities necessary to success in teacher education and teaching, and, in particular, that they understand the state of the teacher employment market.

2. That the Board ask its institutions to utilize the foregoing procedures in controlling production of teachers in those secondary school subject matter areas in which the production-placement ratio exceeds a permissible imbalance. Effective application of this approach in the case of secondary teacher production will require that each teacher education institution make periodic analyses of the relationship of the rate of production of secondary teachers in the various subject matter areas in which it prepares teachers, to its record of placement of secondary school teachers in each subject matter field.
3. That the Board highly commend the institutions for work well begun to improve the quality of teacher education programs through such initiatives as the competency-based, field-centered programs described in the October 22 report to the Board on teacher education.

4. That the Board encourage the institutions and the Board's Office in their efforts to continue systematic investigations of such matters relating to the improvement of teacher education as: (a) factors affecting the quality of teacher education, (b) improved approaches to the evaluative follow-up of teacher education graduates as an aspect of program evaluation and upgrading, (c) the cost/benefit of alternative approaches to teacher education, (d) a statewide, profession-wide approach to in-service teacher education programs for public school teachers and administrators.

Board Discussion and Action

Mrs. Carpenter called upon Mr. Wyss to make the report of the Committee. Mr. Wyss read the following statement, following which he moved the Committee's recommendations as shown on pp. 56-57.

I asked our chairwoman for the assignment of Teacher Education because I was rather outspoken about this review when we met with the Board of Education in December. It was first discussed very briefly in Corvallis in November, and at that time it seemed (to me at least) that there was some indicated correlation between the cost of education in the teacher preparation majors and the new techniques that were being introduced in that concentration. As you know, there is a national move toward teacher education based upon not only competence in subject matter but competence in communicating that to the students. That, in simplest terms, seems to me to be the definition of this field-oriented or competency-based teacher training method. While any new methods which seem to promise higher quality instruction are obviously the goal of our System, it seemed possible that the cost of offering such a new departure was very high. Since there is very little concrete evidence that such new methods actually increase the quality of education to the student as much as it seems they should, the cost must be taken into serious consideration. In our original study, there were indications that the institutions within our system which had moved most quickly toward such field-oriented preparation for teachers were also the ones which had registered the fastest increases in cost per student hour. At both the University of Oregon and Portland State University, where teacher preparation had been maintained along more traditional lines, the cost per student hour of such instruction was just about in line with the cost of the average student hour of instruction. On the other hand, at Oregon State University and Oregon College of Education, and to a somewhat lesser degree the other colleges, the cost of teacher instruction seemed to have increased at the same time that the new competency-based programs were introduced. It was the observation of some of us on the Committee that students should be allowed to concentrate in whatever subject they chose, as long as those concentrations were not both out of line with societal needs and out of line with average instructional costs per student hour. But it seemed that this was true at several of the institutions. If so, perhaps some further action to limit the number of those concentrating in secondary education would be necessary.

Last month we completed our investigation. You have the evidence here. The basic fact is that our System is still overproducing secondary school teachers. While production has dropped 29% since 1971, the demand has dropped 25%. That would seem to be a good ratio, excepting that we were graduating 2.8 teachers in 1971 for every new job opening. That means we are still graduating 2.2 qualified students for each opening, which is bound to lead to some disillusionment and disappointment in spite of attempts to
explain the problem to the education majors. But if they are informed, do we have the right to force them into other concentrations? Considering that teacher preparation has broad application to other occupations such as preschool operations, social work, and family rearing, it is easy to answer no, as long as the process has not become a professional course with a consequent high cost (as I said a moment ago). So we were back to where we had begun—an investigation of relative costs of teacher instruction. There were a couple of red herrings: an Oregon College of Education study seemed to show that the actual cost of the new programs of competency-based teacher education increased only 6% above the old conventional methods. On closer study it was clear that the secondary school was forced to bear much higher costs. Furthermore, Oregon College of Education's education courses cost almost exactly 50% more than non-education courses at Oregon College of Education the same amount more than education courses at the University of Oregon and Portland State University.

But at Ashland, Corvallis, and La Grande we saw an equal to the costs at Oregon College of Education, and those were also places which had competency-based training. It was enough to make us very suspicious.

I shall not review all the testimony we took. Dr. Del Schalock of the Teaching Research Division was especially frank and helpful in explaining the advantages and costs in the new training programs. We also heard from the deans of the other schools of education. Most were very excited about the new program and admitted that it was hard to either estimate costs or measure benefits. They universally believed that the whole idea made sense, not only educationally, but from the viewpoint of benefits received for expenditures. Unless we have more hard data, it seems capricious to argue with such testimony, so it appears that field-oriented, competency-based educational training will soon be the exclusive mold within Oregon. It was the sense of the Committee that the Board should continue to review the educational results and costs of these programs as they progress, to be sure that they are living up to their promise.

Other questions remained. First, if the cost of our present system is high and growing, and the demand for teachers continues to shrink, are we doing the right thing by not imposing some quotas on the institutions? It was the sense of the Committee, expressed in Recommendation 2, p. 56, that the institutions should try to limit the production of teachers in those subject areas in which there is surplus, such as social studies and physical education. Each institution is charged with the responsibility of auditing the needs of their constituency and adjusting their production to bring it into line with the demand. We did not at that time recommend that any institutions be directed to cease graduating teachers in any of these surplus subject areas, although that might have been a reasonable alternative. If the free market for teachers doesn't have an effect soon, that would appear to be the next step.

There was still the question of how the University of Oregon and Portland State University were able to turn out teachers at lower costs, if competency-based training wasn't responsible for the large difference. We heard testimony that both of those places have special arrangements which allow them to use either public school teachers as part of their program, or graduate teaching fellows, both of which save heavily on costs of instruction. Apparently these alternatives either aren't available in Corvallis and around the state, or they haven't been organized there. Too bad, since they seem to save the taxpayers a great deal of money, and keep instructional costs for the education departments in line (or below) the average cost per student hour of instruction for the entire university.
Finally, the primary question emerged a different way. It seemed that the apparent high costs of teacher education at Monmouth, Ashland, and La Grande were not so far out of line with the average costs of upper-division courses in the same institutions. While that may prove that the competency-based method of teacher instruction is not to blame, it does raise the puzzling problem of why the colleges have such high costs in upper-division subjects compared to the universities. It appears to have much to do with student populations, faculty seniority, and fixed costs, and was not a trail which we had time to pursue. Perhaps some other day, and some other committee.

So, in summary, we were enlightened and encouraged by the trip through teacher education in Oregon. It is overproductive, it may now be wasteful to a degree, and it has not been immediately responsive to the social need for its end product. But it is peopled by impressive and dedicated people who are pursuing quality and seem willing to follow our direction. With this review it is clear that this is a subject to which we must return with some frequency in order to provide that guidance.

Mr. Ater complimented Mr. Wyss on his report, but said that he felt a change in the language of the Committee's recommendations would increase their clarity. He then read a rough version of what he thought should constitute the Board's action on the Committee's teacher education report.

Mr. Wyss said that he had no objection to modification in the wording of the Committee's recommendations if greater clarity were the result. He said that it was difficult to catch the full import of Mr. Ater's wording without seeing it in written form. He suggested that perhaps with Mr. Ater's version presented in written form for the Committee, a wiser decision could be made as to any needed modification in the language of the Committee's recommendations. He asked Dr. Romney what his view was.

Dr. Romney responded that just from hearing Mr. Ater's rough version it appeared to him that insofar as institutional or Board action resulting from the recommendations is concerned, the result would be no different under Mr. Ater's language than under the Committee's language, in short that it was a matter of form more than substance.

After some discussion President Perry suggested that Mr. Ater put in written form the language he preferred, and circulate it to the Committee for their review, and that if there were no substantive changes, it would be understood that the Board had adopted the recommendations, as would be reflected in the minutes of the meeting.

Thereupon the Board voted unanimously in support of the motion made by Mr. Wyss, with the language modified subsequently as follows, after consultation among Mr. Wyss, Mr. Ater, and Dr. Romney.

The action herewith taken by the Board provides:

1. That the Board will not establish any quotas at this time for admitting to or graduating students from teacher education programs.

2. That the institutions shall counsel and advise carefully all applicants for admission to teacher education programs as to the state of the teacher employment market.

3. That the institutions shall continue to improve their standards for admission, retention, and graduation of prospective teachers, to assure that teacher education programs are serving students who are interested in and qualified for a teaching career, with reasonable prospects for employment upon graduation.
4. That the institutions shall seek through the above means to control production of secondary teachers in those subject matter areas in which institutional analysis reveals a high degree of overproduction.

5. That the Board commend the institutions for their efforts to improve the quality of teacher education through such initiatives as the competency-based field-centered programs.

6. That although it appears that competency-based field-centered teacher education programs represent a desirable innovation, the institutions shall continue their examination of the cost-benefits of this and other approaches, and report their findings periodically to the Board.

7. That in the improvement of their programs the institutions shall continue to investigate factors affecting the quality of undergraduate, graduate, and in-service teacher education, including techniques for evaluating students and graduates.

The following voted in favor of the motion: Directors Ater, Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, Wyss, and Perry. Those voting no: None.

Staff Report to the Committee

The report on teacher education presented to the Committee at its October 22 meeting, copies of which are on file in the Board's Office, responded to the following questions:

1. What are the present allocations, both undergraduate and graduate, in teacher education in the State System institutions, and what is the rationale for these allocations? pp. 7-17

2. How does present and projected production of teachers and other certificated personnel in Oregon relate to present and anticipated employment opportunities? pp. 17-42

3. What is an appropriate production-demand ratio and what needs to be done to attain and maintain this ratio? pp. 43-53

4. What are the institutions doing to improve the quality of their teacher education graduates? pp. 55-82

5. What is being done and should be done to maintain and improve competencies of employed teachers? pp. 83-87

State System Allocations in Teacher Education

Principal findings of the report in respect to allocations of teacher education programs in the State System were:

1. That the Board has, through its allocations in teacher education, provided ease of access geographically to Oregon residents desiring preparation as (a) elementary teachers, or (b) secondary teachers in those subject matter areas in which the largest number of public school teachers are employed (i.e., language arts, social studies, mathematics, and the sciences [chemistry, biology, earth science, physics, integrated science]).

All six multipurpose institutions are authorized teacher education programs in the foregoing areas.
2. That with but four exceptions (physical education, music, educational media and reading), authorization to offer standard norm programs in the remaining subject matter and educational specialist fields has been restricted to three or fewer institutions.

3. That there are nine teacher education areas in which basic and standard norm authorizations have been given to but a single institution:
   . Oregon State University: industrial education; agricultural education; trade, industrial, and technical education; home economics education.
   . Portland State University: visually handicapped.
   . Oregon College of Education: deaf and hearing impaired.

Production of Teachers

Principal findings as to production of elementary and secondary teachers by teacher education institutions included the following:

1. That production of elementary school teachers by the teacher education institutions has declined markedly from 1970-71 to 1974-75.

   That overall, statewide, production has declined 36.2%. State System institutions have decreased their production by 36.3%, independent colleges and universities by 35.2%.

   
<table>
<thead>
<tr>
<th>Institution</th>
<th>% Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO</td>
<td>-52.4%</td>
</tr>
<tr>
<td>OSU</td>
<td>-37.6%</td>
</tr>
<tr>
<td>BOSC</td>
<td>-26.4%</td>
</tr>
<tr>
<td>SOSC</td>
<td>-41.7%</td>
</tr>
<tr>
<td>PSU</td>
<td>-34.4%</td>
</tr>
<tr>
<td>OCE</td>
<td>-18.0%</td>
</tr>
</tbody>
</table>

2. That production of secondary school teachers has also declined markedly over the same period.

   That overall, statewide, production declined 27.5%. State System institutions have decreased production by 29.0%; independent colleges and universities by 19.8%.

   
<table>
<thead>
<tr>
<th>Institution</th>
<th>% Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>UO</td>
<td>-52.3%</td>
</tr>
<tr>
<td>OSU</td>
<td>-37.5%</td>
</tr>
<tr>
<td>BOSC</td>
<td>-25.9%</td>
</tr>
<tr>
<td>SOSC</td>
<td>-15.8%</td>
</tr>
<tr>
<td>PSU</td>
<td>-15.8%</td>
</tr>
<tr>
<td>OCE</td>
<td>-6.0%</td>
</tr>
</tbody>
</table>

3. The examination of production of secondary school teachers by field reveals:

   . That in only four subject matter areas (agricultural education, industrial arts, physical science/general science, and speech and drama) were more beginning teachers produced in 1974-75 than in 1970-71.
   . That production of beginning teachers in all other secondary school subject matter areas decreased over the same period—in six subject areas the decline in production exceeded 50% (English, foreign languages, journalism, language arts/social studies, mathematics, physics).

4. That with respect to production of master’s graduates in teacher education:

   . Production peaked at 1,280 in 1973-74, then declined 13.6% to 1,106 in 1974-75, and is projected over the next three years to increase to approximately the 1973-74 level.
Production of teachers of the handicapped is expected to increase in response to increased efforts of public schools to serve handicapped children.

Some increase is anticipated in production of educational media specialists in response to employment opportunities.

Production of counselors declined 33.0% (to 112) in 1974-75 from the 167 prepared in 1973-74, but is expected to average approximately 140 per year 1975-76 through 1977-78.

Trends in Demand for Public School Teachers
In Oregon

Principal findings relating to factors affecting demand for elementary and secondary school teachers are:

1. Public school enrollments - That a general decrease in elementary and secondary school enrollments is projected by the State Department of Education.
   - Grades K-8 enrollments are expected to decline through the period 1976-77 through 1979-80, an average decline of approximately 1,900 students each year through 1979-80, followed by an increase of 2,234 in 1980-81.
   - Grades 9-12 enrollments are projected by the State Department of Education to increase from approximately 162,830 in 1976-77 from the 161,721 in 1975-76, but declining thereafter to 149,250 in 1980-81, an average decrease of approximately 3,400 students from 1976-77 to 1980-81.

2. Factors offsetting declining public school enrollments. That two factors that dispose toward greater demand for elementary and secondary teachers have shown an upturn in recent years. They are: the reduction in the student-teacher ratios in the public schools, and the improvement of special services to students in the public schools. There is no assurance that this will be either prolonged or significant.

3. Turnover rates among public school teachers. That turnover among teachers resulting from resignations, retirements, and death, showed a sharp decline in 1971-72, but since then, turnover has increased until, in 1974-75, it was at approximately the same level as in 1969-70.

4. That teacher demand, as expressed in terms of the number of teachers in Oregon new to their district, has shown a decrease of 6.5% from 1971-72 (3,128) to 1975-76 (2,926).

5. That teacher demand measured by the number of beginning teachers employed in Oregon decreased over the same period by 24.9% (from 1,938 in 1971-72 to 1,455 in 1975-76). There was a decline to 1,724 and 1,766 in 1972-73 and 1973-74, respectively, but a recovery to 1,983 in 1974-75, followed by another decline to 1,455 in 1975-76.

6. That the number of beginning teachers from Oregon employed in Oregon schools declined much less between 1971-72 and 1975-76 than did the number employed from other states.

7. That the ratio of the number of beginning teachers produced to the number of beginning teachers employed in Oregon has been declining in Oregon. This results from the fact that although the number of beginning teachers employed in Oregon schools has declined in recent years, it has not declined as rapidly as the number of elementary and secondary teachers produced. In consequence, the trend in the ratios of number of beginning teachers produced to the number in Oregon is as follows:
### Controlling Production of Teachers

**Year** | **Elementary** | **Secondary** | **Elementary and Secondary Combined**
--- | --- | --- | ---
1971-72 | 1.83 | 2.79 | 2.25
1972-73 | 1.96 | 2.32 | 2.21
1973-74 | 1.72 | 2.44 | 2.05
1974-75 | 1.44 | 2.07 | 1.74
1975-76 | 1.38 | 2.24 | 1.77

Principal findings relating to the control of the demand-production ratio include the following:

1. That the factors controlling the demand side of the equation (public school enrollments, level of staffing services offered in the public schools, public school teacher turnover) are really beyond the control of the State Board of Higher Education.

2. That enlightened self-interest on the part of students who are fully informed as to (a) the requirements for success in teaching, and (b) the employment outlook in teaching is, as the Board concluded in 1972, one of the most effective ways of controlling production of elementary and secondary school teachers.

That institutional efforts to improve admission-retention standards in teacher education programs is an important and necessary companion factor in the control of rate of production and the quality of teacher education graduates.

3. That in looking to the maintenance of a reasonable balance between the State System production of elementary and secondary school teachers, and the demand for teachers, the Board ought, as it has done since 1972, to rely upon the institutions (a) to assure that prospective teacher education students are systematically counseled as to requirements for success in teaching, and that they are informed as to the state of the teacher employment outlook, and (b) to continue to seek improvement of admissions-retention standards and procedures in teacher education.

4. That an examination of the likely effects of eliminating teacher education from one or more of the institutions leads to the following view:

   - That the elimination of teacher education from one of the regional colleges (SOSC, EOSC) would have a disastrous impact on enrollments in the institutions, and would foreclose the institutions' offering to residents of the eastern and southern regions access to preparation for entry into teacher education which, despite a decline in the employment market, is still one of the largest professional employment outlets in Oregon.

   - That elimination of teacher education from Oregon College of Education would be to eliminate the College's principal reason for being and would eliminate what, in the judgment of the American Association of Colleges for Teacher Education, is certainly one of the finest elementary teacher education programs in the nation (OCE won the national award from AACTE in 1974).

   - That elimination of teacher education from Portland State University would effectively foreclose access to teacher education for many students who, in the state's largest metropolitan area, could no longer commute to a public institution offering access to teacher education.
January 28, 1977

That elimination of teacher education from either the University of Oregon or Oregon State University would (a) deprive a substantial number of students of opportunity to complete teacher education programs within commuting distance of their homes, (b) foreclose these institutions' offering to their students access to preparation for entry into the largest professional employment outlet, (c) deny to teacher education in Oregon the use of the liberal arts bases at these two institutions which presently are the foundation of excellent teacher education programs, (d) would require the reallocation of responsibilities for preparation of professional personnel in curricular areas for which the institution has a sole allocation (e.g., OSU in the fields of agricultural education, home economics education, industrial arts education, trade and industrial education) or is the major producer of professional persons in the state (e.g., UO, counselor preparation, teachers of the handicapped, speech therapists, school librarians), (e) would place an extra burden on other institutions, particularly Oregon College of Education which is the institution most frequently indicated by teacher education students at the University of Oregon and Oregon State University as the institution they would have attended had not teacher education been available at the universities, (f) foreclose the universities' making significant contributions to teacher education through instruction and research of the worth of which is widely recognized nationally and reflected in the very substantial grant and contract awards made to the two universities by federal and private agencies in support of the work going on in the teacher education programs at the universities.

Institutional Efforts To Improve the Quality of Teacher Education

There are also briefly described in the report the activities in Oregon that place it in the forefront in efforts to improve the quality of teacher education through (1) the application of the concepts of competency-based, field-centered education, (2) cooperative planning and interaction involving the teacher education institutions and practitioners in the public schools, (3) on-the-job evaluation of graduates by institutional representatives as an avenue to improving pre-service teacher education.

Costs of Instruction in Teacher Education

In response to interest expressed at the October 22, 1976, meeting of the Board's Committee on Instruction, Research, and Public Service Programs, some further information concerning the costs of instruction in teacher education was provided the Committee as background to its December 17 discussion. This material has been bound into the October report on file in the Board's Office. The additional discussion and analysis focused on (1) comparative student credit hour costs of instruction in professional education courses among the State System institutions, and (2) student credit hour costs of instruction in professional education courses as compared with student credit hour costs of instruction for all courses at the various State System institutions.

Tri-State Veterinary Medicine Program--A Progress Report

At the December 17 meeting of the Board's Committee on Instruction, Research, and Public Service Programs a report on the planning for a tri-state, shared-curriculum program in veterinary medicine was presented. Owing to the press of time, the Board's Committee had insufficient opportunity to discuss the report as it would have liked. Under normal circumstances, the report would be brought back to the Committee at its February meeting, and to the Board in March. However, Chancellor Lieuallen believes that with the Legislature in session, and with the Governor's budget including, as it does, funds for planning of the veterinary hospital-clinic at Oregon State University, it would be desirable to offer the members of the Board's Committee and other Board members, as well, opportunity to consider the veterinary medicine progress report at the earliest practicable moment. Accordingly, we present it herewith.
Staff Report to the Board

Dr. Romney explained that the history of the development of the proposal for the establishment of a tri-state, shared-curriculum program in veterinary medicine was summarized in the report prepared for the Board as the basis of the present discussion. He reviewed these steps briefly, and then asserted that the present report to the Board is to bring the Board abreast of developments in the planning of the tri-state program in veterinary medicine. He outlined the modifications that had been made in the program plans since 1974 as the three universities (Washington State University, Oregon State University, and the University of Idaho) have worked together to refine the program plans.

Mrs. Carpenter then called on President MacVicar to make such presentation as he might wish.

President MacVicar commented as follows:

. The Chancellor felt that it was desirable to bring the present program plans before the Board's Committee in view of the fact that the present members of the Board's Committee were not on the Board when the Board last reviewed the tentative plans for the program in 1974, and the presently proposed plans differ substantially from the preliminary plans reviewed with the Board in 1974.

. The new plans (1976) have some advantages, some disadvantages. On balance, had it been possible, Oregon State University would probably have preferred the earlier (1974) program plans.

. The current program plans reflect the results of studies made since 1974 and reflect the fact that Washington State University finds itself in a better shape now to handle the veterinary students in their clinical years than in 1974 it had felt it would be. The present program requires the veterinary student to move a little more frequently (between OSU and WSU) than under the 1974 preliminary plans, but this is not an insurmountable problem, given the intense interest of students in gaining acceptance into veterinary medicine.

. It is important to note that it is proposed that the veterinary program enrollments will be carried within the enrollment ceiling assigned Oregon State University by the State Board of Higher Education. This means that the veterinary students will be taking the place in Oregon State University enrollments of other students in other fields who would otherwise have been enrolled at Oregon State University within the enrollment ceiling, were it not for the veterinary medicine program. In considering the cost to the state for education at Oregon State University, one needs to remember that the state provides approximately $2,650 per graduate student. Since the veterinary students are replacing an equal number of students who would otherwise be enrolled at Oregon State University and for which the state would be providing $2,650, it follows that the state support to Oregon State University for its programs will not be increased by the full amount of the cost of the veterinary program, but by the cost of the veterinary program less the $2,650 per student which would have been paid to Oregon State University for other students in other programs were there no veterinary medicine program.

. The estimated cost of the building is just that—an estimate. The extent to which the federal government will share in the cost of the proposed hospital-clinic and the necessary renovation of existing physical facilities cannot be known with certainty now. Some think that if federal funding is secured it will likely be for as much as 80% of the cost of capital construction and renovation. Others think it would be a lower percentage, some higher.
Responding to Mrs. Feves' question as to when it will be known whether federal funding will be forthcoming, President MacVicar said that it is difficult to know. The Congress has been slow in passing health manpower legislation (the authorizing legislation). The enabling legislation is now in place and has certain amendments introduced by Senator Packwood which are favorable toward the shared-curriculum. But Congress has appropriated no funds and much depends on what the Congress which convenes in January 1977 does about a deficiency appropriation. If a deficiency appropriation is passed early in the session it is conceivable that grants could be made as early as summer or fall 1977. Without a deficiency appropriation it is likely that Oregon State University would not have an answer to its grant request before late 1977 or early 1978. The Governor's proposed 1977-1979 budget reflects that delay in Congressional action. It includes some $700,000 in planning funds, it being assumed that construction could not get underway in the 1977-1979 biennium.

The time for the joint Committee meeting to begin (11:30 A.M.) having arrived, the Board's Committee postponed further discussion of the veterinary medicine item until later. Mr. Wyss said that he had a number of questions concerning the program. Chancellor Lieuallen said that he also had a number of observations concerning the program that he would wish to make when time permitted. As it developed, the heavy agenda of the Board's Committee did not permit returning to the veterinary medicine subject on December 17.

**Board Discussion and Action**

President MacVicar said the delay in the appropriation of health manpower funds was due largely to disputes in the U.S. Senate over the whole health manpower issue. The legislation ultimately adopted did include a special preference in funds for veterinary medical education to regional programs. This has stimulated the development of regional programs. Legislation has been introduced in Congress to provide a deficiency appropriation before the end of the present fiscal year in October 1977. If this occurs and the application to the federal government is approved by early fall, it would be possible to proceed immediately with construction planning, assuming the Oregon Legislature has appropriated the necessary planning funds.

President MacVicar said there may be an effort on the part of some legislators to revert to the original capital construction request for the entire building instead of the planning funds which are presently in the Board's capital construction request.

Dr. J. E. Hoffman, President-elect of the Oregon Veterinary Medical Association, cited statistics from several studies indicating the need for a substantial additional number of veterinarians over the next five years. Oregon has been preparing less than half the number of veterinarians which it is anticipated will be required each year in the future.

The Oregon Veterinary Medical Association has frequently taken actions in recognition of the need for additional veterinarians and technicians. He said Oregon students should have the opportunity to become veterinarians.

A larger percentage of students from the Northwest enter large animal and mixed practice than do students from other regions. Since this is the area of greatest shortage, it is important that there be an opportunity for veterinary education in the Northwest region. Dr. Hoffman said if Oregon loses this chance to form a regional school, it is unlikely there will be an opportunity for a school of veterinary medicine unless Oregon provides a separate four-year program.

Mr. Wyss said he was concerned about the high cost per student for the program, particularly when many veterinarians do not remain in Oregon. He said if Oregon needs veterinarians, if taxpayers are subsidizing their education in the amount required, and if there is evidence that veterinarians already in Oregon want to leave the state, it would seem feasible to put some type of hold on the graduates receiving the assistance.
President MacVicar responded that these questions had been considered earlier. The possibility of repayment, either in money or a period of practice in an underserved area, were considered in the legislative hearings. He said no health manpower is inexpensive. However, this is a program which will pay to the state, in terms of increased efficiency in the livestock industry, a very significant return. There are returns to the state through professional service and income taxes from the veterinarian, but also the program benefits the producer and thus increases the wealth by decreasing losses in livestock.

Dr. Hoffman pointed out that some veterinarians will leave the state because their specialties require a large metropolis. There is also a responsibility to the world in general for veterinarians to be trained and involved in research and care to increase production of animal protein as part of the necessity for greater food production in the years ahead.

Mr. Harms asked whether his understanding was correct that the report was primarily for informational purposes because of the change in plans and that the Board was only being asked to accept the report.

The Chancellor responded that the motivation for bringing the report was to inform the Board of the change in the legislative program and some fairly substantial changes in the program initially approved by the Board prior to the time it was taken to the Legislature. The program is in the Governor's budget, and unless the Board has directions contrary to earlier Board approval, no action would be required.

Upon motion by Mr. Stewart, the Board voted to accept the report as presented, with the following voting in favor: Directors Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, and Wyss. Directors Ater and Perry were absent from the meeting at this time. Those voting no: None.

Mr. Stewart said the recent State System audit report from the Office of the Secretary of State had received some attention in the news media. He noted that business and industrial firms often have an audit committee which reviews the annual audit with the persons who prepared the audit report. He moved that the President of the Board appoint an audit committee, composed of Board members and any others he might wish, to visit with the Supervisor of Audits and make a report to the Board. The following voted in favor: Directors Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, and Wyss. Those voting no: None. Directors Ater and Perry were absent from the meeting at this time.

(Considered by Committee on Instruction, Research, and Public Service Programs, December 17, 1976; present--Carpenter, Daniels, Feves, Harms, Wyss.)

The Board's Office presented a report titled Nursing Education in Oregon, copies of which are filed in the Board's Office. The purpose of the report was to:

1. Inform the Committee concerning changing needs in nursing as they affect the nursing education programs of the Board; pp. 3-13

2. Review for the Committee actions of the Board in respect to nursing education, 1967 to present, including reports to the Board on (a) the $183,000 18-month federally funded Oregon Statewide Continuing Education Project for Nurses, just completed; (b) the new $425,364 three-year Continuing Education Project for Nurses, which has been approved for federal funding when funds are available; and (c) experience of Southern Oregon State College with its upper-division baccalaureate degree program in nursing for nonbaccalaureate RN's, which has just completed its first year of operation; pp. 15-20
3. Report on the present status of continuing education programs for nurses in Oregon, with observations on the extent of need for continuing education;

4. Provide opportunity for the Committee to meet with the directors of the State System's nursing programs and nursing leaders of the state to review some of the as yet unresolved problems of nursing education in Oregon.

Staff Recommendation to the Committee

The Board's Office recommended:

1. That the Board's Committee accept the present report as a progress report.

2. That the Board's Committee instruct the Board's Office and the nursing education institutions of the State System (UOHS, SOSC, OIT) to continue as expeditiously as possible to the completion of a plan as to how the State System institutions may contribute to the expansion of continuing education services for nurses, including access to the baccalaureate degree for registered nurses, in as efficient a manner as possible, without sacrifice of quality.

In view of the fact that the new dean of the University of Oregon Health Sciences Center School of Nursing, Dr. Carol Lindeman, has only been in the state since September, and in view of the fact that the University of Oregon Health Sciences Center School of Nursing must, of necessity, play a central role in the State System's services to the nursing profession, The Board's Office recommended that no action be taken in the State System in respect to new extended programs of nursing education at the baccalaureate degree level or the establishment of new baccalaureate degree programs for registered nurses until there has been opportunity for President Bluemle and Dean Lindeman to complete their analysis as to how the resources of the University of Oregon Health Sciences Center might best contribute in a state-wide coordinated plan for nursing education.

Discussion and Recommendation by the Committee

Dr. Romney asked Mrs. Kahananui to make the presentation to the Committee. Mrs. Kahananui said the report on nursing education was being brought to the Committee at this time in order to give the Committee opportunity to discuss with the directors of the nursing education programs and representatives of the nursing community some of the problems of nurses and nursing education which have been brought about by the changing role of nurses in a changing health care system.

A second, hidden, agenda, she said, was to assure the nursing community that the Board's Committee, the Board, and the Board's schools and departments of nursing have a continuing interest in nursing education, and recognize that, because of circumstances, the schools have lagged a bit behind in meeting some nursing education needs. However, Mrs. Kahananui said, in view of the important role the resources of the University of Oregon Health Sciences Center must play in any modified nursing education program, and the fact that Dean Carol Lindeman, of the University of Oregon Health Sciences Center school of nursing, has been in the state only three months, the nursing education programs and the Board's Office would like a little more time to develop recommendations concerning modifications that are perhaps needed in the Board's nursing education programs. It is expected these recommendations can be brought to the Board's Committee at its April meeting, she said.
Mrs. Kahananui then introduced representatives from the nursing education programs and nursing agencies and organizations present. Mrs. Carpenter asked Dean Lindeman to make the first presentation. Dean Lindeman made the following observations:

1. The University of Oregon Health Sciences Center school of nursing believes nursing education programs exist to serve health care needs of the state. They are not an end in themselves.

2. Because the school takes this philosophy very seriously, Dean Lindeman has been visiting nurses and other interested persons in different areas of the state to learn their perceptions of health care and nursing needs in their respective areas. The information has been collected on a questionnaire so it can be tabulated by county. Dean Lindeman said this "soft data" will be combined with national and state statistical data to put together a county-by-county analysis of nursing needs of the state. Proposals for modification of the programs of the University of Oregon Health Sciences Center school of nursing will be based on this assessment of needs. The school does not wish to duplicate the work of other schools in the state, but where there are areas where people are not having the kinds of assistance in terms of nursing education they need, the University of Oregon Health Sciences Center nursing school will ask whether it should respond to that need.

3. Many of the programs of the University of Oregon Health Sciences Center school of nursing have been very traditional. In developing recommendations for modification of its programs, the school will throw away traditional assumptions and try to be creative and open-minded in looking at educational strategies.

4. Sometimes people talk about education--and nursing--as though these services have such intrinsic value one need not worry about dollars and cents. In Dean Lindeman's opinion this is not a sound approach, and in looking at educational strategies, the school of nursing will look at the cost effectiveness of various ways of doing things.

The nursing school plans to put together a statement about nursing education in the state, identifying those kinds of programs the University of Oregon Health Sciences Center school of nursing ought to be mounting to do a better job. Hopefully this will be ready by April 1977. The statement will consist of the state-wide assessment of nursing and nursing education needs described above, the rationale and basis of the University of Oregon Health Sciences Center program effort, and some idea of why the school uses or proposes to use certain strategies and the costs associated with these strategies. Dean Lindeman said everyone would like the school to be different July 1977, that it would be nice if everything being asked of the school could be inaugurated immediately. The plan presented in April will be a long-range plan, calling for the introduction of specific programs at specific points in time, so resources needed for these programs can grow gradually and keep up--and catch up--with some of the needs of the state.

Requests that have been made to the school of nursing for services include a request by President Briggs of Eastern Oregon State College and the Eastern Oregon State College health advisory committee for a feasibility study of the possibility of linking the two institutions (UOHS and EOSC) in offering a baccalaureate program for the preparation of RN's as well as a program for the RN student on the Eastern Oregon State College campus. This feasibility study is underway and will be completed January 27, 1977.
The data being collected by the University of Oregon Health Sciences Center school of nursing will likely show that the supply of nurses in the state in terms of numbers is adequate, but that there is a maldistribution of nurses and a maldistribution of nursing services. If this is true, the state no longer needs to think in terms of producing nurses to catch up with a great deficit of supply, but rather of what needs to be done to maintain an adequate supply of nurses. Dean Lindeman continued that the state should not begin to decrease its production of nurses, however, until a way is found to deal with the maldistribution of nurses.

The maldistribution of nursing services is the result in part of problems of educational preparation. Dean Lindeman said she found a great need expressed on the part of physicians and nurses for an expanded program of graduate education in nursing, both to prepare nurses to carry out expanded roles in nursing, and to provide increased theoretical background for carrying out some of the more traditional roles.

There is an obvious need, perceived by nurses, for programs which will enable the RN graduate of a diploma or associate degree program to obtain a baccalaureate degree in nursing. There appears to be a definite demand, expressed in several areas of the state, for graduate education in nursing at the doctoral level.

While the University of Oregon Health Sciences Center school of nursing does not wish to duplicate what other schools of nursing are doing, and will not get involved in arguments as to territory, it is committed to high quality nursing education and is concerned that a fragmentation of nursing education in the state could lead to a watering down of quality. This commitment to high quality nursing education is one of the reasons the University of Oregon Health Sciences Center is joining with Eastern Oregon State College in a feasibility study of the possibility of the University of Oregon Health Sciences Center providing a program on the Eastern Oregon State College campus.

The generic baccalaureate program in nursing should be considered the primary route for preparing professional nurses.

Dean Lindeman said that as she traveled about the state, she had been asked repeatedly if she did not think the 1+1+2 ladder approach was the best route for preparation of nurses. She said she wished to make it very clear that she believes that the four-year baccalaureate program is the best route to the preparation of nurses with sound backgrounds for dealing with a complex health care system, a system that is changing in content as well as nature. The 1+1+2 program she said, should be seen as an alternate route.

Mr. Wyss asked Dean Lindeman to explain what was meant by a 1+1+2 program. Dean Lindeman said the 1+1 referred to completion of a one-year program leading to licensure as a licensed practical nurse (LPN), followed by one more year of education leading to an associate degree in nursing and licensure as a registered nurse (RN). Two more years of upper-division work in nursing leads to the baccalaureate degree in nursing. Dean Lindeman said her concern is that while 1+1+2 equals 4, it may not equal a baccalaureate degree education as commonly thought of in higher education.

Mrs. Carpenter asked if Dean Lindeman felt this was fragmentation of education. Mrs. Carpenter said she recognized the need to provide a career ladder for people who start in an LPN or ADN program and then find they wish additional training, but automatically to assume that this is the best route to professional training.
is difficult in view of the lack of cohesion in the student's education. Dean Lindeman agreed, saying that what frequently happens is that each segment of the 1+1+2 program provides brief exposure to a generalist program in nursing and there is no development of a sound theoretical base in nursing and a broad base in areas outside the nursing field to add up to what is commonly considered a baccalaureate degree.

Mr. Wyss asked if Dean Lindeman felt the educational advantages of the baccalaureate degree exceed the advantages of the technological specialization possible in the 1+1+2 type of program. Dean Lindeman replied that this was correct, but that a simple "yes" answer was not quite fair to the complexities of the issue.

Miss Beverly Andre, executive director of the State Board of Nursing, introduced Mrs. Marion Tews, assistant executive director of generic nursing education, and Mrs. Garnet Oekerman, assistant executive director of continuing nursing education. She asked that copies of three documents the State Board of Nursing and the Oregon Nurses Association are reviewing in connection with examination of the whole issue of preparation for nursing be distributed to the Committee. These documents were (1) a preliminary draft of "Minimal Behavioral Expectations of New Graduates from New Mexico Schools of Nursing," prepared by the University of Albuquerque as a part of a three-year grant project to design, implement, and evaluate a statewide articulated system of nursing education; (2) a "Statement on the Expectations of the Newly Graduated Nurse," approved by the Oregon Nurses Association board of directors in 1973; and (3) a report of the Ohio Commission on Nursing issued September 1975 titled "A Study of Nursing Needs and Resources."

Miss Andre said that all who serve in health fields are being required to take a cold, hard look at their accountability and their ability to serve the consumer more effectively and, as the Board of Nursing sees it, safely. She said the Board of Nursing's deliberations in these matters have been extensive and would continue to be so. She said she hoped information available from the State Board of Nursing would be helpful to the Board of Higher Education and the schools as they looked at educational programs.

Mr. Wyss asked whether Miss Andre felt a national medical care program would increase or decrease requirements for nurses. Miss Andre said that such a national program would probably provide much more health care in the form of prevention and health maintenance services to assist people in preventing health problems and reduce the likelihood of episodes requiring hospital treatment. There is a new kind of nurse called the nurse practitioner, she said, who is especially prepared to work in this area of health outside the hospital. In recognition of these very new expanded roles of nurses, the State Board of Nursing has very recently adopted administrative rules which provide for certification of nine categories of nurse practitioner.

Mr. Wyss asked if the nursing schools were prepared to offer preparation for the nurse practitioners of the future, and whether preparation for this role conflicts with preparation required for the baccalaureate degree. Miss Andre said she felt there is no conflict. She said the University of Oregon Health Sciences Center school of nursing is now offering some nurse practitioner training for RN's and is exploring whether this work should be incorporated in a master's degree program.

Mrs. Carpenter said the background information provided the Committee appeared to indicate that one of the knotty problems in nursing is how one recognizes in licensure different levels of educational background and experience. Miss Andre said the problem is that current licensure laws recognize one level of preparation with licensure to practice as a licensed practical nurse (LPN) and then recognize three levels of preparation with a single license as registered nurse (RN). This creates difficulties in appropriate utilization of talents in nursing settings. One knows there is perhaps an underutilization of baccalaureate talent, she said, and expectations of employers of the associate degree nurse are enormous considering the time frame of two years of preparation.
Mrs. Peggy Quan, president of the Oregon Nurses Association, said she found the Board's Office report accurate and hoped the recommendations would be accepted. She said the Oregon Nurses Association, at its 1976 convention, asked its nursing education committee to name and define two levels of nursing. The impetus for this came from activities in New York aimed at doing away with what is now known as the LPN, with one year of preparation, and instead distinguishing between nurses with two years of preparation and nurses with four years of preparation. It is interesting that the Oregon Nurses Association would initiate and support this action, she said, in view of the fact that the majority of nurses in Oregon have graduated from diploma (three year) programs and have limited opportunity to obtain a baccalaureate degree. At this point the Oregon Nurses Association is attempting to separate the issue of licensure from the issue of nursing education, Mrs. Quan said, because by having two or more licenses, one puts a lid on the lower license. She said the 1973 Nurse Practice Act redefined the practice of the LPN and RN, with the result that the LPN is being "squeezed" in practice. First, Mrs. Quan explained, the LPN is expected to do far more than she is prepared to do and, second, she cannot do what she needs to do because it is illegal. Hopefully, she said, this situation can be remedied in the near future.

In respect to the maldistribution of nurses in the state, she continued, the problem is clouded by the fact that the nurse working in a rural community is very underpaid considering job requirements and working conditions. The nurse in a rural area has to be a generalist in all areas of nursing, able to move from one department to another to meet staffing requirements of small, rural institutions.

In summary, Mrs. Quan said, the Oregon Nurses Association supports the Board's Office report on nursing education, supports the position that basic nursing education should be baccalaureate education, and recognizes the serious need of nurses who do not have the baccalaureate degree for access to this degree.

Mrs. Betty Haugen, director of the nursing education program at Southern Oregon State College, reviewed her experience with the upper-division baccalaureate program for RN students at Southern Oregon State College. She noted that some students are commuting 100 miles a day, from Roseburg and from across the Siskiyous, in order to complete a baccalaureate degree in nursing. Others have moved with their husbands to the area so they can attend school, or they leave their families and commute home weekends. Students have the opportunity to specialize in community health or acute care in the senior year and about half of this year's seniors have chosen each option. Several plan to continue in graduate work and some of these will be seeking doctoral programs. Classes are scheduled from 6:30 a.m. to 9:00 p.m. in order to meet the needs of students who must work while attending school.

Mrs. Haugen said 90-95% of the graduates of Southern Oregon State College's associate degree program have been in employment since graduation, but many are being put into positions for which they are not really prepared, e.g., in "charge" positions in hospitals, as directors of nursing service, in public health departments. She said she felt action must be taken so that people in these positions are properly prepared to offer the service to the health care system nursing should be offering. In response to questions from Mrs. Carpenter, Mrs. Haugen explained that associate degree graduates are being forced into these positions because they are the only nurses available for employment in many communities. She said she felt very strongly that health care in Oregon would improve considerably if there were the leadership in nursing that could be provided by baccalaureate degree graduates. The reason nurses are willing to sacrifice to attend a baccalaureate degree program is that they feel the frustration of not being able to do their jobs in the way they feel is necessary, Mrs. Haugen said. Several of the nurses now enrolled in the Southern Oregon State College program have baccalaureate degrees in non-nursing fields, because these were the only programs available to them. Several, also, have master's degree programs in non-nursing fields. This is a waste of their time and certainly a waste of the taxpayers' dollars, she concluded.
Mr. Wyss asked whether all nursing graduates with the baccalaureate degree have completed the degree as a continuing education program, or have some gone directly through a four-year program. Mrs. Haugen said that all the students in the Southern Oregon State College program (the 2 portion of the 1+1+2) are RN's with at least one year of work experience. The generic baccalaureate degree program, such as is offered by the University of Oregon Health Sciences Center school of nursing, is a four-year basic nursing program leading to the baccalaureate degree. Students in the University of Oregon Health Sciences Center program go straight through to the baccalaureate degree.

Mrs. Catherine Puri, director of the associate degree nursing program at Oregon Institute of Technology, said she was particularly pleased to have been asked to testify in that she felt she could share with the Board not only her perceptions of the needs of nursing in a rural area, but also her perceptions of the needs of the associate degree and diploma nurse graduates. She said it was only very recently that RN's with less than baccalaureate preparation had available to them especially designed two-year programs leading to the baccalaureate degree, such as the program offered at Southern Oregon State College. Prior to this time, the graduate of the associate degree and diploma programs who wished a baccalaureate education had to be "phased in" to a traditional four-year generic program. She said she knew that most people in baccalaureate education believe the four-year baccalaureate model is the most appropriate model for the nursing profession, but in view of the small proportion of nurses in the United States holding the baccalaureate degree, 2+2 programs would be needed for an interim period of perhaps 50 years.

She said the problems of continuing education for the associate degree and diploma nurse graduates and maldistribution of nursing services have been addressed only recently. These problems are especially serious in rural areas. In Portland, Seattle, and San Francisco, she said, there is an experienced coterie of nurses, many with baccalaureate and master's degree preparation, who can and do provide adequate supervision for associate graduates and licensed practical nurses. But this is not the case in the non-metropolitan areas and will not be the case until RN's from diploma and associate degree programs have more access to baccalaureate degree education than now is the case.

The misuse of associate degree graduates is a very frustrating situation for graduates of the associate degree programs and for the programs. The directors of associate degree programs in rural areas know that their students, within three months of graduation, will find themselves required to provide total supervision and care for a wide variety of patients, many critically ill. They will not have the supervision. The associate degree program promises that it will make the student a safe practitioner, yet, almost immediately upon graduation the student is put in a position for which she or he is not qualified. The problem is complicated by the fact that while there is a national trend for care outside an acute care institution, the care that is given inside these institutions is becoming increasingly complex, increasingly difficult to monitor, and increasingly difficult to teach with any degree of competency in a two-year program. Yet, Mrs. Puri continued, nurses prepared in four-year programs, which by their very nature have a community orientation, do not, in any great numbers, feel comfortable working in emergency rooms, let alone places like coronary care units or neo-natal intensive care.

Mrs. Puri said Oregon Institute of Technology has been working very hard to provide continuing education courses for nurses in its geographic area. Courses are being offered at the upper-division level even though the Oregon Institute of Technology nursing program is an associate degree program, because the non-baccalaureate degree nurse in this state probably has a minimum of three years of preparation and deserves continuing education that is at least of upper-division quality. She
said she felt this is appropriate to the mission of Oregon Institute of Technology, which is a four-year institution. She said Oregon Institute of Technology is using local resources to the maximum in offering these courses, bringing in outside expertise only when the expertise is not available locally. Educators are used in coordination and planning of the course work, but persons with "hands-on" expertise in particular situations are used to assist in teaching. She said this takes a great deal of effort and coordination but is the only way continuing education can be provided in rural areas. She said the registered nurses with whom she has worked have very good ideas about what they need to learn. They are interested in serious work of a quality applicable toward a baccalaureate degree.

Mr. Charles Schaumburg, of the Educational Coordinating Commission staff, said the review committee of the Commission would be looking at nursing education sometime in the future and appreciated very much the work being done in this area by the Board.

Mrs. Carpenter said she felt the Board's Office report was more a basic report than a progress report and was much appreciated by the Committee. Mr. Harms and Mr. Wyss thanked the persons who had testified for the conciseness and clarity of their testimony. Mr. Wyss said it appeared to him that the Board is providing both 1+1+2 and four-year programs to meet different needs and there is no need to consider one is necessary without the other or one is superior to the other as both are needed in delivering health service to the people of Oregon.

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

Board Discussion and Action

Board members commended the competency and clarity of the nurses who testified during the Committee presentations. It was also noted that Dr. Carol Lindeman, Dean of the School of Nursing, has been visiting throughout the state and presented a very careful report on the needs of nurses in relation to future education.

Mr. Wyss stated that there had been comment by people in the nursing profession about the assistance received from the Board's Office, particularly Vice Chancellor Romney and Mrs. Kahananui, in preparing and presenting the information concerning nursing education.

The Board approved the staff recommendations as presented, with the following voting in favor: Directors Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, and Wyss. Those voting no: None. Directors Ater and Perry were absent from the meeting at this time.

Confirmation of Institutional Degree List

In accordance with Board regulations, Mrs. Ruth Daniels represented the Board in approving candidates for degrees and diplomas for the 1976 Summer Term graduating class at the University of Oregon.

A signed copy of the degree list is on file in the Board's Office.

Board Discussion and Action

The Board confirmed the action of Mrs. Daniels in approving the degree list. The following voted in favor: Directors Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre, McLaurin, Stewart, and Wyss. Those voting no: None. Directors Ater and Perry were absent from the meeting at this time.
Authorization
To Offer for
Sale the KOAC
Cottage at
Granger, OEPBS

Staff Recommendation to the Board

It was recommended that the appropriate Board officials be authorized to offer
the KOAC Cottage at Granger, near Corvallis, for sale for removal from site
or to transfer it to Oregon State University for relocation inasmuch as this
residence is no longer needed by the Oregon Educational and Public Broadcasting
Service.

Board Discussion and Action

The Board approved the staff recommendation as presented, with the following
voting in favor: Directors Carpenter, Daniels, Feves, Harms, Ingalls, McIntyre,
McLaurin, Stewart, and Wyss. Those voting no: None. Directors Ater and Perry
were absent from the meeting at this time.

Staff Report to the Board

Dr. Donald Bryant, executive director of the Oregon Educational and Public Broadcasting
Service, has indicated that it is no longer necessary to provide housing for a
KOAC employee at the Granger transmitter site. This residence was constructed
during World War II, circa 1945, using proceeds from the sale of the old transmitter
to KIRO, in order to assure surveillance of the radio equipment. The capitalized
value reflected in the 1976 Restoration Fund report was $4,452. An independent
appraisal obtained in 1972 indicated a fair market value of $13,500 to $14,500 at
that time. The house has been rented by a member of the staff.

Because of its close proximity to the transmitter, Dr. Bryant has indicated that
the KOAC Cottage should not be retained and rented to any person other than an
employee of the Oregon Educational and Public Broadcasting Service. Furthermore,
he noted that the potential requirements for remodeling or major repairs, such as
the replacement of the roof, would be difficult or impossible to finance from the
operating budget. Inasmuch as the need to provide surveillance has diminished, it
is recommended that the residence be offered for sale for removal from the site or
be transferred to Oregon State University for relocation for use in connection with
the adjacent Hyslop Field Laboratory.

Mr. D. R. Larson, Secretary of the Board, read the following letter from Mr. and
Mrs. Leslie Wheeler, Corvallis, in support of the tri-state veterinary medical
education program:

Oregon State Board of Higher Education
P. O. Box 3175
Eugene, Oregon 97403

Dear Sir,

As concerned parents of a pre-veterinary student now enrolled at O.S.U.
and board members of the Morgan Horse Association of Oregon, we would
like to encourage the funding of the tri-state veterinary medical
education program now in the Governor's budget to be submitted to the
Oregon Legislature.

Would you please send us names and addresses of any Legislature persons
or committees we could contact to express our concerns.

Sincerely,
/s/Leslie Wheeler
Leslie Wheeler
/s/Margaret Wheeler
Margaret Wheeler
Staff Report to the Board

Upon the recommendation of officials of Eastern Oregon State College, and in accordance with the provisions of AR 70.146, arrangements have been made with Martin/Soderstrom/Matteson, Architects, Portland, for professional services in the review of the basic planning objectives and planning assumptions upon which the updating of the long-range development plan for that institution should be based, including the formulation of concepts for such planning efforts in order to assure adequate consideration of the site, facilities and other features of the physical environment to serve the academic and service programs of the campus and to meet the regional needs of the institution.

Compensation to the architects will be provided on a time and materials basis not to exceed $1,500. Funds required for these services are being provided from the institution’s operating budget.

Board Discussion and Action

The Board received the report as presented.

Sale of Waggoner Property, Klamath Falls, Oregon, OIT

Staff Report to the Board

On November 30, 1976, the Board's staff consummated the sale of 25 unimproved lots located in Klamath Falls, Oregon, for a total price of $40,000. The Board President and Secretary executed the bargain and sale deed on December 4, 1976.

The property was accepted by the Board in 1962 and 1963 as unrestricted gifts to the Oregon Institute of Technology from Harry R. and Norma E. Waggoner. Upon the recommendation of institutional officials and the Board's staff, the Board authorized on March 26, 1974, that the property be advertised and sold. Two appraisals were obtained in 1974, and an updated appraisal was obtained on March 5, 1976. Since no bids were received by the bid expiration date of June 1, 1976, the Board's staff exercised authority under ORS 273.216 which enables a state agency to sell the property within the subsequent six months at no less than the advertised price of $40,000.

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of officials of Oregon Institute of Technology, arrangements have been made with The Amundson Associates, P.C., architects and planners, Springfield, for professional services relating to the design and contract administration of the proposed Student Union Addition and Remodel project for which legislative authorization is being requested in 1977-1979. Of the estimated total cost of $2,415,000 for these facilities, the direct construction costs are expected to be approximately $1,900,000.

Compensation to the architects is to be made on a time and materials basis not to exceed a maximum which shall be determined from a fee curve attached to the contract. Illustratively, if the direct construction costs are $1,900,000, the maximum fee (including certain expense reimbursements) will be 7.75% thereof. If the costs are higher, the fee rate will be lower, and vice versa. A premium not exceeding 3% of the direct construction cost of the remodeling will be allowed if the proposed remodeling work within the present library area is undertaken separately from the proposed new construction.
Funds for the initial planning are being provided from excess sinking fund reserves available for auxiliary enterprise projects financed from commingled student building fees.

Board Discussion and Action

The Board received the report as presented.

Report of Bids and Contract Award for Parking Lot Addition, OIT

Staff Report to the Board

As noted in the minutes of the September 28, 1976, meeting of the Board, concerning the approval of plans for the improvement of the parking area west of Cornett Hall, the capital outlay program which the 1973 Legislature approved for the Board included an expenditure limitation of $75,000 for the planning and constructing of additional parking facilities at Oregon Institute of Technology. On October 1, 1976, the State Emergency Board approved a request to expend $50,000, or as much thereof as may be required, from this expenditure limitation for the Cornett Hall lot.

The three bids which the Department of General Services received for this paving work on October 14, 1976, ranged from a low of $33,372 to a high of $39,705. These amounts included three additive alternates which were exercised when a contract award was made to the lowest bidder. The following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs</td>
<td>$33,372</td>
</tr>
<tr>
<td>Stukel Rock &amp; Paving Company, Klamath Falls</td>
<td></td>
</tr>
<tr>
<td>Engineering costs</td>
<td>300</td>
</tr>
<tr>
<td>Lighting and landscaping</td>
<td>5,000</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>2,408</td>
</tr>
<tr>
<td>Contingencies</td>
<td>1,920</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$43,000</strong></td>
</tr>
</tbody>
</table>

The work of the contract includes the asphaltic concrete paving of Parking Lot No. 4 which was previously gravelled and compacted for temporary use. Concrete bumpers and paved entrance and exit roadways also are included. As indicated above, the lot is located west of Cornett Hall, the instructional shops building, and will have a capacity for 210 vehicles.

Of the expenditure requirements of $43,000, approximately $20,000 will be financed from proceeds from the sale of bonds under the provisions of Article XI-F(1) of the Oregon Constitution, and the remainder will be provided from balances available to the institution from its parking operations.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - OIT Parking Lot Addition

Legislative authorization - Chapter 592, Oregon Laws 1973

Board's priority - No. 5 in 1973-1975 (Auxiliary Enterprises)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total project costs</td>
<td>$43,000</td>
</tr>
<tr>
<td>Total direct construction costs</td>
<td>$33,372</td>
</tr>
</tbody>
</table>
Meeting #435-78

January 28, 1977

Tentative financing plan:

- Article XI-F(1) bond proceeds: $20,000
- Institutional balances from parking operations: $23,000
- Total: $43,000

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials and Gordon and Associates, Inc., consulting engineers, Corvallis, the work of the prime contractor for stairway enclosures and fire detection systems in Apperson, Chemical Engineering and Moreland Halls and the Pharmacy Building at Oregon State University was accepted on behalf of the Board on October 28, 1976.

A revised semifinal project budget is shown below in comparison with the budget reported to the Board on March 23, 1976:

<table>
<thead>
<tr>
<th>Revised Budget</th>
<th>Original Budget</th>
<th>Increase or (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/28/76</td>
<td>3/23/76</td>
<td></td>
</tr>
<tr>
<td>Direct construction costs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dale Ramsay Construction Co., Corvallis</td>
<td>$50,629</td>
<td>$48,263</td>
</tr>
<tr>
<td>Professional service fees</td>
<td>4,557</td>
<td>4,344</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>2,114</td>
<td>3,693</td>
</tr>
<tr>
<td>Contingencies</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Totals</td>
<td>$57,300</td>
<td>$57,300</td>
</tr>
</tbody>
</table>

(1) Includes adding reinforcement to the center post of a stair handrail in Apperson Hall; enclosing a transom and adding a sprinkler head in room no. 332 in Moreland Hall; adding gypsum board lining in room no. 114 in Apperson Hall to provide one-hour fire protection for enclosure and stairway; enclosing exposed wiring in Apperson, Moreland and Pharmacy; and other minor modifications included within five approved change orders.

The work of the contract consisted of enclosing several stairways to enhance the fire protection qualities of the four buildings, including the installation of new fire-rated exit doors. Fire detection equipment, such as alarm panels, was installed and portions of the electrical system were upgraded.

Funding for this work was included within the allocation of $1,650,000 authorized by Chapter 48, Oregon Laws 1975, for the correction of safety deficiencies at Oregon State University.

RECAPITULATION UPON INSPECTION AND ACCEPTANCE

Project - OSU Safety Deficiency Corrections, Phase I
- Apperson, Chemical Engineering and Moreland Halls and Pharmacy Building Enclosed Stairways and Fire Detection Systems

Engineers - Gordon and Associates, Inc., Corvallis
Board's priority - Part of No. 1 in 1975-1977 (Educational and General Plant)

Legislative authorization - Chapter 48, Oregon Laws 1975

Total project costs $ 57,300
Total direct construction costs $ 50,629

Financing plan:
- General Fund appropriation $28,650
- Article XI-G bond proceeds $28,650
  Total $ 57,300

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of officials of Oregon State University, the final drawings and specifications which had been prepared with the assistance of C. W. Timmer Associates, Inc., Consulting Engineers, Beaverton, for stairway, exit corridor and exit additions and improvements within the Women's Building and Langton Hall were accepted on behalf of the Board. The two bids received on October 26, 1976, for the work were in the amounts of $133,200 and $135,758. Although the low bid exceeded the engineers' estimate for the work, a review of the low bidder's estimating work sheets established that the cost was reasonable for the work involved, and inasmuch as the funding resources were available, a contract award was made and the following tentative budget was approved for the project:

Direct construction costs -
- Marion Construction Company, Salem $ 133,200
- Professional services fees 11,988
- Construction supervision and miscellaneous costs 1,012
- Contingencies 1,000
  Total $ 147,200

The major work of the contract includes provision for a new exitway from the Women's Building at the south end. To accommodate this new exit and corridor certain shower and locker facilities will be relocated, reducing the area of the women's facilities and enlarging the men's area in the process. In Langton Hall, minor alterations will provide a fire escape and an exit on the south side of the first floor.

The estimated expenditure requirements of $147,200 are being charged against the budget allocation of $1,850,000 for safety deficiency corrections, Phase I, at Oregon State University, funded as part of the program authorized by Chapter 48, Oregon Laws 1975.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - OSU Safety Deficiency Corrections, Phase I (Women's Building and Langton Hall Stairway and Exit Corridor Additions)

Engineers - C. W. Timmer Associates, Inc., Beaverton

Board's priority - Part of No. 1 in 1975-1977 (Educational and General Plant)
Report of Bids and Contract Award for Meeting/Dining Building at Yaquina Bay Marine Science Center, OSU

Legislative authorization - Chapter 48, Oregon Laws 1975

Total project costs $147,200
Total direct construction costs $133,200
Scheduled completion - April 1977

Tentative financing plan:
- General Fund appropriation $73,600
- Article XI-G bond proceeds 73,600
- Total $147,200

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials, the revised final drawings and specifications for the meeting/dining building at the Yaquina Bay Marine Science Center of Oregon State University, which had been prepared with the assistance of Hewlett, Jamison, Atkinson & Luey, project architects, Portland, were accepted on behalf of the Board.

Seven bids were received for the project on December 15, 1976, ranging from a low of $66,894 to a high of $85,391. Inasmuch as the low bid was within the estimate and the funding resources were available, a contract award was made and the following tentative budget was approved for the project:

Direct construction costs:
- Holmes & Egan General Contractors, Inc., Salem - base bid $66,894
- Change order addition for completion of two additional kitchen units 4,000
Total direct construction costs $70,894
Professional services fees 9,457
Construction supervision and miscellaneous costs 1,900
Furnishings and equipment 5,500
Contingencies 2,249
Total $90,000

The description of the building and the work of this contract remains essentially as reported to the Board on October 22, 1976, but the total budget is $10,000 less than the expenditure limitation of $100,000 approved by the Board and the State Emergency Board. A change order was executed simultaneously with the contract award in order to provide for the completion of the two additional kitchens at the unit price which was quoted in a bid alternate, plus the cost of additional ductwork for the exhaust hoods serving these areas.

All of the funds required for this project are being provided from gifts and grants obtained through the Oregon State University Foundation. The operation is to be wholly self-supporting from user charges as part of the housing program at the Marine Science Center.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - OSU Yaquina Bay Marine Science Center Improvements (Meeting/Dining Building)

Architects - Hewlett, Jamison, Atkinson & Luey, Portland
Meeting #435-81 January 28, 1977

Legislative authorization - Chapter 664, Oregon Laws 1969, and by action of the State Emergency Board on November 19, 1976.

Board's priority - No. 26 (Auxiliary Enterprises) in 1969-1971

Estimated gross area - 1,618 square feet

Total project costs $ 90,000

Direct construction costs:

<table>
<thead>
<tr>
<th>Description</th>
<th>Revised Budget</th>
<th>Original Budget</th>
<th>Increase or Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$780,000</td>
<td>$780,000</td>
<td>$0</td>
</tr>
<tr>
<td>Building and fixed equipment only</td>
<td>$70,894</td>
<td>$70,894</td>
<td>$0</td>
</tr>
<tr>
<td>Total (approximate)</td>
<td>$67,094</td>
<td>$67,094</td>
<td>$0</td>
</tr>
<tr>
<td>Average (per square foot)</td>
<td>$41.47</td>
<td>$41.47</td>
<td>$0</td>
</tr>
</tbody>
</table>

Scheduled completion - May 1977

Financing plan:

Gifts and grants $ 90,000

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of officials of Oregon State University and Hewlett, Jamison, Atkinson & Luey, Portland, project architects, the work of the prime contractor for the Yaquina Bay Marine Science Center Library and Laboratory Addition at Newport was accepted on behalf of the Board on December 15, 1976, subject to the completion of items on the architects' punchlist. The work was inspected on behalf of the Board a few days earlier by the Vice Chancellor for Facilities Planning.

A revised semifinal project budget is shown below in comparison with the budget reported to the Board on January 20, 1976:

<table>
<thead>
<tr>
<th>Description</th>
<th>Revised Budget</th>
<th>Original Budget</th>
<th>Increase or Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RDM Constructors, Salem</td>
<td>$637,142</td>
<td>$620,800</td>
<td>$ 16,342</td>
</tr>
<tr>
<td>Professional service fees</td>
<td>55,660</td>
<td>54,479</td>
<td>1,181</td>
</tr>
<tr>
<td>Construction supervision and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>miscellaneous costs</td>
<td>45,188 (2)</td>
<td>31,671</td>
<td>13,517 (2)</td>
</tr>
<tr>
<td>Furnishings and equipment</td>
<td>42,010</td>
<td>42,010</td>
<td>0</td>
</tr>
<tr>
<td>Contingencies</td>
<td></td>
<td>31,040</td>
<td>(31,040)</td>
</tr>
<tr>
<td>Totals</td>
<td>$780,000</td>
<td>$780,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

(1) Includes the addition of two-hour separation in corridor No. 2; changing an exterior fence footing; providing new underground electrical service to water meter, providing electrical changes in preparation and collection Room 40; adding four zones of night limit heating controls; re-routing roof drains on north and west ends of building; providing removable concrete cover for water valve pit; adding a new catch basin and drain line; adding a coat of smooth block filler on concrete block interior walls; furnishing additional finish hardware items; and other modifications incorporated within four approved change orders.

(2) Includes $8,900 reserved for laboratory floor surfacing to be bid separately.
Located at the center of the south side of the existing structure and paralleling the east and west wings, the addition contains 12,036 square feet of gross area on the ground level which houses several instructional classrooms, a seminar room, cold room, offices, toilet rooms, mechanical room, and a connecting link to the original building. An additional 3,839 square feet of gross area is on the second floor and accommodates the library and reading room as well as some storage and a mechanical room. The second floor is accessible both by two stairways and an elevator.

Exterior walls of tilt-up reinforced concrete columns and panels match the exposed aggregate finish of the original unit as does the pitched roof which is covered with cedar shakes. Ceramic tile floors and wainscots are provided in the toilet rooms with the remainder of the floors finished with vinyl asbestos tile or surface-hardened exposed concrete. The laboratory areas are to be finished with a seamless floor surfacing now being bid for application separately. Interior laboratory walls are painted concrete block and offices are finished with painted gypsum board. Office and corridor ceilings are provided with acoustical tile.

Generally, lighting is with fluorescent fixtures and spaces are heated with electricity. Baseboard heaters are provided in the offices and the laboratories are heated and ventilated with air-handling units utilizing electric heating coils.

The project costs of $780,000 were financed in equal shares from the General Fund appropriation in Chapter 331, Oregon Laws 1975, and from proceeds from the sale of bonds under the provisions of Article XI-G of the Oregon Constitution.

RECAPITULATION UPON INSPECTION AND ACCEPTANCE

Project - OSU Marine Science Center Library and Laboratory Addition

Architects - Hewlett, Jamison, Atkinson & Luey, Portland

Board's priority - No. 9 in 1975-1977 (Educational and General Plant)

Legislative authorization - Chapter 331, Oregon Laws 1975

Total project costs $780,000

Approximate gross area - 15,875 square feet

Direct construction costs:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$637,142</td>
</tr>
<tr>
<td>Building and fixed equipment only - total</td>
<td>$574,421</td>
</tr>
<tr>
<td>Average (per square foot)</td>
<td>$36.18</td>
</tr>
</tbody>
</table>

Financing plan:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund appropriation</td>
<td>$390,000</td>
</tr>
<tr>
<td>Bond borrowings under provisions of Article XI-G of the Oregon Constitution</td>
<td>390,000</td>
</tr>
<tr>
<td>Total</td>
<td>$780,000</td>
</tr>
</tbody>
</table>

Board Discussion and Action

The Board received the report as presented.
Upon the recommendation of institutional officials and Payne Settecase Smith & Partners, Salem, project architects, the work of the prime contractor for the safety deficiency corrections work and remodeling in Friendly Hall at the University of Oregon was accepted on behalf of the Board as of August 24, 1976, subject to the completion of items on the architects' punchlist.

A revised semifinal project budget is shown below in comparison with the budget reported to the Board on March 23, 1976:

<table>
<thead>
<tr>
<th>Description</th>
<th>Revised Budget 8/24/76</th>
<th>Original Budget 3/23/76</th>
<th>Increase (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H. J. Burrows Construction Co., Eugene</td>
<td>$143,723</td>
<td>$119,526</td>
<td>$24,197 (1)</td>
</tr>
<tr>
<td>Professional services fees</td>
<td>14,723</td>
<td>11,952</td>
<td>2,771</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>8,554</td>
<td>11,960</td>
<td>(3,406)</td>
</tr>
<tr>
<td>Equipment</td>
<td>6,000</td>
<td>10,000</td>
<td>(4,000)</td>
</tr>
<tr>
<td>Contingencies</td>
<td></td>
<td></td>
<td>(9,562)</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$175,000</td>
<td>$163,000</td>
<td>$10,000 (2)</td>
</tr>
</tbody>
</table>

(1) Includes the relocation of entrance stairs to a lower level language laboratory, relocation of a storage room, revision of electrical service in one room, replacing rate-of-rise detectors with ionization detectors, relocation of rain leader, installation of two sump pumps at bottom of two stairways, relocation of 4-inch sanitary sewer, connection of fire sprinkler system to fire main under sidewalk, substitution of three single phase transformers for single three phase machine, elevation of water and steam piping, modification of first floor landing, the addition of a new and separate transformer vault, and other revisions included within a total of seven approved change orders.

(2) The budget increase was required to finance the cost of the new transformer vault.

The contract work within Friendly Hall provided improvements to the electrical system, the installation of emergency lighting and fire detection devices, exiting modifications, the installation of an exterior stair from the second floor, various classroom improvements and provisions for a language laboratory.

For that portion of the project which was identified as safety deficiency corrections work ($118,000), charges were made against the expenditure limitation authorized by Chapter 48, Oregon Laws 1975. The remaining $55,000 of the budget was charged against the expenditure limitation authorized by Chapter 331, Oregon Laws 1975, for various campus buildings remodeling at the University of Oregon.

**RECAPITULATION UPON INSPECTION AND ACCEPTANCE**

**Project - UO Safety Deficiency Corrections, Phase I, and Remodel (Friendly Hall)**

**Architects - Payne Settecase Smith & Partners, Salem**
Board's priority - Part of Nos. 1 and 4 in 1975-1977
(Educational and General Plant)

Legislative authorization - Chapters 48 and 331, Oregon
Laws 1975

Total project costs $173,000
Total direct construction costs $143,723

Tentative financing plan:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund appropriations:</td>
<td></td>
</tr>
<tr>
<td>Chapter 48, Oregon Laws 1975</td>
<td>$59,000</td>
</tr>
<tr>
<td>Chapter 331, Oregon Laws 1975</td>
<td>27,500</td>
</tr>
<tr>
<td>Article XI-G bond proceeds</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$173,000</td>
</tr>
</tbody>
</table>

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials, the final drawings and
specifications for the alterations to the food service facilities within University
Hospital North and University Hospital South, which had been prepared with the
assistance of Broome, Oningulph, O'Toole, Rudolf & Associates, project architects,
Portland, were accepted on behalf of the Board.

Eight bids were received for the project at 8:00 P.M. on December 14, 1976, ranging
from a low of $813,559 to a high of $924,800 after deducting two alternates which
were exercised. Inasmuch as the net amount of the low bid was greater than the
sum budgeted for the direct construction costs, a change order was executed
simultaneously with the contract award modifying certain items of food service equipment at
a reduction of at least $50,000 in the total contract amount. The contractor will
allow a further credit if the sub-bids for this equipment are lower than the
stipulated allowance.

The following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
</tr>
<tr>
<td>Purber Construction Company, Beaverton</td>
<td>$813,559</td>
</tr>
<tr>
<td>Less: Minimum credit for revision of</td>
<td>50,000</td>
</tr>
<tr>
<td>certain items of food service equipment</td>
<td>$ 763,559</td>
</tr>
<tr>
<td>Professional service fees</td>
<td>85,000</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>30,000</td>
</tr>
<tr>
<td>Furnishings and equipment</td>
<td>100,921</td>
</tr>
<tr>
<td>Contingencies</td>
<td>38,000</td>
</tr>
<tr>
<td>Total</td>
<td>$1,017,480</td>
</tr>
</tbody>
</table>

The description of the work of this project remains substantially the same as
indicated to the Board on May 25 and July 20, 1976. Generally, all food service
operations within the hospital units at the University of Oregon Health Sciences
Center will be converted to a ready-food concept which would concentrate all
cooking and basic food preparation in the kitchen of the University Hospital
South. Hot foods will be cooked and frozen during a five-day work week and will
be held there pending delivery to cafeteria areas and to pantry-kitchens on each
of the patient care floors where trays will be assembled and hot food warmed
immediately prior to serving. Remodeling the cafeteria in the University Hospital
North and University Hospital South Food Service Facilities Alterations, UHSC
North and the providing and equipping of pantry-kitchens on several floors of both buildings is included and the work will also cover the replacement of a badly deteriorated sewer line at University Hospital North.

Resources for this project are being made available from funds authorized by Chapter 48, Oregon Laws 1975, for safety deficiency corrections, in the amount of $384,800 and from an Emergency Fund allocation of $632,680 by the State Emergency Board on June 25, 1976. The action of the Emergency Board anticipated that all of the project costs would be repaid from dietary and food service revenues in accordance with a financing plan to be worked out with the 1977 Legislature as part of the 1977-1979 budget review process.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - UOHSC University Hospital North and University Hospital South Food Service Facilities Alterations

Architect - Broome, Oringfulph, O'Toole, Rudolf & Associates, Portland

Legislative authorization - Chapter 48, Oregon Laws 1975 and Emergency Board action of June 25, 1976

Total project costs $1,017,480
Total direct construction costs $ 763,559
Scheduled completion - February 1978

Tentative financing plan:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund appropriation</td>
<td>$192,400</td>
</tr>
<tr>
<td>Article XI-G bond proceeds</td>
<td>192,400</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$384,800</td>
</tr>
<tr>
<td>Allocation from the State</td>
<td>$632,680</td>
</tr>
<tr>
<td>Emergency Fund on June 25, 1976</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$1,017,480</td>
</tr>
</tbody>
</table>

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of officials of the University of Oregon Health Sciences Center, and in accordance with the provisions of AR 70.146, arrangements have been made with the Wolff/Zimmer/Gunsul/Frasca Partnership, Architecture and Planning, Portland, for professional services relating to the design and contract administration of the proposed Preclinical Technique Dental Laboratories Remodel project for which legislative authorization is being requested in 1977-1979. Of the estimated total cost of $780,000 for these alterations, the direct construction costs are expected to be approximately $512,000.

Compensation to the architects for services and expenses, including those of their mechanical, electrical and acoustical engineering consultants, is to be provided on a time and materials basis not to exceed 10% of the direct construction costs.

Funds for the initial planning are being advanced from the Board's reserve for architectural/engineering planning.

Board Discussion and Action

The Board received the report as presented.
Tuition for Postbaccalaureate Students

Each fall (and sometimes on other occasions) several postbaccalaureate students object to the current policy of charging postbaccalaureate tuition as graduate students, even though they may be enrolled only for undergraduate courses.

Response to such objections is normally made by institutional officers but occasionally a student will carry her or his complaint to the Chancellor, the Board, or other public officials. Only two such letters were received this fall.

The responses from the Board's Office concede that it costs no more to provide undergraduate instruction to postbaccalaureate students but stress that graduates are expected to have a greater capacity for self-support than those who have not earned a degree. Accordingly, it is assumed that undergraduate tuition should be kept as low as possible, rather than to reduce charges to graduate students who happen to be taking only undergraduate courses.

Later in the year, the Board will be asked to consider the possibility of charging tuition on the basis of the level of the courses taken rather than on the level of the student. It is not likely that the staff will make such a recommendation.

(Copies of the letters, responses to them and a petition from one of the individuals follow.)

September 29, 1976

Ann Bremer
5418 SW Illinois
Portland, Oregon 97221

Oregon State Board of Higher Education
Eugene, Oregon

I am writing to protest the practice at Portland State University of charging graduate fees for undergraduate classes to these post-baccalaureate students (students who have already completed a BA or BS at any educational institution). I feel this is highly discriminatory against students who return to school in a new field of learning to broaden their knowledge and skills. It would be a very unusual circumstance for a person to return to school in a new field and not need to take several undergraduate classes in preparation for graduate study. Therefore, this regulation is encountered by a wide cross section of individuals returning to school in disciplines ranging from nursing to business to forestry.

I also question the legality of collecting graduate fees for classes for which the student will never receive graduate credit from a graduate program she may subsequently enter.

I would hope that the Oregon State Board of Higher Education would support policies which would encourage Oregon residents to broaden their skills and knowledge rather than this policy which only discourages individuals from learning something new. The state only benefits by having its citizens more broadly skilled. These benefits are clearly 1) a more educated electorate in choosing policies and office holders and 2) a citizenry that is more flexible in the fluctuations of the state economy.

I find it very frustrating to sit in a classroom with my fellow students who are receiving identical instruction and equal credit as I am, but who may be paying a significantly lower price than I. The fairness of this escapes me.

Please consider my argument at your next meeting.

Sincerely,
/s/ Ann Bremer
Ann Bremer

cc: Mary Rieke, Rep. Dist. 9
Ms. Ann Bremer  
5418 S. W. Illinois  
Portland, Oregon 97221

Dear Ms. Bremer:

Your letter of September 29 concerning the tuition policy of the Board of Higher Education has been referred to the Interinstitutional Fee Committee, which will be making tuition policy recommendations to the Board's Committee on Finance in December. Your letter (and several like it) will be called to the attention of the Board.

This is not a new policy and it is not without a rational justification. When the legislature appropriates funds for the support of the colleges and universities, it estimates total needed expenditures and then assumes that some portion (this biennium: 27.5 percent) will be provided by tuition. In setting tuition, the Board has decided that its primary obligation is to undergraduates—to those who do not yet have a college degree of any kind. Thus, undergraduates pay a lower tuition than do those who have a graduate degree.

It can be held that one who already has received a degree, heavily subsidized in most cases by the state, should have greater capacity for self-support. Thus, graduate students can be held better able to pay a higher level of tuition. Even at the higher rate a graduate student pays less than half the cost of undergraduate courses.

Were graduate students taking undergraduate courses to pay undergraduate tuition, it would be necessary to increase undergraduate tuition to make up the difference and balance the budget.

I would be interested in your explanation to an undergraduate why undergraduate tuition should be increased to permit lower tuition to someone who already has a college degree.

Sincerely,
/s/ Freeman Holmer
Freeman Holmer
Vice Chancellor

F:

cc: Representative Rieke

Susan D. Montgomery  
Rt. 1, Box 218  
Gibbon, Or 97810

Chancellor, Dr. R. E. Liewallen  
Oregon State Board of Higher Education  
P.O. Box 3175  
Eugene, Or 97403

October 1, 1976

Dear Dr. Liewallen,

I am currently enrolled in Eastern Oregon State College’s "Intern Teaching" program. Just recently I was informed that I have to pay graduate tuition for this experience. When I questioned Eastern Oregon State College's Director of Student Records, Mr. Jerry McCarthy, he explained to me that the tuition is set by the State Board of Higher Education. Thus, I am writing to you to express my concern about an unfair practice.