## OREGON STATE BOARD OF HIGHER EDUCATION

Minutes of Board Meeting, March 24, and April 28, 1978

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A regular meeting of the State Board of Higher Education was held in Room 326-327 Smith Memorial Center, Portland State University, Portland, Oregon.

The meeting was called to order at 8:30 A.M. (P.S.T.), March 24, 1978, by the President of the Board, Mr. Louis B. Perry, and on roll call the following answered present:

Mr. Les Anderson
Mr. Jonathan A. Ater
Mr. Alvin Batiste
Mrs. Jane H. Carpenter
Mrs. Ruth Daniels
Mrs. Betty Feves

Mr. Edward C. Harms, Jr.
Mr. Robert C. Ingalls
Mr. Gregory G. Moore
Mr. Loren L. Wyss
Mr. Louis B. Perry

Centralized Activities--Chancellor R. E. Lieuallen; Acting Board Secretary Wilma Foster; Freeman Holmer, Vice Chancellor for Administration; 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 S. Perry, Director of Management and Planning Services Division; Keith Jackson, Budget Director; Davis Quenzer, Assistant Budget Director; Melinda Grier, Compliance Officer; Diane Richardson, Assistant Director, Public Services and Publications; Richard Zita, Director, Public Services and Publications; John Richardson, Assistant Chancellor, Public Services and Publications; Ross Hall, Controller; Gary Powell, Director of Internal Audits Division; Donald S. Bryant, Director, Oregon Educational Public Broadcasting Service; Janet Young, Administrative Intern; Francetta Carroll, Administrative Assistant; Karen McCluskey, Secretary to Chancellor.

Oregon State University--President R. W. MacVicar; Milosh Popovich, Dean of Administration; Larry Jones, American Council on Education/Bush Foundation Fellows.

University of Oregon--President William B. Boyd; Ray Hawk, Vice President for Administration and Finance.

University of Oregon Health Sciences Center--Acting President Richard T. Jones; Robert Peterson, Vice President for Administration and Finance; Ralph E. Tuomi, Director of Facilities Management and Planning; William E. Connor, Professor of Medicine.

Portland State University--President Joseph Blumel; Leon Richelle, Vice President for Academic Affairs; James Todd, Vice President for Finance and Administration; J. K. Harris, Budget Director; Mark Howard, Director of Public Services; William C. Neland, Director of Physical Plant; H. Erzurumlu, Chairman of Finance Committee, Interinstitutional Faculty Senate.

Oregon College of Education--Ronald Chatham, Assistant to the President; John N. Sparks, Director of Business Affairs.

Eastern Oregon State College--President Rodney A. Briggs.
Southern Oregon State College--President James K. Sours; Ernest E. Ettlich, Dean of Academic Affairs; Donald E. Lewis, Dean of Administration.

Oregon Institute of Technology--President Kenneth F. Light; W. M. Douglass, Dean of Administration; Catherine Puri, Director, Nursing Department.

Others--T. K. Olson, Executive Director, Oregon Educational Coordinating Commission; Elinore Rogers, Research Analyst, Oregon Educational Coordinating Commission; Bob Stevens, Fiscal Analyst, Oregon Educational Coordinating Commission; Melissa Morris, Executive Assistant, FORE; Lois Miller, Representative, State Legislature; Dave Arnold, Administrator, Presbyterian Hospital, Klamath Falls; Mark S. O'Bryan, Student Representative, Student Wage Commission; Scott Anderson, Student Representative, Oregon State College; David R. Alley, Student Senator, Southern Oregon State College; Valarie McMeekin, Student Senator, Southern Oregon State College; Nancy Carpenter, Student Senator, Southern Oregon State College; Henry Penney, Budget Manager, Associated Students of Southern Oregon State College; John Becker, President, Associate Students of Portland State University; Walt Sheasby, Chairman, Amazon Family Housing Policy Board, University of Oregon; Nancy J. Lawrence, member, Amazon Budget Committee, Amazon Community Tenants; Jack Condliffe, American Federation of State, County, and Municipal Employees, Local No. 1893.

The Board voted to dispense with the reading of the minutes of the regular Board meeting held on January 27, 1978, and the special Board meeting held on March 7, 1978, and approved them as previously distributed. The following voted in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore, Wyss, and Perry. Those voting no: None.

The Staff Recommendation of the Committee

The Board approved the Committee recommendation with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore, Wyss, and Perry. Those voting no: None.
Meeting #445

March 24, 1978

Staff Report to the Committee

As noted in the minutes of the January 27, 1978, meeting of the Board, when a report was made of the bids received for the completion of the diet kitchen for the Clinical Research Center in University Hospital North, it was necessary to exercise various deductive alternates and delete other items of the work by change order in order to stay within the resources of $49,534 made available for this project by the federal government. Thus, certain cabinets were omitted from the kitchen and it was necessary to defer air-conditioning of most of the space used by the Center. Only the acute care unit is currently air-conditioned.

In an effort to secure the funding for these items and for the remodeling of space adjacent to the Clinical Research Center Core Laboratory in the basement of the hospital for a much-needed conference room, institutional officials have submitted a further request to the Department of Health, Education, and Welfare for funds in the amount of $40,600 to complete the project. As explained in the application, "...we are requesting funds to complete the dietetic renovation to provide adequate dietetic facilities in our Clinical Research Center for the first time, air conditioning for the patient rooms in the Clinical Research Center which is deemed essential for the conduct of investigative studies in the unit, and for the provision of a conference room for use by investigators, nurses, as well as patients". The air-conditioning improvements proposed would also serve the kitchen area.

The estimated expenditure requirements of $40,600 include not only the direct construction costs but also the professional services fees, contract administration and other miscellaneous expenses related to the project. Prior to making a contract award, if the grant funds are obtained, the approval of the State Emergency Board will be requested.

Staff Recommendation to the Board

It was recommended that the appropriate Board officials be authorized to approve drawings and specifications, solicit bids and award a contract for certain demolition work within the fifth floor of the Campus Services Building at the University of Oregon Health Sciences Center within an expenditure limitation of $40,000 in preparation for alterations for the proposed hospital computer service facilities. Funds required for the demolition work, including related planning costs, would be advanced from hospital operating funds pending approval by the Board and the State Emergency Board of a financing plan for the complete alterations project.

Board Discussion and Action

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

Staff Report to the Board

On October 21, 1977, the Board's Committee on Finance, Administration and Physical Plant endorsed a staff recommendation for the approval of the conceptual studies prepared by the SRG Partnership, P.C., architects, for alterations to a portion of the fifth floor of the Campus Services Building at the University of Oregon Health Sciences
Center to accommodate the proposed hospital computer service facilities. It was indicated that a request would be submitted to the State Emergency Board for a General Fund allocation of $320,000 to cover the estimated expenditure requirements except for $30,000 which would be provided from resources available for the correction of safety deficiencies authorized by the 1977 Legislature.

When this request was presented to the Emergency Board on November 3 and 4, authorization was given to proceed with the planning of the project but the expenditure limitation was deferred pending the development of an alternate financing plan involving 'Article XI-F(1) bond borrowings or other resources available to the Department of Higher Education, on a fully self-supporting basis...'. Inasmuch as the request for an Emergency Fund allocation was denied, institutional officials and the Board's staff have discussed alternate financing and expect to submit a recommendation later for the use of self-liquidating bond borrowings when more complete cost information is available and when projections of income and expenses from hospital operations can be documented adequately to provide assurance to the Board that the alterations project can be fully self-liquidating and self-supporting as required by Article XI-F(1) of the Constitution.

Meanwhile, an extension of time has been granted to those submitting requests for proposals for the computing equipment and it appears likely that a final decision for the selection of this equipment and the negotiation of a vendor's contract will not be made until June 30 or later. To expedite the planning for the physical alterations of the space and to minimize contractors' loading factors for uncertainties related to existing conditions which cannot be determined until the interior demolition work is accomplished, the project architects and institutional officials have requested authorization to bid the demolition work separately. It is estimated that the expenditure requirements for such preliminary or preparatory work would not exceed a total of approximately $40,000. Funds required therefor would be advanced from hospital operating funds from patient fee income pending the approval by the Board and the State Emergency Board of a financing plan for the complete alterations project.

(Considered by Committee on Instruction, Research, and Public Service Programs, February 24, 1978; present--Carpenter, Feves, Anderson, Daniels, and Harms.)

The University of Oregon Health Sciences Center requests authorization to transfer academic responsibility for its 35-year-old internship program in hospital dietetics from the University Hospital to the School of Medicine and to award a certificate in hospital dietetics to those successfully completing the program effective 1978-79. Budgetary support for the program would continue to be provided by the University Hospital budget for the remainder of the 1977-1979 biennium. Support for the program as an academic program of the School of Medicine would be requested in the 1979-1981 budget request to the 1979 Legislature. Details of the University of Oregon Health Sciences Center request are provided pp. 1-20 of the document entitled, "Request of the University of Oregon Health Sciences Center For Authorization To Establish A Dietetic Internship Program Leading To A Certificate In Hospital Dietetics," and in extensive supportive material presented as appendices which are on file in the Board's Office.
The proposed transfer, when completed, will properly assign responsibility for the educational program in dietetics to an instructional unit, thereby meeting both budgetary and accreditation requirements. The transfer will occasion little modification of the program itself, which is presently fully accredited, but will require a modification in funding of the program to assess to an instructional budget that portion of the costs of the program which cannot properly be charged to patient fees. Since the School of Medicine is not now funded for these costs, continuation of the program will be dependent upon provision of funds by the 1979 Legislature.

Staff Recommendation to the Committee

The Board's Office recommended that the University of Oregon Health Sciences Center be authorized to transfer its dietetic internship program from the University Hospital to the School of Medicine, and to award the Certificate in Hospital Dietetics, effective 1978-79, with the understanding that continuation of the program is dependent upon provision of the funds required for its support by the 1979 Legislature.

Discussion and Recommendation by the Committee

Dr. Rowney reviewed the program. He emphasized that while approximately two-thirds of the cost of the program can legitimately be paid for out of the Hospital budget in exchange for work performed by the interns, the remaining one-third of the program costs, amounting to $28,000 for the 1979-1981 biennium, will not be available unless funds to cover these costs are appropriated by the 1979 Legislature. If the funds are not forthcoming, the program will have to be discontinued.

Mrs. Feves observed that the services performed by students in the University Hospital and Clinic appeared to be in lieu of tuition. She asked what it would cost the Hospital if dietitians were employed to perform these services. President Jones said the amount the Hospital has said it can use to subsidize the program is essentially the amount it would pay for dietetic services were the intern program discontinued.

Mr. Anderson asked why the problem is coming up at this time. President Jones responded that there are three reasons for the present request:

1. The Board's Committee and the Health Sciences Center, in discussion September 28, 1976, agreed that the Health Sciences Center should review the costs of its allied health programs in order to determine for each program how the program should be budgeted and what, if any, fees should be assessed or stipends paid. The dietetic internship program is the first program to be reported on.

2. The Health Sciences Center is preparing for accreditation review by Northwest Association of Schools and Colleges. This will require a formal review of the dietetics internship program.

3. By legislative direction, appropriations from the general fund for the University Hospital have been reduced from approximately 75% of the Hospital budget to approximately 25%, a sum covering mainly the cost of caring for indigent patients. Under this funding policy, the Hospital no longer receives general fund moneys from which it can subsidize educational programs (other than a small amount for medical interns and residencies). The Hospital can pick up a portion of the dietetic internship program from patient fee income in return for dietetic service provided by trainees, but it cannot pick up the whole cost, President Jones concluded.
Dr. Connor emphasized the importance of the program in nutrition to patient care in Oregon. He said there is a growing appreciation that medicine has not met the nutritional responsibilities of the time. The dietetic internship program goes hand in hand with the Medical School's attempts to provide nutritional education for medical students, interns, and residents because the dietetic interns are on the hospital floors and in the outpatient clinics with the doctors in training. In response to a question from Mrs. Feves, Dr. Connor noted that approximately 60 new dietitians will be needed in the northwest region over the next several years. He said the question could be raised as to whether the training of 11 interns yearly at the Health Sciences Center was sufficient to employment needs, but that he felt that if the Center turned out 11 well-prepared people each year, it was fulfilling its responsibility.

Mrs. Carpenter noted that $28,000 is a comparatively small amount and asked if there was any way this cost could be absorbed in the School of Medicine budget. President Jones responded that Dr. Stone, dean of the School of Medicine, was reluctant to shift money out of the MD program, which was already quite strained, to finance the dietetic intern program. It is the position of the Dean of Medicine and the present administration of the Center that if educational costs of the program are not funded, the program will have to be discontinued. Dr. Connor said he had reviewed the possibilities of obtaining non-state funds for the program and found that there simply were none at this time.

Mrs. Carpenter said the Health Sciences Center appeared to be asking for a high degree of service from its dietetic interns, without financial remuneration. She added, however, that the practicums, offered in a variety of types of hospitals in the Portland area, appeared to provide necessary educational experience and, in this sense, were not exploitive. Dr. Connor agreed, saying the interns work very hard and are dedicated to their profession. He said a stipend was paid to the interns until two years ago, but this has been discontinued because of financial exigencies.

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

Board Discussion and Action

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

Staff Report to the Committee

The hospital dietetics internship is a 12-month, fully accredited program which completes the educational and clinical experience required for employment as a registered dietitian. The University of Oregon Health Sciences Center program is the only hospital dietetics internship program in the northwest, and is one of seven programs on the west coast (there are six programs in California, four general internship like that of the University of Oregon Health Sciences Center, one in management only, and one in community public health).

Admission to the internship program is on the basis of a BA/BS degree in dietetics, a program offered in Oregon by the School of Home Economics of Oregon State University. The Oregon State University program graduates some 35 students each year, many of whom seek hospital dietetics internships to complete their professional training. The University of Oregon Health Sciences Center and the Oregon State University programs have a long and
close relationship, to the benefit of both programs, as attested by Dean Betty Hawthorne in her letter supporting the present proposal, p. 21 of the full document. The University of Oregon Health Sciences Center program is approved by the accrediting body for a maximum of 11 interns, with awards made on a competitive basis. The program gives some preference in the awarding of internships to graduates of the Oregon State University program.

Hospital internship is not the only route to professional employment as a registered dietitian, but for many students and their employers it is the preferred route. Alternative ways of gaining the educational and clinical experience required to sit for the registration examination are:

- Coordinated baccalaureate program combining educational and clinical experience. There is one such program in Washington, two in Utah, four in California, none in Oregon.

- Post-baccalaureate dietetic traineeship experience. These are 12-24 month programs meeting the same criteria as those required for the dietetic internship but conducted on an individual basis under the supervision of two registered dietitians. There have been six trainees in the Portland area in the last four years. These students have attended classes at the University of Oregon Health Sciences Center to meet the educational component of the traineeship.

- Advanced degree plus clinical experience. This arrangement must be individually approved.

There is heavy pressure on the available hospital dietetic internship opportunities from qualified students, with heaviest pressure on those internships providing a stipend. Nationally, in 1976, there were 2.7 applicants for every internship awarded. In 1975 the University of Oregon Health Sciences Center received 107 applications; in 1976, 93 applications; and in 1977, 28 applications, still 2.5 applications for each of its 11 slots. The drop in applications in 1977 coincided with the dropping of the $200 per month stipend and room and board previously offered interns. Among dietetics programs in the northwest, the University of Oregon Health Sciences Center believes it will have no problem attracting well-qualified applicants for its internship program even though it does not offer a stipend for services rendered by the interns during the course of their clinical experience. The University of Oregon Health Sciences Center has carefully reviewed the extent of clinical services provided by the interns and believes this is a reasonable contribution in lieu of tuition toward the cost of their education.

Graduates of the University of Oregon Health Sciences Center program staff many of the dietitian positions in Oregon and in the northwest. Of the 104 graduates from the program since 1966, 37 (35.6%) have remained in Oregon for their first employment. According to Carolyn Knutson, 1976 president of the Oregon Dietetic Association, in a letter on file in the Board's Office, the program is important not only as a source of dietitians for employment in the state, but also as a resource for maintaining the quality of Oregon dietetic services.
The UCHSC dietetic internship program has a strong, positive influence on all dietitians throughout the state of Oregon. It is the resource within the UCHSC where dietitians can make inquiries about the current state of the art of research and clinical dietetics. The dietetic internship program is also a center for the provision of continuing education for Oregon dietitians.

Importance of Dietetic Internship Program to UCHSC. The University of Oregon Health Sciences Center places high priority on continuation of the dietetic internship program. An ad hoc advisory committee drawn from the faculty of the schools of medicine and nursing, appointed by President Bluemle to review the dietetic internship program and advise on its future, in a report on file in the Board's Office, observes:

In the past, nutrition has been the stepchild of medicine. It was not a recognized medical subspecialty and there were few specific training programs. Nutrition was taught in medical schools in a fragmented fashion. Graduated physicians have repeatedly acknowledged their imperfect understanding and application of this subject in the care of their patients. Recently, there has been national recognition by governmental agencies, congressional committees, and associations of physicians and medical scientists that nutrition education in medical schools has been neglected and requires strengthening and that almost every patient entering the health care delivery system has a fundamental nutritional problem, primary in itself in many instances or secondary to another disease condition which affects nutritional requirements.

... In all of this current concern, the role of the dietitian is paramount, because this professional is the member of the health care delivery team who translates the nutritional plan for the individual patient into the actual food and formula preparations. The dietitian in many institutions has assumed the role of a consultant to the physician, not only carrying out his orders for the patient's diet, also to advise him about the nutritional needs of the patient in terms of the specific clinical problem at hand. Opportunities for the students in medicine, dentistry, and nursing to interact with dietitians have greatly enhanced their understanding of the preventive and therapeutic aspects of nutrition.

The committee report continues:

... There is a national shortage of dietitians and this shortage will grow as physicians appreciate the need for their nutritional services in both hospital practices and clinic activities. We found no one who disputed this ever-increasing need for professionals in this health care delivery area. The estimated shortage in the Pacific Northwest is 150 dietitians. Oregon will need more dietitians than the current program graduates in the future years. The predicted need is for 60 new dietitians-nutritionists by 1980.
The University of Oregon Health Sciences Center reports that a total of 425 hours per week are required to provide nutritional services to the University Hospital and its outpatient clinic. This workload would require the services of ten dietitians. Yet the hospital is currently operating with six hospital dietitians, one outpatient clinic dietitian, and six dietetic interns on a rotating assignment. The University of Oregon Health Sciences Center concludes:

Thus the services of the six dietetic interns assigned continually to clinical-therapeutic services are essential to meet the needs of the hospitalized patients and the outpatient clinic clients. Dietetic interns, who enter the program with a B.S. or B.A. degree already, supplement the work load of the registered dietitians. Under supervision, the interns put their knowledge of academic principles of nutrition to immediate use to contribute to patient care.

Rationale for Transfer of Program. The request for authorization to transfer the program to the School of Medicine, and to seek funding for a part of its support in the School of Medicine budget, is necessary because:

1. Good budgeting practices and the need for University Hospital to recover an increasing percentage of its operating costs from patient fees requires separate funding of educational programs.

2. Allied health programs must now meet accreditation standards of the Northwest Association of Schools and Colleges as well as specialty accrediting authorities. This means the programs must be under the administration of an academic department, such as the School of Medicine.

These requirements would be met by transferring the hospital dietetic internship, which is fully accredited, from the University Hospital to the School of Medicine. The University of Oregon Health Sciences Center's commitment to the program, and the staffing therefor, would remain the same. A portion of the costs of the program, as shown below and on p. 20 of the full report, can be properly budgeted against the University Hospital budget (which benefits as noted earlier, by work done by the dietetic interns in the Hospital). The remainder of the funding to meet the program costs would be requested from Legislature as an increase in the budget of the School of Medicine. This would require an increased appropriation of $27,799 for the School of Medicine for the 1979-1981 biennium. Without funding to cover educational costs which cannot be recovered from the Hospital budget, the University of Oregon Health Sciences Center sees no way to continue its dietitian program.

ESTIMATED COSTS FOR PROPOSED PROGRAM

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<td>Faculty (1.27 FTE)</td>
<td>$35,394</td>
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<td>Support Personnel (.25 FTE)</td>
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<td>4,800</td>
<td>5,088</td>
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<td><strong>Total</strong></td>
<td>$42,514</td>
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<td>Special Appropriation to School of Medicine Budget</td>
<td>$13,354</td>
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Meeting #445

Staff Recommendation to the Board

Schematic Design and Financing

Plan for Parking Structure III, PSU

It was recommended that the schematic design phase of planning for proposed Parking Structure III at Portland State University, as prepared by Architects Zaik/Müller, be approved and that the appropriate Board officials be authorized to approve subsequent phases of planning for the initial unit thereof for the accommodation of approximately 400 vehicles, solicit bids and award a construction contract within a total project budget not to exceed $1,800,000, subject to Emergency Board concurrence. All of the project costs, including approximately $220,000 for the rededication of the site, would be financed from self-liquidating bonds issued under the provisions of Article XI-F(1) of the Oregon Constitution and/or other balances available for auxiliary enterprises.

Board Discussion and Action

In presenting the report, Mr. Hunderup indicated that it is anticipated in the plan that the full basement area would be used, but there is a potential from a bid alternate to reduce the capacity of the structure by excavating only a portion of the basement. However, he said it would be highly desirable to take advantage of the full lower level, if at all possible.

Mr. W. C. Neland, Director of the Physical Plant at Portland State University, explained that the parking spaces to be provided would replace those lost on the professional schools site and the parking structure site. The balance of spaces available in the structure will permit the institution to begin phasing out surface parking in the center of the campus and relieve the pedestrian-vehicular conflict in that area. When Phase II is completed, all of the parking will be in three permanent structures except for about 200 spaces. Mr. Neland said that because of the city's limitation on the number of spaces allocated to the downtown area, the institution was not meeting its parking requirements. There is a serious problem for residents and businesses in the vicinity of Portland State University, and the institution has a responsibility to provide the maximum number of spaces permitted under the city's regulations. If the institution were to exceed its parking quota so that parking requirements were met adequately, it would be necessary for someone else in the downtown area to have fewer spaces. Mr. Neland also reviewed the parking permit system and charges in effect at Portland State University.

There was some discussion of providing the potential for future vertical expansion. It was stated that the cost of the necessary increase in footings to provide this potential would be between $30,000 and $40,000.

Mr. Hunderup said he was concerned about the relationship of the height of the parking structure to the Helen Gordon Child Care Center and that, in his opinion, it would be improper to increase the height of the parking structure in such close proximity to that building, which has architectural significance.

Mr. Neland said that parking structures of no more than eight levels were generally considered by parking designers to be of the maximum effectiveness. Although it would be possible to accommodate 1,500 cars if the site were developed to full capacity, it would be unwise to introduce more than 800-900 cars in the area from an air quality standpoint.
In response to a question, it was indicated that the increased flexibility from the lift-slab construction was also more economical. In discussing the size of the parking spaces, it was indicated that the spaces were adequate, based on statistics for five sizes of cars. Two additional feet were added to the width of the driving lanes to make the turning radius easier for a full-size vehicle.

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

Staff Report to the Board

Within the report section of the docket of this meeting, it is noted that Architects Zaik/Miller, A.I.A., Portland, were commissioned for the design and contract administration of a proposed third parking structure at Portland State University for which legislative authorization was requested as part of the Board's capital construction program for auxiliary enterprises during 1977-1979. This expenditure request was submitted through the Executive Department with the stipulation that construction would be "conditional upon authorization for PSU Professional Schools Building, Phase I, which is expected to occupy a site now used for surface parking." Inasmuch as the Governor's budget recommendations did not include funding for the first unit of Professional Schools Building, an opportunity was not made available to institutional officials or the Board's staff to present the request for the proposed Parking Structure III to the capital construction subcommittee of the Joint Committee on Ways and Means even though the companion project for the School of Education was authorized and the surface parking on the site of the Professional Schools Building will be displaced.

In view of these circumstances, President Blume has urged that the planning of the parking facilities proceed as rapidly as possible and that a request be presented to the Emergency Board to authorize construction during this biennium. Sufficient bonding capacity is available within the statutory limitation to cover the expenditure requirements and the projected net revenues from parking operations appear to be adequate to assure that the new facilities, in combination with other parking facilities on the campus, would meet the provisions of Article XI-F(1) for self-support and self-liquidation. The Controller's Office has indicated that the rates of charge per space may need to be increased in 1979-80 from the present rate of $15 per month to a revised rate of $16 per month in order to provide sufficient net income for operating costs, debt service and the required two-year sinking fund reserve. Some refinements of these estimates may be necessary when more precise data are available later this year.

Consistent with the long-range development plan for the institution and the documentation which the Board reviewed in 1976 for Parking Structure III, the project site is at the west edge of the campus in the "super-block" bounded by S. W. Market Street on the north, S. W. Montgomery Street on the south, S. W. 12th Avenue on the east and S. W. 13 Avenue on the west. The initial unit would be located immediately south of the Helen Gordon Child Development Center (formerly identified as the Fruit and Flower Nursery). This site provides convenient
access to and from the Stadium Freeway. Future expansion, virtually doubling the size and capacity of the parking structure, would be provided at the south side of the first increment.

Because the land costs were financed from resources normally associated with the educational and general plant, including proceeds from the sale of bonds authorized under Article XI-G to provide state matching funds for the federally-financed Urban Renewal project benefiting Portland State University, rededication and refinancing from resources appropriate to auxiliary enterprises appears warranted. Following the precedent established by the Board on September 28, 1976, upon the rededication of land for the student housing units leased to Portland Student Services, Inc., interest has not been computed. The calculation has been based upon an average acquisition cost of slightly more than $7.39 per square foot for the ground area of approximately 29,400 square feet expected to be utilized for Phase I construction, or about $220,000, as mentioned in the staff recommendation.

The schematic design phase of planning reflects a basic capacity of 383 vehicles within the initial unit of a five-level structure, including partial basement. If this lowest level were increased to the same size as the ground, second, third and fourth floors, enlarging the gross area from 108,511 square feet to 121,277 square feet, the capacity could be increased by 46 to a total of 429. Tentatively, it is expected that this option would be included as a bid alternate. About 36% of the total capacity would be for compact cars. Parking stalls would be at right angles to the driving aisles. The structure would be operated as a self-parking, permit-controlled facility, open at all hours. Combination entrances and exits would be provided at grade on the east and west sides. The proposed future expansion would be of approximately the same size and capacity. The structure would be of post-tensioned reinforced concrete construction with fireproofed steel columns. Exterior walls below grade would be of poured-in-place concrete; above grade, the exterior panels would be of precast concrete. By utilizing the lift-slab method of construction, it is expected that the floors could be leveled if the facilities were to be converted to other uses at some future time.

Based upon the price level expected to prevail later in 1978 when bids for the first unit might be solicited, the architects estimate that the direct construction costs would be approximately $1,592,900, or about $11.49 per square foot for the total gross area of 121,277 square feet. Exclusive of land costs, the remaining $1,580,000 of project costs would average approximately $3,683 per space for the maximum capacity of 429 vehicles.

This unit cost compares favorably with the average of $4,000 projected for 300 cars in the original capital construction request of $1,200,000 included within the Board's program for 1977-1979. The current proposal reflects a larger capacity, a slightly larger area, and costs applicable to the rededication of the land to be used as the project site.

Upon completion of the proposed first unit of Parking Structure III, a maximum total of about 1,661 parking spaces would be available within permanent facilities constructed on the campus of Portland State University. The remaining allotment of parking spaces within the quota
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of 2,232 authorized to the institution by the City of Portland in its ordinance relating to the downtown parking plan would be provided in surface lots. The planning for the new structure is being coordinated with the appropriate City officials.

RECAPITULATION UPON COMPLETION OF SCHEMATIC DESIGN PHASE OF PLANNING

Project - PSU Parking Structure III

Architects - Zaik/Miller, A.I.A., Portland

Board's priority - No. 6 in 1977-1979 (Auxiliary Enterprises)

Legislative authorization - To be requested from State Emergency Board

Estimated total project costs, including $220,000 for rededication of land $1,800,000

Estimated total direct construction costs $1,392,900

* Average (per square foot) for gross area of 121,277 sq. ft. - $11.49

Tentative schedule:
Bidding - December 1978
Completion - September 1979

Tentative financing plan:
Proceeds from sale of bonds under Article XI-F(1) of the Oregon Constitution and/or balances available for auxiliary enterprises $1,800,000

Design Phase of Planning for Recreation Facilities (Tennis Courts), SOSC

Staff Recommendation to the Board

It was recommended that the design phase of planning which has now been completed by Marquess & Associates, Inc., consulting engineers, Medford, for the proposed Recreation Facilities (Tennis Courts) at Southern Oregon State College be approved and that the appropriate Board officials be authorized to instruct the engineers to complete the construction documents, and thereafter solicit bids and award contracts within the expenditure limitation of $175,000 authorized by the Board and the 1977 Legislature. The project would be financed entirely from self-liquidating bond borrowings and/or other resources available for auxiliary enterprises.

Board Discussion and Action

The Board approved the staff recommendation as presented with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore, Nyss, and Perry. Those voting no: None.

Staff Report to the Board

On January 27, 1978, the Board was advised that Marquess & Associates, Inc., a consulting engineering firm in Medford, had been commissioned to design and provide contract administration of the proposed tennis courts which are expected to be constructed on the campus of Southern Oregon State College as part of the recreational facilities authorized
by the 1977 Legislature. It was noted that the direct construction costs for these courts were estimated to be $139,755 out of the total expenditure limitation of $175,000 contained within Chapter 560, Oregon Laws 1977.

The engineers have completed and have filed with the Board's Office a copy of the design phase of planning for the project which would utilize a site immediately south of McNeal Hall, the Physical Education Building, and east of the Greensprings residence hall complex. The property is owned by the Board and will be cleared prior to soliciting bids for construction. The design contemplates the construction of six regulation-size tennis courts with fencing, lighting, and landscaping, and the possible additional construction of one to four screen tennis courts (also known as platform paddle tennis courts) which would be about half the size of regular courts. Institutional officials have indicated that there appears to be a growing demand for such recreational facilities in view of the national and local interest in paddle tennis. The site lends itself particularly well to the combination of the two court sizes in the area bounded by Webster Street on the north and North College Way on the south. The smaller courts would be bid as alternates to assure reasonably the receipt of bids within the approved budget. The contract work would include improved drainage for the project area, the provision of a small storage shed, drinking fountain, bike rack, turnstile gates, etc., and a synthetic playing surface on the asphaltic concrete courts.

In view of the need to complete construction documents so that bids may be solicited and contract awards made by mid-June, institutional officials have requested approval of the design phase of planning for the tennis courts at the March meeting of the Board rather than to defer the presentation to the Committee on Finance, Administration and Physical Plant in April.

All of the project costs would be financed from resources available for auxiliary enterprises, such as Article XI-F(1) bond proceeds and/or excess sinking fund reserves from commingled student building fees. No state tax funds are involved.

**RECAPITULATION UPON COMPLETION OF DESIGN PHASE OF PLANNING**

**Project - SOSC Recreation Facilities (Tennis Courts)**

**Engineers - Marquess & Associates, Inc., Medford**

**Board's priority - No. 14 in 1977-1979 (Auxiliary Enterprises)**

**Legislative authorization - Chapter 560, Oregon Laws 1977**

- Estimated total project costs: $175,000
- Estimated total direct construction costs: $139,755

**Tentative schedule:**
- Bidding - June 1978
- Completion - October 1978

**Tentative financing plan:**
- Proceeds from sale of bonds under Article XI-F(1) of the Oregon Constitution and/or balances available for auxiliary enterprises: $175,000
Instrumentation of Geothermal Greenhouse at OIT

(Considered by Committee on Finance, Administration, and Physical Plant, February 24, 1978; present--Ingalls, Ater, Moore, Wyss, Perry, and Batiste.)

Staff Recommendation to the Committee

It was recommended that the Board authorize the Oregon Institute of Technology to submit to the Pacific Northwest Regional Commission a request for funds sufficient to make the greenhouse at Oregon Institute of Technology an effective demonstration of the potential of a geothermal greenhouse industry in Oregon.

Discussion and Recommendation to the Committee

During the discussion, there was further clarification of the budgetary impact for 1979-1981 as stated in the staff report.

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

Board Discussion and Action

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

Staff Report to the Committee

Oregon Institute of Technology, in cooperation with the Agricultural Experiment Station, constructed an experimental greenhouse in 1976, as authorized by the Legislature. The Experiment Stations provided the funds to purchase and stock the greenhouse and OIT constructed it, provided maintenance for it and a small amount of faculty released time.

The greenhouse has a normal heating system designed for fossil fuels. As a result, it has been possible to extract only 16°F of heat from the water used in heating. This is ideal for a gas or oil-fueled system, but is totally unsatisfactory for a geothermal plant where the change in temperature should be up to 110°F for 200°F water. To do this, new heating systems must be designed, built and tested.

It is planned to try several heating system designs in the greenhouse to include barrier, soil, and bench heating. It should, then, be feasible to determine the most efficient kind of system for a given crop and situation. Prospective greenhouse growers need to know this kind of information, along with the economics of construction, drilling and delivery systems, to be able to determine whether relocation to an area with a geothermal resource would be beneficial. Lack of such information is probably the most significant factor holding up the rapid development of the geothermal greenhouse industry in Oregon.

A budget of $32,727 for the rest of the biennium would permit purchase of equipment to construct the new heating systems, instrumentation for experimental and record-keeping purposes, and salaries. The heating system construction could be completed during the summer months, and be in full operation
by the fall term of 1978. The estimated budget is shown below. Neither Oregon Institute of Technology nor the Oregon State University Agricultural Experiment Station has the necessary resources in their current budgets. The best funding source, at this time, is believed to be the Pacific Northwest Regional Commission.

This project should be supported, not only for its obvious possible economic benefits to Oregon, but also because it has educational value to OIT students. Several students have opted to do their Junior/Senior Projects in this area. One student, for example, is currently preparing a paper investigating solar heat contributions to greenhouses, new methods of calculating heat loss and new heating system designs.

Approval of the submission of the request to the Pacific Northwest Regional Commission would be subject to concurrence by the Legislative Emergency Board. Approval of submission also implies submission of a request for support of continued operating costs in the budget for 1979-1981.

**Estimated Budget for Greenhouse**

A. Initial instrumentation and fitting costs (one time only)

1. Instruments (includes installation equipment, calibration, probes, charts, etc.) $6,300.00
2. Pipe, finned heat transfer elements, fittings, plumbing, etc. 6,600.00
3. Engineering and technical time 3,000.00

**Total** $15,900.00

B. Operating expenses (annual)

1. Technical (.13 FTE plus OPE) ($6/hr. base) $4,500.00
2. Faculty (.25 FTE plus OPE) ($2,450/mo. base) 8,450.00

**Other Payroll Expense @ 15%** 3,877.00

**Total** $32,727.00

Oregon Institute of Technology requests authorization to offer an upper-division program in nursing leading to the bachelor of science degree. Once the program becomes operative, Oregon Institute of Technology will be able to offer the program within its regular budget and enrollment ceiling. However, because of the nature of nursing education, particularly nursing education designed to serve a large rural and small community region, extra funds are needed for planning the program; making arrangements

(Considered by Committee on Instruction, Research and Public Service Programs, February 24, 1978; present--Carpenter, Feves, Anderson, Daniels, and Harms.)
with a variety of medical settings for clinical instruction and practicums needed to provide the learning experiences necessary to baccalaureate-level professional education; staff orientation into a new program; and special instructional facilities. These start-up funds, covering all costs of the first three years of the program, will be sought from the U. S. Department of Health, Education and Welfare or, if this request is unsuccessful, from the Kellogg Foundation. If these requests are successful, first students could be admitted to the program fall 1979-80. The Oregon Institute of Technology presentation of the request is found pp. 1-48 of the document entitled, "Request of Oregon Institute of Technology For Authorization To Offer A BS Degree Program In Nursing," which is on file in the Board's Office.

Staff Recommendation to the Committee

The Board's Office recommended that Oregon Institute of Technology be authorized to offer an upper-division program in nursing leading to the bachelor of science degree provided the extra funding required to inaugurate the program is obtained from non-state sources. Acceptance of the grant money would be dependent upon approval of the Emergency Board.

Discussion and Recommendation by the Committee

President Light said the proposed baccalaureate nursing program was a response to community need, not only in Klamath Falls, but in the central region of Oregon as well. The present associate degree program is expected to provide a nucleus of faculty for the proposed program, and will be supplemented by additional faculty. In addition to the resident education on the campus of Oregon Institute of Technology, these health care professionals will be able to provide continuing education programs which will help upgrade nursing service throughout the central region.

President Light said the baccalaureate nursing program would provide Oregon Institute of Technology a better balance of female students at the upper-division level. The proposed program would be appropriate for the future development plans for Oregon Institute of Technology, President Light said, and would serve a vital community need. Further, baccalaureate training for nurses is important in view of the demands placed upon nurses as a result of more sophisticated health care procedures.

Dr. Glenn Edmison, Chairman of the Division of Applied Science at Central Oregon Community College, said the concept of career ladder education was the primary key to the support of Central Oregon Community College for the baccalaureate nursing degree program. It is believed that students who desire to serve in the health care field should be able to do so at a level consistent with ability, training, and ambition, and the proposed program offers this type of opportunity. Dr. Edmison emphasized the need many people have to take some training, seek employment, and later return for additional training. Dr. Edmison indicated there had been close cooperation between Central Oregon Community College and Oregon Institute of Technology in planning the program, and assurances had been received that some opportunities for admissions would be available for Central Oregon Community College students following their completion of the ADN program.
Mrs. Catherine Puri, Director of the Nursing Department at Oregon Institute of Technology, said the programs at Oregon Institute of Technology and Central Oregon Community College would be integrated in such a way that Central Oregon students would lose little or no time or credit continuing into upper-division work. All students entering the baccalaureate program from the associate degree program would be evaluated for admission as required by the accreditation regulations of the National League for Nursing. Adequate clinical facilities are available to avoid conflicts in the various programs.

Mrs. Puri said the Oregon Institute of Technology program was developed on the articulated associate/baccalaureate model which has been very successful in Nebraska, a state similar to Oregon in many aspects related to nursing education.

In response to a concern expressed by Lane Community College that there would not be a sufficient number of people trained at the master's level to support instruction in an additional program, it was indicated that staff would be recruited primarily from outside of Oregon.

Also during the discussion it was indicated that arrangements for clinical facilities and scheduling would be made in a way which would increase the opportunities for students to enroll, even though they might presently be employed.

Reference was made to comments by Dr. Arlyne Freisner, consultant from the National League of Nursing, concerning the advantages of generic nursing programs. Mrs. Puri explained that the League tends to believe nursing education is best offered in baccalaureate nursing programs in a university setting. She said it was extremely difficult to communicate needs of a rural region such as Central Oregon to a person who is from a metropolitan center. However, once Dr. Freisner was convinced of the staff's commitment to an articulated program, she provided guidance in the theoretical and conceptual processes necessary in the development of the program.

Mr. Dave Arnold, Administrator of the Presbyterian Intercommunity Hospital in Klamath Falls described the need for baccalaureate-trained nurses in Klamath Falls and Bend and the health care facilities available in the communities. He said this program would aid substantially in reducing the maldistribution of professional nurses—that is nurses prepared to exercise judgment—in central and southern Oregon. Mr. Arnold also indicated that clinical facilities were adequate to support the proposed program.

Dr. Earle LeVernois, Past Chairman of the Klamath County Medical Society, emphasized the need for highly skilled nurses to support the work of physicians, particularly in the medical specialties. He stated that the physicians in the region have long advocated additional training for nurses. They are strongly in favor of the baccalaureate degree program and urge the Board to approve it.

Mrs. Eleanor Ehlers, a member of the Board of Directors of the Presbyterian Intercommunity Hospital, described the community efforts which have been made to implement the program, which represents a community response to the needs of the city and the region.

Mrs. Juanita Kolosick, Head Nurse in Obstetrics at the Presbyterian Intercommunity Hospital, spoke to the need of nurses for advanced study and the difficulties of the placebound person in obtaining professional training when this training was concentrated in a distant location.
In response to questions concerning funding, Dr. Light said he proposed to spend money received for students enrolled in the program during the grant period for one-time expenditures, so that it would not be necessary to seek additional state funds to support the program when the grant expires. It is anticipated that it would be possible to fund the program at the end of the grant period from resources available in the budget from per capita income received from students. He added that approximately 50% of the students will remain in the area following graduation and that there should be no problem with placement for the students when they have completed the program.

Dr. Romney indicated that the proposed program is supported by the University of Oregon Health Sciences Center. He said also that it was not expected to have any significant impact upon the program at Southern Oregon State College.

With respect to future programs for nursing in the state, Dr. Romney said it was probable there would be some increase in opportunities at the master's level. A proposal for a doctoral program would be brought forward only after a thorough review was made of both the need for such a program and the resources available in the Northwest for meeting this need.

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

Board Discussion and Action

Mr. Wyss asked about the number of students shifting from the associate to the baccalaureate degree. President Light indicated that there would be the same number of students at the associate degree level, but 12-13 would be expected to continue into the baccalaureate program.

Mr. Wyss said there seemed to be general agreement that there is an adequate supply of associate degree nurses and asked whether the associate degree program should continue to be maintained at the same level.

President Light said the normal attrition at the associate degree level requires a certain output and he expected this situation would exist for some time.

Dr. Romney explained that both the programs at Southern Oregon State College and Oregon Institute of Technology would result in a reduction of associate degree nurses and an increase in baccalaureate degree nurses. At Oregon Institute of Technology, half of the current associate degree people will not seek employment but will continue through the second two years for a baccalaureate degree. At Southern Oregon State College, the associate degree program was cut back while at the same time increasing the number of people who will be graduating at the baccalaureate level.

Mr. Wyss mentioned the statement that the proposed program would serve place-bound persons. However, it was estimated that only 50% of the baccalaureate degree graduates would stay in the area, which he said seemed inconsistent with the need to serve place-bound people.

Mrs. Catherine Puri, Director of the Nursing Program at Oregon Institute of Technology, responded that presently about 60% of the graduating class stays in Klamath Falls and is employed immediately upon graduation. Many
of the students from previous classes are still working in the area. She said in the early years of any program which appeals to women, there is normally a higher proportion of the graduates staying in the community because of family commitments. As a program matures, more younger women are admitted who may be less place-bound.

Mr. Perry referred to duplication of courses, the role of the Oregon Educational Coordinating Commission in reviewing programs, and the attitude of the Commission toward the proposed nursing program at Oregon Institute of Technology.

Dr. Romney said the proposed nursing program must be submitted to the Educational Coordinating Commission for review and recommendation. It is expected to be considered by the Commission in May in terms of the Commission’s view of the need for additional nursing programs. He said a report is being completed from the Educational Coordinating Commission with respect to nursing needs in the state.

The Chancellor suggested that the proposal be submitted to the Emergency Board following the action of the Oregon Educational Coordinating Commission with respect to this program.

The Board approved the Committee recommendation as presented, including deferral of the request to the Emergency Board until after the review by the Oregon Educational Coordinating Commission. The following voted in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Ham, Ingalls, Moore, Myers, and Perry. Those voting no: None.

Staff Report to the Committee

The Board will recall discussion at its April 11, 1977, meeting of the Committee on Instruction, Research, and Public Service Programs, in La Grande, of the report of a statewide task force for nursing education calling for a statewide coordinated plan for nursing education for Oregon.

The need for such a plan was predicated on three basic assumptions:

1. Every citizen in the State of Oregon has the right to equal access to quality health care.

2. Quality health care is the objective in the evaluation of the adequacy of the number, size, and nature of nursing education programs.

3. Multiple levels and variations in educational preparation for entry into the nursing workforce and uneven access to the health care delivery system will persist as problems until statewide coordinated plans providing acceptable solutions are implemented.

The recommendation for a statewide plan for nursing education came out of the conviction of the task force that quality nursing education programs of adequate size and number would have significant impact on the time required to attain equal access to quality health care by the citizens of this state.

After reviewing statistical data concerning health care needs and resources of the geographical regions of the state, prepared by the University of Oregon Health Sciences Center School of Nursing, the task force formulated some preliminary recommendations for a statewide plan.
The State Board of Higher Education and its institutions, in cooperation and consultation with the University of Portland, the one independent institution in the state providing baccalaureate and master's degree education in nursing, have been moving ahead in refining these recommendations into a coordinated statewide plan for baccalaureate and advanced nursing education in Oregon, the areas of nursing education for which the Board and the University of Portland are responsible.

The map on p. 117 shows the major geographical areas of the state as viewed by nurses participating in Oregon's statewide continuing nursing education project. In a series of actions, the State Board of Higher Education has moved to provide baccalaureate degree opportunities in each of these regions of the state except the vast Central Oregon region.

The need for baccalaureate level educational opportunities outside the Portland metropolitan area has been explored at length in the reports on nursing education brought to the Board's Committee beginning, in the most recent series, with the December 17, 1976, report.

There are three aspects to this need.

1. Regions of the state outside the Portland metropolitan area, where by every report there is a good supply of nurses in the three metropolitan counties at every level of preparation except, possibly, advanced graduate levels, have fewer employed nurses per 100,000 population than the state average. As shown in column 6, Table I, p. 118, employed registered nurses per 100,000 in Oregon in 1975, the last year for which the figures are available, ranged from 555.0 in the Metropolitan region to a low of 314.4 in the Central Oregon region and 308.7 in the Eastern Oregon region. Average ratio for the state was 439.7 employed nurses per 100,000 population.

2. The Eastern, Southern, and Central regions of the state are far more reliant on practical nurses for their nursing services than are the Metropolitan and Mid-Willamette regions, as shown in column 7, Table I. While licensed practical nurse programs have been widely available in the state, until 1975 the only programs producing RN's outside the Willamette valley were the associate degree programs at Southern Oregon State College and Oregon Institute of Technology.

3. The educational mix of the registered nurses employed in the Southern, Central, and Eastern Oregon regions is much less favorable, in respect to the numbers of nurses with baccalaureate level skills, than is true in the Metropolitan area; and less favorable than is true in the Mid-Willamette area, as shown in Table II, p. 119.

Hospital administrators from the Eastern Oregon region testified before the Board's Committee in 1977 in La Grande concerning the serious shortage in that area not only of nursing personnel but of nursing personnel prepared at the baccalaureate level. Hospital administrators from the Central Oregon region will testify
TABLE I

NUMBER OF EMPLOYED REGISTERED NURSES AND EMPLOYED LICENSED PRACTICAL NURSES
PER 100,000 POPULATION BY REGION

<table>
<thead>
<tr>
<th>Region</th>
<th>Population 1-31-77</th>
<th>Number Employed Nursing Personnel</th>
<th>Number Employed Nursing Personnel Per 100,000 Population</th>
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<tbody>
<tr>
<td></td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>Metropolitan</td>
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<tr>
<td>Clackamas</td>
<td>208,500</td>
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<td>Clatsop</td>
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<td>Columbia</td>
<td>32,600</td>
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<tr>
<td>Hood River</td>
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<td>11</td>
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<td></td>
<td>1,078,940</td>
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<td>Mid-Willamette</td>
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<td>16,000</td>
<td>50</td>
<td>17</td>
</tr>
<tr>
<td>Gilliam</td>
<td>2,100</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Grant</td>
<td>7,460</td>
<td>22</td>
<td>10</td>
</tr>
<tr>
<td>Malheur</td>
<td>24,750</td>
<td>94</td>
<td>15</td>
</tr>
<tr>
<td>Morrow</td>
<td>5,420</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Umatilla</td>
<td>31,000</td>
<td>184</td>
<td>137</td>
</tr>
<tr>
<td>Union</td>
<td>22,400</td>
<td>51</td>
<td>32</td>
</tr>
<tr>
<td>Wallowa</td>
<td>6,900</td>
<td>18</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>136,030</td>
<td>420</td>
<td>290</td>
</tr>
<tr>
<td>Southern</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coos</td>
<td>60,400</td>
<td>192</td>
<td>113</td>
</tr>
<tr>
<td>Curry</td>
<td>14,400</td>
<td>33</td>
<td>7</td>
</tr>
<tr>
<td>Douglas</td>
<td>82,800</td>
<td>267</td>
<td>142</td>
</tr>
<tr>
<td>Jackson</td>
<td>117,500</td>
<td>472</td>
<td>186</td>
</tr>
<tr>
<td>Josephine</td>
<td>49,700</td>
<td>161</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td>324,800</td>
<td>1,125</td>
<td>496</td>
</tr>
<tr>
<td>Central</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crook</td>
<td>12,050</td>
<td>29</td>
<td>35</td>
</tr>
<tr>
<td>Deschutes</td>
<td>44,800</td>
<td>176</td>
<td>103</td>
</tr>
<tr>
<td>Harney</td>
<td>7,650</td>
<td>27</td>
<td>6</td>
</tr>
<tr>
<td>Jefferson</td>
<td>10,100</td>
<td>25</td>
<td>16</td>
</tr>
<tr>
<td>Klamath</td>
<td>58,600</td>
<td>158</td>
<td>41</td>
</tr>
<tr>
<td>Lake</td>
<td>6,680</td>
<td>20</td>
<td>3</td>
</tr>
<tr>
<td>Wheeler</td>
<td>2,000</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>139,280</td>
<td>438</td>
<td>204</td>
</tr>
<tr>
<td>County Not Stated</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL, State</td>
<td>2,367,750</td>
<td>10,413</td>
<td>3,286</td>
</tr>
</tbody>
</table>

TABLE II
PERCENT OF REGISTERED NURSES BY EDUCATIONAL PREPARATION WITH NURSING MAJOR BY REGION

<table>
<thead>
<tr>
<th>Level of Preparation with Nursing Major</th>
<th>State</th>
<th>Metropolitan</th>
<th>Mid-Willamette</th>
<th>Southern</th>
<th>Central</th>
<th>Eastern</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma/Associate Degree</td>
<td>73.9</td>
<td>70.4</td>
<td>77.4</td>
<td>79.2</td>
<td>82.4</td>
<td>81.6</td>
</tr>
<tr>
<td>Baccalaureate</td>
<td>23.8</td>
<td>26.6</td>
<td>21.5</td>
<td>18.9</td>
<td>16.2</td>
<td>17.4</td>
</tr>
<tr>
<td>Master's and Above</td>
<td>2.3</td>
<td>3.0</td>
<td>1.1</td>
<td>1.9</td>
<td>1.4</td>
<td>1.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
that they now have or soon will have an adequate supply of associate degree RN's, but that they are still unable to obtain the baccalaureate nurses they need. The inability of the hospitals and other medical services in the Central Oregon region to employ the baccalaureate-prepared nurses they need, and the absence of opportunity for their associate-degree-prepared nurses to upgrade their preparation to baccalaureate level, is a very serious problem for those trying to offer high quality health care in these regions of the state. The shortage of baccalaureate-degree-prepared nurses willing to serve in rural areas is made even more critical because of the disappearance from the labor market of the three-year hospital-trained nurse.

Dean Carol Lindeman testified before the Board's Committee in April 1977 that while no one has yet found a solution for maldistribution of nursing services, it seems reasonable that students from a region, trained in that region, who had good learning opportunities during their training, and who no longer would be able to find jobs open anywhere they chose to move, might well choose to remain in the region with which they were familiar.

Because of the large amount of clinical instruction involved, which often must be taught on a very small group or one-to-one basis, nursing education does not acquire economy by reason of size. Once one has the mass of students needed to justify the range of faculty expertise required, any further increment in student body requires added faculty and more opportunities for placement of students in clinical facilities. For this reason, and because of impact on clinical resources, nursing education is amenable to decentralization.

Decentralization of baccalaureate degree educational programs has an added advantage, in that it places in under-served regions of the state a cadre of nurse educators prepared at an advanced level, who are day working with health care staffs in providing clinical experiences for students, and who bring to the area a source of expertise and leadership not otherwise available.

Steps Taken in Oregon Toward a Statewide Plan for Baccalaureate Level Nursing Education. As noted earlier, the State Board of Higher Education has moved toward development of a statewide plan for baccalaureate education. Specifically, the Board has:

1. Authorized the University of Oregon Health Sciences Center School of Nursing to reduce enrollment in its baccalaureate program during the 1977-1979 biennium by 100 students, the reduction to be accomplished by reducing the entering class from the 209 new students admitted in 1976-77 to 150 each year 1977-78 and 1978-79.

2. Authorized the University of Oregon Health Sciences Center School of Nursing to shift its enrollment emphasis to provide increased opportunities for the registered nurse prepared at the associate degree or diploma level to earn the bachelor of science degree.
Under this provision, the 150 new students to be admitted each year during the 1977-1979 biennium would be divided 100 new beginning nursing students and 50 registered nurses. Since the School of Nursing had been admitting 150-200 new beginning students each year, the result of these actions was to reduce the production of new beginning nurses at the University of Oregon Health Sciences Center by one-half.

The reasons for reduction of the baccalaureate degree nursing program at the University of Oregon Health Sciences Center, as presented by Dean Lindeman, were threefold:

1. There are numerous schools of nursing in Portland all competing for use of the same clinical resources. Clinical resources available to the University of Oregon Health Sciences Center School of Nursing do not provide adequate clinical instruction for the numbers of students the School has admitted in the past.

2. The School of Nursing does not have the financial resources to provide a quality education for 209 new students each year.

3. The School is scheduled for a National League of Nursing accreditation review fall 1977, necessitating a drastic reduction in the size of the entering class if the School is to demonstrate that it is to be able to do a reasonably good job of educating its students.

3. Approved development of a University of Oregon Health Sciences Center-Eastern Oregon State College BS in Nursing program to be located on the Eastern Oregon State College campus and to utilize clinical facilities in the northeastern Oregon region. This program, when fully operative, would enroll 60 students, approximately 30 of whom would be new beginning nurse students and 30 of whom would be registered nurses seeking to upgrade their competencies to the baccalaureate level. Implementation of this program is dependent upon receipt of federal grant funds to cover start-up costs for the program. It is not yet known whether the grant will be awarded.

4. Approved a shift in emphasis from the associate degree nurses to the bachelor of science in nursing degree program at Southern Oregon State College. This action is in response to the prospective oversupply of associate degree nurses, both in Oregon and in the nation, and the need to transfer faculty resources to support of the baccalaureate degree program, where there remains a shortage. Under this plan, Southern Oregon State College will decrease enrollment in its lower-division, associate degree program over a two-year period from a total of 90 students 1977-78 to 60-70 students 1979-80, the reduction to be accomplished by reducing the number of students admitted to the freshman class from 42 to 32 per year and by phasing out the federally funded program providing associate degree instruction for 10 licensed practical nurse students each year upon termination.
of the federal grant. Reduction of the associate degree program would permit enrollment in the upper-division baccalaureate degree program to be increased from a total of 50 students 1977-78 to 60 students 1979-80. Unlike the University of Oregon Health Sciences Center and Eastern Oregon State College-University of Oregon Health Sciences Center baccalaureate programs, which admit new nursing students with one year of preprofessional education at the sophomore level, the Southern Oregon State College program is an upper-division program admitting only registered nurses who have already completed basic nursing education required for registration in associate degree or diploma programs.

In summary, the actions to date, if all were in full operation, would, in concert with the baccalaureate degree program of the University of Portland, provide preparation for baccalaureate degree nurses as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>New Beginning Nurse Students</th>
<th>Diploma and Associate Degree RN Students Seeking BSN Degree</th>
<th>Total Students Admitted Each Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Portland</td>
<td>150</td>
<td>20</td>
<td>170</td>
</tr>
<tr>
<td>OSU</td>
<td>0</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>OSU-EDC</td>
<td>10</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>260</td>
<td>110</td>
<td>370</td>
</tr>
</tbody>
</table>

The result of these actions is a decrease of 90 in the numbers of new beginning nurse students admitted to baccalaureate degree programs and an increase of 50 in the number of opportunities available for diploma and associate degree nurses seeking the baccalaureate degree.

Effect of Authorization of the Proposed Oregon Institute of Technology Bachelor of Science in Nursing Program. Actions of the Board of Higher Education will, if funding is forthcoming for the University of Oregon Health Sciences Center-Eastern Oregon State College program, provide baccalaureate degree education for nurses in each of the regions of the state except the Central Oregon region.

Oregon Institute of Technology proposes to expand its program in nursing education, which now prepares associate degree nurses, into a baccalaureate degree program organized as an articulated curriculum. The first two years of the program would, as at present, lead to the associate degree. The institution would continue to admit 30 beginning students each year to the ADN program for a total enrollment of approximately 55 students. Students successfully completing the associate degree program and a supervised work experience conducted during the late spring and early summer of their sophomore year would be permitted to move directly into the upper-division nursing program. It is expected that approximately one-half the students completing the associate degree program would continue into the upper-division program, one-half would leave the program as associate degree nurses, i.e., 12-13 of the 25 students expected to complete the associate degree program each year would continue into the baccalaureate program, 12-13 would leave the program at the associate degree level. The institution would then admit 12-13 registered
nurse students wishing to upgrade their competencies to baccalaureate level to make up a junior class of 25 students. Total enrollment in the nursing education program at Oregon Institute of Technology would then be:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman year</td>
<td>30</td>
</tr>
<tr>
<td>Sophomore year</td>
<td>25</td>
</tr>
<tr>
<td>Junior year</td>
<td>25</td>
</tr>
<tr>
<td>Senior year</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The addition of the proposed program would have no effect on the total supply entering the job market, but it would reduce the numbers of nurses entering the employment market at the associate degree level, where there is a potential oversupply, by 12-13 a year, increase the numbers of new nurses entering the employment market at the baccalaureate degree level where there is a shortage by 12-13 a year (the Oregon Institute of Technology nurses continuing straight through the four-year program), and upgrade 12-13 nurses already in the workforce each year to the baccalaureate degree level.

The Oregon Institute of Technology program, thus, would meet three needs in the Central Oregon region:

1. It would produce new desperately needed baccalaureate degree nurses, some of whom at least could be expected to remain in the region to work.

2. It would provide opportunity for already employed Central Oregon nurses prepared at the associate degree and diploma levels to upgrade their preparation. (While enrollment in the upper-division program would be open to all nurses licensed in Oregon, it is expected that many of the nurses seeking application to the program will be employed Central Oregon nurses who will complete the program through part-time enrollment.)

3. It would provide a continued supply of nurses at the associate degree level to meet continuing local employment needs for nurses prepared at this level.

The program is described in great detail in the Oregon Institute of Technology presentation and this description will not be repeated here. Budget for the proposed program is presented on p. 36 of the Oregon Institute of Technology presentation. Oregon Institute of Technology is a technical institute and nursing education is no more expensive than some of its other technical programs. Once the program is underway, Oregon Institute of Technology would expect to fund program costs, projected at $133,130 per year, within its regular budget and regular enrollment limitation. The institution does not have funds to provide the extra start-up costs required during the first years of a new nursing program. For this reason, inauguration of the program is dependent upon the obtaining of non-state funds to cover these start-up costs. Oregon Institute of Technology has been encouraged to submit a grant request to the U. S. Department of Health, Education and Welfare to cover costs of the program for the first three years. If this grant is not forthcoming, Oregon Institute of Technology will make a similar request to the Kellogg Foundation. Oregon Institute of Technology will explore these and any other sources of non-state funding to cover the beginning years before returning to the Board with a request for authorization to seek start-up funds for the program from a general fund appropriation.
Intersegmental Impact of Proposed Program. The proposed program has been reviewed by the independent colleges and universities, the community colleges, and the State Department of Education. Letters from persons reviewing the program are presented on pp. 49-69 of the full report. The community colleges, generally, welcome additional opportunities for their associate degree graduates to enter baccalaureate degree program but question whether Oregon Institute of Technology should encourage (or permit) its own nursing students to move directly through a four-year program on the grounds that this reduces the number of upper-division openings available for students from other programs.

The concern of the nursing department at Oregon Institute of Technology, the consultants who assisted in the development of the program, and the Board's staff has been that once the backlog of demand on the part of registered nurses for baccalaureate degree opportunities is worked off, those programs relying entirely on admission of registered nurses to fill their classes may have difficulty filling their entering classes. This would be especially true for a program in a remote, sparsely populated region like Central Oregon.

Dr. Arlyne Friesner, consultant from the National League for Nursing who visited the Oregon Institute of Technology campus for two days in October to work with the Oregon Institute of Technology faculty in the development of the baccalaureate program, was particularly concerned that the program have a dependable student base, since several 2+2 programs with which she was familiar in the east have had to close for this reason. The Oregon Institute of Technology staff has been unwilling to recommend--nor the Board's Office to support--establishment of a program in Klamath Falls that did not have a student base of baccalaureate-oriented students who planned to proceed directly through the degree program.

Additional communications have been received but were not included in the Committee document. They are on file in the Board's Office.

Request for Authorization To Offer a Certificate Program in Women Studies, OSU

Oregon State University requests authorization to offer a certificate program in Women Studies. The Oregon State University presentation of its case for the proposed program is to be found on pp. 1-10 of the full report. The report entitled, "Oregon State University Request for Authorization To Offer a Certificate Program in Women Studies", is on file in the Board's Office.

Staff Recommendation to the Committee

The Board's Office recommended that Oregon State University be authorized to offer the proposed certificate program in Women Studies, effective 1978-79.

Discussion and Recommendation by the Committee

President MacVicar stated that the proposed program had been developed on a sound academic base. Courses labeled WS are specialized and interdisciplinary in character and will be offered by the staff of the proposed Center. The remainder of the courses in the proposed program are contained in the respective academic departments.
Dr. Jeanne Dost, Associate Professor of Economics and Director of the Center for Women Studies, said the program had been developed over a period of five years. She said the faculty members involved in the development of the program were convinced that it is academically sound. Dr. Dost explained that the Oregon State University program emphasizes an understanding of civil rights legislation and the various laws and an understanding of the sexual stereotyping of both men and women.

In discussing enrollment, Dr. Romney explained that both the University of Oregon and Portland State University have actified programs in women studies; that the number of certificates awarded by them has not been large but that enrollments in the courses has been good.

In response to a question concerning the reason for the inclusion of courses in statistics, business, and data processing in the program, Dr. Dost said students from the program would be entering graduate school or seeking employment which would require an understanding of basic research methodology and data processing. Many of the positions which graduates will enter require an understanding of reports and research. Dr. Kathleen Orange, Assistant Professor of Political Science, said the ability to access computer information on personnel is fundamental to affirmative action.

Mr. Anderson asked where the students would learn the actual procedures and operation of an affirmative action program. It was indicated that students would get background information from a number of courses but that it was very important for students to participate in an appropriate internship if they planned to enter employment dealing with affirmative action.

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

Board Discussion and Action

Mr. Wyss said he was opposed to the program on philosophical grounds because he was against fragmentation so that individuals sought to identify themselves as members of pressure groups.

Dr. Romney said the concept of a special group had been discussed at length when the two previous programs dealing with women had been approved. However, there is a significant feeling on the part of many people at the present time that there is a definite need to sensitize people to that role. It is expected that as appropriate recognition is given, the need for this type of program will diminish as changes occur in society.

Mrs. Carpenter commented that the ratio of women in upper academic roles is diminishing and that there is a large group of women who need help in breaking up the cultural stereotypes that have been imposed.

Mr. Batiste said his experience in both state and federal government indicated there was no real resource for affirmative action offices. He said that if this program were approved, it would be desirable to experiment in ways of training people in this field.
The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore, and Perry. Those voting no: Director Wyss.

Staff Report to the Committee

The Board's Office rationale is as follows:

1. Whatever one's view as to whether women studies is or can become a distinct intellectual discipline, the Board's Office is willing to believe that, given all of the disciplines represented in the Oregon State University curricula, it is possible to mount a sufficient number of courses with content of an academically respectable character, and sufficiently related to the interests of those who espouse women studies programs, to provide the academic courses necessary to a certificate program of the dimensions proposed by Oregon State University (40 credit hours).

The Board's Office believes that neither race nor sex constitutes the best criterion, or are among the best criteria, in terms of which to organize subject matter as the base for baccalaureate and graduate programs. Were a baccalaureate program in women studies being proposed, we should advise against its approval.

We are of the view that the optimum value and use for the student of women studies is as a minor emphasis complementing a more established major.

2. The proposed certificate program responds in a positive way to a "felt need" on the part of a segment of the faculty and students without, in our judgment, violating academic principle or placing upon the institution an intolerable or even a significant financial burden in this time of straitened circumstances.

3. The certificate program will offer opportunity to insinuate into the stream of consciousness of the several departments on campus an awareness of the need to examine whether such bias in the presentation of material relating to women's roles and contributions exists; the desirability of seeking its elimination; that out of this awareness may well come changes in the way in which the traditional disciplines are handled so that over time appropriate and deserved place will be given to women's roles in the traditional disciplines, making irrelevant and unnecessary women studies programs.

4. Finally, the Board's Office is persuaded that the certificate program will serve a useful purpose in the present climate and circumstances.

OSU's Present Activities
In Women Studies

Oregon State University has, for a number of years, had a Center for women studies which operates under the direction of Dr. Jeanne Dost, an Associate Professor in the Department of Economics.
The Center provides special programs and services "to enhance women's participation in the University. Feminist-oriented activities demonstrate current significant accomplishments of women, evolving roles of men and women, and heretofore unacknowledged contributions of women."

Some women studies courses are currently being offered at Oregon State University under Liberal Studies or as a concentration in American Studies leading to a baccalaureate degree.

The Proposed Program

The proposed certificate program would consist of 40 credit hours of work: 27 credit hours of core courses, 6 hours of electives, and 7 credit hours in one or two proposed options: (1) a Technical Option (recommended for students planning a career in Affirmative Action) which consists of a 4 credit course in Introduction to Business Data Processing, and a 3 credit "Internship," to be sponsored by an appropriate department, and (2) A Graduate Study Preparatory Option which consists of a Thesis for which 7 hours of credit is granted.

The core courses are listed below:

<table>
<thead>
<tr>
<th>Course</th>
<th>Title</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>WS 219</td>
<td>Survey of American Women Today</td>
<td>3</td>
</tr>
<tr>
<td>*Hst 363</td>
<td>Women in U.S. History</td>
<td>3</td>
</tr>
<tr>
<td>*Ed 507K</td>
<td>Seminar: Women in the Northwest</td>
<td>3</td>
</tr>
<tr>
<td>WS 319</td>
<td>Working Women in America</td>
<td>3</td>
</tr>
<tr>
<td>PS 329</td>
<td>Politics of the Women's Movement</td>
<td>3</td>
</tr>
<tr>
<td>PS 429x</td>
<td>Women and the Law (g) (to be requested)</td>
<td>3</td>
</tr>
<tr>
<td>Soc 414</td>
<td>Sociology of Sex Roles (g) (to be requested)</td>
<td>3</td>
</tr>
<tr>
<td>Psy 330x</td>
<td>Psychology of Women (g) (to be requested)</td>
<td>3</td>
</tr>
<tr>
<td>St 311, 312</td>
<td>Introduction to Statistics</td>
<td>6</td>
</tr>
</tbody>
</table>

27 hours

Locus of the Program

The program would be lodged in the College of Liberal Arts, with the Director of the Program reporting directly to the Dean.

A Women Studies Certificate Committee would be appointed by the Dean of the College of Liberal Arts in consultation with the Director of Women Studies Certificate Program. The committee, consisting of three faculty members and three students, would have general oversight of the program, and would meet at least monthly during the academic year.

Warrant for the Program

Women studies programs have generally grown out of a feeling that the traditional disciplines have given too little attention to women, or that the attention given has been less objective than it might have been.
The proposed certificate program is intended to: (1) make more visible the courses in the various departments and schools of the University that relate to the roles of women in society and recognize the changing roles of women, (2) provide a focal point around which those with a special interest in the study of women's roles in society may rally in their efforts, (3) provide a means through which the traditional disciplines may be encouraged to make such contribution to the study and understanding of women's roles as the specialized resources of the disciplines permit, (4) offer an opportunity for students to use their elective credit hours to develop a coherent, integrated program of study relating to women's contributions to society and the losses to society stemming from a constrained, limited view of women's capacities for service in the social milieu, (5) facilitate the offering of technical assistance to those agencies concerned with women's rights and nondiscrimination.

Areas of employment for which the Women Studies Certificate Program is thought to be particularly relevant are: public education, counseling, affirmative action, law enforcement, management, personnel, extension programs of various kinds.

Interdisciplinary Character of the Program

Among the departments that have committed themselves to work with the proposed Certificate program by providing coursework and otherwise supporting the program are: Departments of Economics, Sociology, Political Science, English, History, Family Resource Management, Philosophy, Psychology, Physical Education, Speech Communications, School of Education, University Honors.

The proposed Women Studies Certificate Program is felt to be supplementary to the Human Service Certificate Program.

It is felt that with the increasing emphasis on nondiscrimination and affirmative action, public and private agencies are recognizing the importance of having in their employ persons who, in addition to their field of major expertise, have had special preparation in the field of state and federal law and regulations governing nondiscrimination and Affirmative Action requirements. Students with a Certificate in Women Studies will, in some instances, it is felt, have an advantage in seeking employment, other things being equal.

Resources Needed

The costs of the proposed program will be met by Oregon State University from their going-level budget.

1The OSU Human Services Certificate program is an interdisciplinary program for students with career interests in the social services professions. As a complement to a student's major program, the human services program provides special training in the delivery and administration of social services. The Certificate program consists of 36-37 credit hours in human services seminars, management processes, behavior analysis, interviewing, written communication; six credit hours of work in one of the following areas: corrections, drug abuse, disabilities, health, children and adolescence, gerontology, family; and a 9-credit hour internship.
Faculty resources are thought to be adequate to the needs of the program. Some 18 faculty members are listed in the Oregon State University presentation (pp. 8-9) who, it is said, will participate in the Certificate Program if it is approved.

Oregon State University proposes to assign specifically to the program .20 FTE faculty and .25 FTE support personnel, amounting to $5,018 the first year, increasing to $6,515 the fourth year, and supplies and services ranging from $600 the first year to $660 the fourth year. In the aggregate, therefore, the cost is forecast to range from $5,681 in the first year to $7,175 the fourth.

No additional physical facilities or resources are necessary and the facilities necessary to coordinate the proposed program are already available in the Center for Women Studies.

No added library resources are required beyond those which can be added as the program grows.

Courses necessary to the program are currently being offered or will be added by each department voluntarily.

Anticipated Enrollment

Oregon State University estimates that over the first five years of the proposed program enrollment will be approximately 100.

Similar Programs in the State

Both the University of Oregon and Portland State University offer certificate programs in Women Studies. The first (UO) was authorized effective fall term 1974, the second (PSU) fall term 1975.

The University of Oregon program consists of 21 credit hours - 15 credit hours in course work, 5 credit hours in research and/or directed studies.

The Portland State University Certificate program is made up of 42 credit hours consisting of 9 credit hours of lower-division women's studies courses, 27 credit hours of upper-division women's studies courses, and 6 credit hours in an upper-division practicum.

Evaluation of the Proposed Program

Oregon State University proposes that the program, if approved by the Board, be evaluated periodically by the Women Studies Certificate Committee, and the Counseling Center will biennially survey the graduates of the Women Studies Certificate Program to secure their evaluation of the program and the uses to which their knowledge is being put.
March 24, 1978

Request for Authorization To Discontinue Certificate Program in Manpower Management and Bachelor of Forestry (BF) Degree and To Suspend the BA Degree Program in Russian Studies, OSU

(Considered by Committee on Instruction, Research, and Public Service Programs, February 24, 1978; present--Carpenter, Feves, Anderson Daniels, and Harms.)

Oregon State University requests authorization (1) to discontinue its certificate program in manpower management, (2) to discontinue the bachelor of forestry (BF) degree, and (3) to suspend temporarily the BA degree program in Russian studies, all effective 1978-79.

Staff Recommendation to the Committee

The Board's Office recommended that Oregon State University be authorized to make the curricular changes indicated above.

Discussion and Recommendation by the Committee

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

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore, and Wyss. Those voting no: None. Mr. Perry was absent from the meeting at this time.

Staff Report to the Committee

Oregon State University's requests to discontinue or drop the indicated degree and certificate programs are presented pp. 3-5 of the document entitled, "Request of Oregon State University For Authorization (1) To Discontinue The Certificate Program In Manpower Management (2) To Discontinue The Bachelor Of Forestry (BF) Degree (3) To Suspend The BA Degree Program In Russian Studies," which is on file in the Board's Office.

The manpower management certificate program was developed in 1974-75 by the Oregon State University department of economics under contract with the U. S. Department of Labor to help meet what was at that time a critical shortage of manpower management specialists. The program has been offered with federal funds during three additional years, 1975-76 through 1977-78. The federally funded program will expire with the end of the current 1977-78 year.

Oregon State University has reviewed the program and does not feel the small number of students involved justify the two-thirds FTE required to continue the program. The institution requests authorization to drop the program at the end of the 1977-78 year. Since all the coursework required for the certificate can be completed during a single academic year, students presently enrolled in the program will be allowed to complete their studies.

The bachelor of forestry degree was established in 1950 to accommodate the needs of foreign students whose primary objective was completion of professional coursework in forestry and the supporting sciences with minimal requirements in general education. No bachelor of forestry has been granted in 18 years and all students, both native and foreign, are meeting the institution's regular requirements for the bachelor of science degree. The institution requests authorization to drop the degree officially.
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The BA degree program in Russian studies was authorized in 1966 as an interdisciplinary degree program utilizing coursework from the departments of economics, geography, history, foreign languages, and political science, and other coursework as might be appropriate. At that time Oregon State University had several faculty members in the college of liberal arts with particular expertise in Russian studies and it was thought that by combining the resources of the several departments a student would be able to obtain a specialization in Russian studies which could not be accomplished through the individual departmental degree structure. The program has not served a large number of students nor was it intended to do so.

Oregon State University now observes that with changes in curriculum and student and faculty interests, some of the courses which would meet requirements for the program are no longer offered, or are offered infrequently, and it is becoming increasingly difficult for students to put together a satisfactory program. The faculty involved with the program have asked that the program be temporarily suspended and the description of the program deleted from the catalog in order to provide opportunity for the college of liberal arts to make a thorough evaluation of the program and a recommendation as to its disposition.

Proposal for Modification of Two Existing Counseling Programs To Establish a Joint Master of Science Degree in Counseling, OSU & OCE

(Considered by Committee on Instruction, Research and Public Service Programs, February 24, 1978; present--Carpenter, Feves, Anderson, Daniels, and Harms.)

A proposal from Oregon State University and Oregon College of Education for modification of two existing counseling programs to establish a joint OSU/OCE Master of Science degree in counseling was presented. The institutional description of the proposed program is presented on pp. 1-24 of the document entitled, "Oregon State University and Oregon College of Education Proposal for Modification of Two Existing Counseling Programs To Establish a Joint Master of Science Degree in Counseling."

The two counseling programs being transferred into a joint Master of Science degree program by the proposal are: (1) a major program in counseling at Oregon State University leading to the Master of Education degree, and (2) a program in counseling at Oregon College of Education constituting a minor (as contrasted with a major) which students may currently earn in meeting requirements for the Master of Science in Education degree at Oregon College of Education.

Staff Recommendation to the Committee

The Board's Office recommended that the proposed OSU/OCE joint program in counseling leading to the Master of Science degree be authorized by the Board effective summer term 1978. It represents a desirable melding of institutional resources that will make more effective use of the resources of both institutions in the service of the state.

Discussion and Recommendation by the Committee

President MacVicar said the proposed program represented essentially a joint degree, offered by a single staff, having a single set of admissions standards and requirements. Individuals participating in the program would have a common experience and develop a common competency.
President Leinwand said his review of the proposed counseling program indicated that it has internal consistency and integrity and appears to be administratively viable. Externally it presents a replicable model for other areas of cooperation at the graduate level. Dr. Leinwand said he endorsed the program and recommended its approval.

Staff members from both institutions stressed the cooperation which has occurred in the development of the program. They expressed the conviction that this cooperation would be continued. The program is designed to capitalize on the special strengths at each institution.

Mrs. Daniels stated that the program was being received very enthusiastically by students on both campuses.

The Committee recommended that the Board approve the staff recommendation as presented and that a report on the program be made to the Board in 12-18 months.

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Fyss, Harms, Ingalls, Moore, and Wyss. Those voting no: None. Mr. Perry was absent from the meeting at this time.

Staff Report to the Committee

Rationale for Establishment of the Program

The development of the proposed joint program grew out of discussion between the Board's Office and the two institutions following a proposal to the Board from Oregon College of Education for the transformation of Oregon College of Education's minor in counseling to a major in counseling leading to the master's degree.

The Oregon College of Education desire for authorization of a major in counseling leading to the master's degree grew out of two considerations: (1) Oregon College of Education students who were taking the minor in counseling were having some difficulty gaining admission to counseling programs in other State System Institutions leading to the master's degree in counseling, and (2) Oregon College of Education felt that, as an institution whose major focus of interest is education, Oregon College of Education ought reasonably to expect that it would be authorized a master's program for preparation of counselors.

It was agreed by the Board's Office, Oregon College of Education, and Oregon State University that, rather than establishment of a free-standing master's degree program in counseling at Oregon College of Education, it would be better to explore the feasibility of creating a joint program utilizing the faculty and other relevant resources of the two institutions. It was felt, as the proposal notes, that a joint degree program would have major strengths and that it would offer an avenue for reducing workload imbalances at the two institutions.
Objectives of the Program

The objective of the proposed program is to prepare qualified graduates having the competencies specified by the joint faculty as necessary to successful functioning as a professional counselor.

Students in the proposed program would be evaluated in terms of the skills, knowledge, and personal characteristics in the following areas: individual and group counseling; community relations; referral, career development and career guidance; assessment; research and research methods; counselor attributes; ethics and professional responsibility; theories of counseling and personality; psychological knowledge; philosophy, history, and contemporary issues in counseling; and guidance systems.

The proposed program is designed to prepare counselors qualified for service in schools, colleges, correctional institutions, employment offices, rehabilitation agencies, pastoral counseling settings, and a variety of other agencies and institutions.

A long-term goal of the proposed joint program is to improve training and service to students and to make more effective use of available sources. Two faculty groups functioning as one can enhance the instructional program leading to the doctor's degree in counseling at Oregon State University. In that Oregon College of Education faculty members may be assigned to teach doctoral-level students or to serve on evaluation and dissertation committees.

Nature of Proposed Program

The proposed master's program represents an integration of courses in counseling offered at Oregon State University and Oregon College of Education. In addition to the courses in counseling, supporting course offerings are available in psychology, sociology, family life, the culturally different, social services, speech communications, and general education. Simulation and micro-techniques in counselor training will be used employing resources available at Oregon College of Education.

The proposed program will consist of a minimum of 57 credit hours of course work which will lead to an OSU/OCE Master of Science in Counseling degree. Degree requirements will include a comprehensive examination and an optional thesis requirement.

The recommended course of study will be as follows:

1. **Common Core:**
   a. Human Growth and Development: minimum of 3 credits recommended
   b. Social and Cultural Foundations: minimum of 3 credits recommended
   c. The Helping Relationship: minimum of 6 credits required, including one course in Principles & Practices of Guidance Services and one course in Counseling Techniques
   d. Groups: minimum of 3 credits required
e. Life Style and Career Development: minimum of 3 credits required

f. Appraisal of the Individual: minimum of 3 credits required

g. Research and Evaluation: minimum of 3 credits required, including one course in Research Procedures

h. Professional Orientation: minimum of 3 credits required

2. Supervised Experiences: minimum of 12 credits required

3. Environmental and Specialized Studies: minimum of 3 credits required

Required Courses
Electives to be selected from above areas with advisor according to individual's career goals

<table>
<thead>
<tr>
<th>Courses</th>
<th>Credits</th>
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<tr>
<td>Total program</td>
<td>39</td>
</tr>
<tr>
<td>Electives</td>
<td>18</td>
</tr>
<tr>
<td>Total program</td>
<td>57</td>
</tr>
</tbody>
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Once admitted to the program, the individual students would pursue his or her entire program of instruction under the administrative aegis of the matriculating institution, but would be instructed by members of the joint faculty. Students would be able to enroll in approved courses offered by either institution. The transfer of credit between institutions would be unlimited.

The proposed program takes into account the recommended content for counselor education programs set forth by the Association for Counselor Education and Supervision (of the American Personnel and Guidance Association) in its 1973 Standards for the Preparation of Counselors and Other Personnel Service Specialists.

Admissions Policies

Admission to the present Oregon State University master's program in counseling and the Oregon College of Education graduate minor in counseling is a selective process involving personal interviews with students during which time the student's educational goal, background of experience, and employment status are reviewed, and prospective students are advised concerning the available programs.

If the proposed joint program is authorized by the Board, the joint faculties will develop specific admissions requirements. Each candidate will be evaluated with respect to academic background, personal and emotional suitability, and educational and professional goals.

Enrollment Limitations

Oregon State University currently admits to its master's program in counseling 40 new students each fall, 12-20 new students each summer. Oregon College of Education admits to its graduate minor program a maximum of 20 new students in the fall and 20 in the summer.
Enrollments in the existing programs for the period 1971-72 to 1976-77 were as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>OCE</th>
<th>OSU</th>
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<tbody>
<tr>
<td>1971-72</td>
<td>55</td>
<td>51</td>
</tr>
<tr>
<td>1972-73</td>
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<td>51</td>
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<td>1973-74</td>
<td>60</td>
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<td>1974-75</td>
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<td>1975-76</td>
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<td>51</td>
</tr>
<tr>
<td>1976-77</td>
<td>40</td>
<td>50</td>
</tr>
</tbody>
</table>

The Oregon College of Education figures are exclusive of the approximately 20 students per year who enroll in several counseling courses as part of their rehabilitation counseling for the deaf program.

Plans are, under the proposed joint program, to limit enrollment in the OSU/OCE program summer and fall combined, to 90 students.

Programs in Other Institutions

The University of Oregon, Oregon State University, and Portland State University all offer combined basic and standard norm programs leading to the master's degree in counseling. In addition, the University of Oregon and Oregon State University offer programs leading to the Ph.D. and Ed.D. degrees in counseling.

Of the independent colleges and universities, Lewis and Clark College offers a master's program in counselor education.

Need for the Program

Some comments relating to the need for the joint program have been earlier made under the heading "Objectives of the Program."

There are currently employed in Oregon approximately 2,100 counselors, according to the University of Oregon Career Information Service, most of them employed in the public schools, colleges and universities, and social agencies.

The outlook according to the Career Information Service is for a balance of supply and demand or a slight surplus. Much depends on the level of spending in the public schools. There is reported to be something of an increase in openings in the elementary schools for counselors, and there are reported to be openings in the less populated areas of the state for those who are willing to move to where employment opportunities exist.

There appears to be reason to believe that the newly revised State Department of Education Minimum Standards for Public Schools in Oregon which require well-defined guidance and counseling programs in each school district and public school in the state will result in additional employment opportunities in the schools.

Nationally, a 1976 publication of the National Center for Education Statistics asserts that between 1960 and 1974, among all staff employed in public elementary and secondary schools in the nation, guidance and psychological
personnel have shown the greatest rate of increase—from 15,173 to 65,069 (328.8%). The Occupational Outlook Handbook of the U.S. Department of Labor predicts a continued expansion in employment opportunities for elementary school counselors.

In addition there are openings in a variety of other agencies and areas of employment which absorb persons with counseling background. To illustrate, during the period 1971-1976, some 94 persons completed OCE's non-school counseling program and entered the following kinds of employment: ministerial; higher education including community college; corrections; probation; employment counseling, community agency; other professional employment.

Speaking of openings in non-school settings, the Occupational Outlook Handbook says that "Some growth in the number of employment counselors is expected as their role becomes more important in the training and retraining of unemployed workers, particularly those who are unskilled or whose jobs have been displaced by technological or industrial shifts."

Resources Required

No additional faculty resources will be required. Oregon State University and Oregon College of Education staffs jointly are adequate to the needs of the proposed program.

Nor will library resources need expansion beyond those already existent or planned as a part of present program authorizations.

Physical facilities currently available are adequate to the needs of the proposed program.

No additional funding beyond that which will be received as a normal part of institutional operation will be required to launch or sustain the program.

Authorization will be requested to offer credit for Reading and Conference (Coun 505), Projects (Coun 506), Seminars (Coun 507), Workshop (Coun 508), and the following 9 credit hours of new courses:

- Coun 440 Development Learning Disabilities (G) 3 hours
- Coun 526 Counseling Theories 3 hours
- Coun 595 Issues in Counseling 3 hours

(Considered by Committee on Finance, Administration, and Physical Plant, February 24, 1978; present--Ingalis, Ater, Moore, Wyss, and Batiste.)

Staff Recommendation to the Committee

It was recommended that the Board confirm the decision of Vice Chancellor for Administration to approve the negotiation and execution of a 25-year lease between the Oregon State Board of Higher Education on behalf of Oregon State University, Agricultural Experiment Station, and the U.S. Department of Agriculture, Agricultural Research Service. The lease will enable the U.S. Department of Agriculture and Oregon State University to cooperate in the establishment of a national repository for clonal propagated crops on 3.79 acres of the Lewis-Brown Horticulture Research Farm.
Discussion and Recommendation by the Committee

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

Board Discussion and Action

During the discussion, it was indicated that the proposed germ plasm repository was the first of 12 new federal repositories and was of particular importance to the filbert industry in Oregon.

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore, and Wyss. Those voting no: None. Mr. Perry was absent from the meeting at this time.

Staff Report to the Committee

Oregon State University officials recently recommended that the Vice Chancellor for Administration approve a long-term lease with the U. S. Department of Agriculture, Agricultural Research Service, which will permit the initiation of another cooperative effort under the provisions of the Memorandum of Agreement entered into on August 1, 1957, as amended, between Oregon State University and the U. S. Department of Agriculture. This newest program will result in the establishment of a clonal germplasm repository, the first of twelve being established in the United States.

The 3.79-acre building site and the 40 additional acres the U. S. Department of Agriculture is negotiating to purchase in close proximity are located on Peoria Road, approximately 4 miles from the University campus boundaries. The fields and facilities will be used to maintain and preserve valuable fruit and nut germ plasm which will be made available to plant breeders and plantmen. In addition, the repository's plantings and research laboratories will be available for use by Oregon State University faculty and students and by visiting scientists and faculty from throughout the world. Such a combination of resources will provide unlimited opportunities for collaborative instruction and research.

It is anticipated that the full-time personnel assigned to the U. S. Department of Agriculture Agricultural Research Service will number two scientists, four technicians, and six support staff. The U. S. Department of Agriculture will assume all operating costs currently estimated to be $247,000 during the first year of operation, as well as the full cost of erecting approximately $1 million of facilities consisting of an office building, greenhouses, headhouses, screenhouses, and related structures and facilities, including utility and sewer connections.

The program will not result in any increased cost to Oregon State University beyond that approved in budgeted programs. The University's consideration in the agreement involves granting a use permit to the U. S. Department of Agriculture applicable to the 3.79 acres which were carefully selected for the repository. A lease-rental fee of $1.00 will be paid by the U. S. Department of Agriculture the first year of the agreement, with no subsequent payments during the ensuing years.
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Under the lease provisions, the U. S. Department of Agriculture is required to coordinate with and obtain approval of all construction plans from University officials and Board staff in order to insure that the structures and facilities conform with the general architectural design and engineering standards previously established.

Upon expiration of the initial 25-year term, the U. S. Department of Agriculture will have the option to renew the lease for an additional period not to exceed 25 years. Should the lease be terminated, the U. S. Department of Agriculture will remove all buildings and other improvements within a reasonable time at no cost to the University.

(Considered by Committee on Finance, Administration, and Physical Plant, February 24, 1978; present--Ingalls, Ater, Moore, Wyss, Perry, and Batiste.)

Staff Recommendation to the Committee

It was recommended that authorization be given, subject to Emergency Board approval, for modifications to the central utility plant at the University of Oregon which are expected to conserve energy and reduce operating costs. Specifically, the work would include the installation of a feedwater preheat system with piping, accessories, and necessary structural modifications as well as the installation of insulation to the existing boiler stack and scrubber. The major portion (65%) of the estimated expenditure requirements of $147,000 would be financed through an advance from capital outlay building use credits and the remainder (35%) would be financed from excess sinking fund reserves from commingled student building fees, all to be repaid from operating budget savings over a period of approximately three years.

Discussion and Recommendation by the Committee

It was stated during the discussion that the Governor has recommended to all state agencies that all possible energy conservation measures be taken that are cost effective. As a consequence, Mr. Hunderup said the proposed utility improvements were likely to have a strong endorsement from the Executive Department. In response to a question, it was indicated there would be some loss on a temporary basis of earned interest income on reserves used to finance project. However, auxiliary enterprises would benefit from reduced charges once the funds used for the project were repaid from savings in the burning of hogged fuel.

It was also suggested that consideration should perhaps be given to the present practice of paying equal installments during the loan period, especially when interest rates are high.

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

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Bore, and Wyss. Those voting no: None. Mr. Perry was absent from the meeting at this time.
Staff Report to the Committee

To assist in identifying and projecting cost/benefit ratios of various modifications to the central utility plant at the University of Oregon which would reduce energy consumption on the campus to the maximum extent practical, arrangements were made with Marquess Engineering Co., Springfield, for consulting services. Based upon their findings and recommendations, drawings and specifications have been prepared for two items of work:

a. Installation of a feedwater preheat system with piping, accessories, and necessary structural modifications. This pre-heating would be accomplished with heat recovered from boiler stack gasses before they are vented to the atmosphere.

b. Installation of thermal insulation around the existing scrubber and around the ductwork through which boiler stack gasses enter the heat recovery unit.

The direct construction costs thereof are estimated to be $116,366 ($77,406 for the first item and $38,960 for the other), and the total project costs are estimated to be approximately $147,000. If both items are completed, annual savings of $48,000 (representing the sum of $35,700 and $12,300 respectively) are contemplated, thus requiring a payout period of slightly more than three years.

Because of the economic benefits and the opportunity to reduce the volume of fuel consumed annually, institutional officials have recommended that the project proceed as soon as possible. In the absence of other resources, they have indicated willingness to advance from the capital outlay building use credits earned at the University this year the sum of $95,550 for the sixty-five percent share of the project costs applicable to the educational and general plant with the understanding that such funds will be repaid from operating budget savings during the next three years or so. Similarly, the portion of the project costs related to auxiliary enterprises, estimated to be $51,450, would be financed from excess sinking fund reserves from commingled student building fees with repayment to be accomplished in the same period of time.

Inasmuch as the proposed improvements involve expenditures in excess of $50,000, the approval of the State Emergency Board is also required.

Other modifications to the utility systems at the University of Oregon, such as adapting the central chillers so that at certain times of the year they could be fired with low temperature hot water in lieu of steam, are likely to be included within the capital construction requests for 1979-1981.
Staff Recommendation to the Committee

It was recommended that the Board repeal all of the existing Administrative Rules of the Oregon State Board of Higher Education, beginning with Administrative Order HEB 1 through HEB 123. In lieu of the repealed Administrative Rules, it was recommended that many of the existing Administrative Rules, with editorial and organizational changes, be readopted as the Administrative Rules of the Oregon Department of Higher Education.

As part of the editorial and organizational changes, it was recommended further:

1. That the Board adopt as Bylaws those portions of the existing Administrative Rules dealing only with governance of the Board;

2. That the Board adopt as Internal Management Directives those portions of the existing Administrative Rules dealing only with the internal management of the Department, its officers and employees;

3. That the Board readopt the Tuition and Fee Rates and Policies adopted by the Board on August 26, 1977, and filed with the Secretary of State on September 7, 1977.

The proposed Administrative Rules, the Internal Management Directives, and the Bylaws, were attached to the Committee agenda and will be included in the Board minutes when subsequently adopted.

Discussion and Recommendation by the Committee

Mr. Branchfield presented the revised Administrative Rules, Internal Management Directives, and Bylaws. Mr. Branchfield then referred to the Index to Administrative Rules Revisions and commented on some of the specific references listed in the index, with particular attention to changes which might be viewed as substantive.

Two recommendations were made by Mr. Don Arnold, a consultant who had been employed in the Office of the Secretary of State, and assisted in the early work on the revision. Mr. Arnold recommended deletion from the Rules of much of the delegated power to the presidents and deletion of the entire set of Rules dealing with faculty. Mr. Branchfield said he strongly recommended that these sections not be deleted because they represented a reasonable method of working with the faculty and for the faculty to work with the presidents and the Board. If these rules were repealed, and left repealed, there would be uncertainty and uneasiness on the part of the faculty. While both sections might appropriately be placed in the Internal Management Directives, it is recommended they remain as part of the Administrative Rules in order to provide a formal statement of the authority of the presidents and the relationships with the faculty.
Mr. Branchfield said that AR 50.140 had been amended to avoid possible conflict between the rules and actual practice and possible problems with accreditation if the previous rule had been retained. It was stated during the discussion that the rule might be unnecessary and further information is expected to be provided at the time of the Board meeting.

Mr. Branchfield said that Mr. Bill Nelson, Executive Secretary of the Oregon Federation of the American Association of University Professors, had raised several objections to AR 41.040. It was agreed that this rule required further study and that it probably should be considered separately from the main body of the Administrative Rules.

With respect to the procedure for adopting the Administrative Rules, Mr. Branchfield said notice had been given of a public hearing at the time of the Board meeting on March 24, 1978. At that time, assuming the Rules were satisfactory, and appropriate individuals had an opportunity to suggest any desired modifications, the Board could adopt the proposed Administrative Rules, the Internal Management Directives, and the Bylaws. Any Rules which might require more substantive changes could be amended at a later time in accordance with the Administrative Procedure Act.

Mr. Harms and Mr. Ater were appointed to review the documents with Mr. Branchfield and suggest any necessary changes in the language of the proposed Rules, Directives, and Bylaws.

Mr. Anderson said the Bylaws contained no statement of the relationship between the Committees and the Board. Further, the Bylaws should set forth clearly how the public hearing process is separated from the decision-making process and should contain the procedures for the conduct of public hearings. He said he would suggest this as a possible amendment or addition to the Bylaws.

The Committee recommended that the staff recommendation be presented to the Board for public hearing on March 24, 1978.

Board Discussion and Action

Mr. Branchfield suggested that the Board continue the subcommittee for the review of the documents and that following the testimony at the public hearing, the subcommittee prepare any necessary recommendations for Board consideration in May. The Chancellor concurred in the recommendation.

Mr. Harms declared that the time set for the public hearing on the repeal and reenactment of the proposed Administrative Rules of the Oregon State Board of Higher Education had arrived. He asked if anyone wished to be heard for or against the repeal and reenactment of these Rules.

Mr. Don Chalmers, of the Office of Student Advocacy at the University of Oregon, said the designation of certain Rules as Internal Management Directives withdraws them from the provisions of the Administrative Procedure Act so that there is less opportunity for public inquiry and comment on the adoption of changes. He asked the Board to reconsider the concept of taking Part 64 dealing with investment management from the Administrative Rules and placing it in the Internal Management Directives. He said there appears to be enough public concern about issues involved in the investment question to mitigate taking this section from the Rules and placing it in the Directives where it is less open for public comment or scrutiny.
Mr. Bill Nelson, Executive Secretary of the Oregon Federation of the American Association of University Professors, said it had been his understanding that AR 41.040 would be removed from the proposed reenactment of the full set of Rules and advertised separately.

Mr. Branchfield said he would concur that AR 41.040 deserved special and separate study. He said the easiest way to accomplish this was to make a motion to exclude this particular rule at the time the remainder of the Rules were adopted.

The Chancellor said the intent was to present a non-substantive proposal which would separate the three categories of items and deal with editorial issues. When the proposal presently before the Board was accomplished, it would be possible to reexamine substantive changes and amendments to the new Rules rather than attempting to make all of the corrections in the recodification of the Rules, Directives, and Bylaws.

Mr. Nelson said AR 41.040 represents a substantial change from the present Rule and urged the Board to eliminate it from consideration and consider it later in revised form.

Mr. Ater said this was probably the consensus among the Board members that they would proceed in this way. He moved that the public hearing be closed. The Board approved the motion with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Feves, Harms, Ingalls, Moore, and Wyss. Those voting no: None. Mr. Perry was absent from the meeting at this time. It was agreed that action on the proposed Administrative Rules, Internal Management Directives, and Bylaws would be deferred for further review by the subcommittee and consideration and possible adoption at the May Board meeting.

Staff Report to the Committee

Each agency of the State of Oregon has been directed to revise the Administrative Rules which govern the operation of the agency. The Administrative Rules of the State Board of Higher Education have been reviewed in accordance with the directive. Each of the existing Administrative Rules has been reviewed in detail. In this process, many editorial changes have been made for consistency, clarity, and uniformity of style. References to gender have been removed wherever possible. Some of the repealed Administrative Rules are merely quotations from the statutes, and it is not proposed that those Rules be readopted. Appropriate portions of the law would be included in an appendix to the Administrative Rules book.

The result is the retention of a substantial portion of the present Administrative Rules in the new Administrative Rules. A majority of the remaining material is included in the Bylaws or the Internal Management Directives.

The Secretary of State has requested that Administrative Rules adopted since 1952, covered by Administrative Order HEB 1 through HEB 123, be repealed in order to make certain that no duplicate rule remains on file.
Meeting #445

Proposed Sale of Fairplay Property Near Corvallis, OSU

(Considered by Committee on Finance, Administration, and Physical Plant, February 24, 1978; present--Ingalls, Ater, Moore, Wyss, Perry, and Batiste.)

Staff Recommendation to the Committee

It was recommended that the Board's staff be authorized to offer for sale 3.42 acres of property located along Highway 20 near Corvallis. The minimum acceptable bid price would be $6,300. If sold for other than cash, the minimum acceptable terms would be 20% down, payable on closing, with the balance payable in monthly installments, including principal and interest at no less than 9-1/2% per annum over a period not to exceed ten years.

Discussion and Recommendation by the Committee

Mr. Holmer said that proceeds from the sale of this property, and also property sold a few months ago, were presently to be deposited in the Article XI-G Sinking Fund. He commented that both properties had been purchased from the Agricultural Experimentation Sales Account. Therefore, Mr. Holmer said, it would be more appropriate to place the proceeds received from the properties in the Agricultural Land Replacement Fund group of accounts if that were permissible under state statute.

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

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore, and Wyss. Those voting no: None. Mr. Perry was absent from the meeting at this time.

Staff Report to the Committee

On January 23, 1968, the Board authorized the purchase from All West Breeders Association of 13.22 acres located along Highway 20 near Corvallis, Oregon. Total purchase price was $49,000. The property was to be used by the Oregon State University Agricultural Experimentation Station.

Oregon State University officials now recommend sale of 3.2 acres--a swampy portion of the property of no further use to the institution.

In accordance with Oregon statutes, the Board's staff obtained an appraisal of the property and clearance from the Department of General Services to sell the property. The Division of State Lands denied a request that the state relinquish mineral rights to the property.

Proceeds of the sale, if concluded, will be deposited in the Agricultural Land Replacement group of accounts.
Meeting #445

Proposed Agreement with Bureau of Land Management, Medford District, SOSC

Staff Recommendation to the Board

The Board's staff requested concurrence with its present intent to enter into a contractual agreement with the U. S. Department of Interior, Bureau of Land Management (BLM), Medford District, Oregon, to provide housing, food, and other specified services for a National Young Adult Conservation Corps residential camp to be headquartered at Southern Oregon State College commencing July 1, 1978, and ending September 30, 1979, with an option to extend the agreement through September 30, 1980.

Board Discussion and Action

Mrs. Carpenter said the introduction on any campus of a large number of individuals such as those typically involved in youth corps groups would be quite a radical change. She said she would want to be very certain that there would be people who would be prepared on the staff and that there were the kinds of programs that could deal with very disturbing kinds of phenomena to an average semi-rural community.

President Sours said the residence hall facility designated for use by the group was somewhat isolated from the others. Mr. Donald E. Lewis, Dean of Administration, indicated also that the staff in the program would be responsible for the group during working hours and also at night. Full-time paid employees will act as counselors and supervisors. The project has been discussed with the Inter-dormitory Council and the students are generally receptive to the program. It is recognized that problems will occur and a plan has been developed for discussion by all groups when there are difficulties. Mr. Lewis emphasized the financial importance of the project in terms of lower costs for existing dormitory residents.

In response to a question, it was stated that financially the costs for various services have been included.

President Briggs spoke in support of the program as a very positive approach to solving some very important problems in society. He said Eastern Oregon State College officials had been negotiating for a 50-unit youth corps project. In the proposed project for Eastern Oregon State College, it is projected that approximately 50% of the participants will be taking credit classes on the campus. The educational background of the participants varies widely and the effect on the campus has been discussed by the Educational Policy and Curriculum Committee. The residence hall council is also in full support of the program.

With respect to liability insurance, Mr. Branchfield said injuries resulting from any negligence on the part of the state or federal government would be covered under the state self-coverage, or the federal tort claims act.

Mr. Batiste expressed concern about use of facilities for this type of program and asked whether the lease would provide for termination for cause on the part of either party to the lease. It was indicated that the lease did not because the federal government had asked that a commitment be made for a one-year period. Mr. Lewis said perhaps it would be possible to negotiate a termination during the execution of the contract if problems made that mutually advantageous. Board members expressed agreement that it would be desirable to include such a provision.
President Briggs said in the discussion for Eastern Oregon State College, which had not reached the contract stage, the proposal was for eight counselors for the 50 participants. It was indicated also that there would be ways to remove individuals from the program. President Briggs said presidents always have a "for cause" situation with any person who comes to the campus. He cited the similarities of this program to the Indian Education Institute. He said the decision to exclude a group because of incompatibility within the educational system is a very difficult one because there may be a valid benefit to society from such programs.

Mr. Douglass, Dean of Administration at Oregon Institute of Technology, said that institution has had a summer NYACC program and found the participants very well behaved and well supervised.

It was suggested that efforts be made to negotiate a statement that the participants would abide by college regulations and the student conduct code.

Mr. Ater moved that Southern Oregon State College and Eastern Oregon State College be authorized to proceed with these negotiations, bearing in mind the concerns expressed by the Board. He said on balance these were positive programs, they represented a good use of the facilities, they met the regional service goals of these particular institutions, and were desirable things to accomplish. The program at Oregon Institute of Technology was already in operation and was not included in the motion, but Board members indicated it was somewhat different because it was operated during the summer.

Mr. Batiste said his expression was not against the program but was for the normal protection that a prudent lessor would have in dealing with a program of this nature.

Mr. Wyss said the programs should be reviewed after there had been some experience with them and before the contracts were renegotiated.

The Board approved the motion by Mr. Ater, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore, and Wyss. Those voting no: None. Mr. Perry was absent from the meeting at this time.

Mr. Ingalls asked whether there were guidelines that determined when an executive officer must bring something of this nature to the Board. Mr. Douglass pointed out that there are a number of activities considered at the institutions in an effort to improve the debt service situation on the campuses. He said he was somewhat unclear as to the limits of what the institutions are permitted to do.

Mr. Holmer explained that an effort is made to operate on the exception principle. Freedom, under established Board policy, to enter into contracts and agreements is delegated as fully as possible to the institutions. In some instances, the institutions refer a proposed transaction for determination as to its conformity with established Board policy. Some of these matters are eventually referred to the Board, and others are not because it is determined that the Board policy is sufficiently clear and the proposed transaction is consistent with that policy.
Staff Report to the Board

On August 5, 1977, President Carter signed Public Law 95-93 which created the National Young Adult Conservation Corps (NYACC) and authorized the Department of Labor to develop, through the Departments of the Interior and Agriculture, a number of NYACC camps. The objective is to provide employment opportunities to youths ages 16 through 23. Enrollees will work on projects involving the conservation and management of resources on federal land. One such camp enrolling 100 male and female persons from all social, ethnic, and racial backgrounds has been authorized for the Bureau of Land Management, Medford District.

Under the proposed contract, Southern Oregon State College would provide the NYACC organizational unit with housing, meals, health service, access to recreational facilities, and associated student programs during off-duty hours. The Bureau of Land Management's live-in staff would be totally responsible for the off-campus work program during the 7 a.m.-5 p.m. work days, Monday through Friday, and the administration of the on-campus program pertaining to orientation, room assignments, supervision, counseling and discipline of resident enrollees, and residence hall social activities and governance. The Bureau of Land Management would also provide an Activity Director who would serve as liaison between the NYACC unit and the College and a Project Manager who would work with college staff and administration in resolving mutual problems.

Southern Oregon State College has developed a fee schedule of charges for each of the proposed services such as room and board, health service, special programs, use of recreational activities including supervisory personnel for special instruction, and counseling by its professional staff which equals and, in most instances, exceeds the charges made to regularly-enrolled college students. It is anticipated that the net return to the residence hall will approximate $86,000 per year.

Institutional officials have recommended approval of the contract because Southern Oregon State College is uniquely prepared to provide the services desired particularly in the areas of counseling for job and career choices and opportunities for the camp participants to enroll in college educational programs, and engage in campus social and recreational activities during off-duty hours.

Another factor which influenced institutional officials to recommend approval of the contract is the 1977-78 average occupancy in the residence halls of 942 and the projected occupancy of 975 for 1978-79. The rated capacity is 1,463. It is anticipated that Siskiyou Hall would be utilized exclusively by the NYACC camp. Consummation of the contract would also benefit regular college residence hall students in that economies of scale would reduce to some extent the need to raise the 1978-79 room and board rates as much as would be required otherwise in order to meet operating costs and required debt service.

The contemplated contract, therefore, offers mutual benefits to the College and BLM-NYACC program.

There is precedent for such use of institutional facilities not required for students of the college. Oregon College of Education has contracted for several years with the Oregon State Police to operate a training
academy utilizing Arbuthnot Hall. For the past five summers, Eastern Oregon State College has contracted with the U.S. Forest Service to provide housing, food service, and recreation facilities for its summer fire fighter program. The other colleges and universities also provide services and facilities for short-term institutes and events such as the 4-H program at Oregon State University and the Olympic Trials at the University of Oregon.

Assessment of Vocational Education Teacher and Administrator Preparation--1977 Evaluation Report

(Considered by Committee on Instruction, Research and Public Service Programs, February 24, 1978; present--Carpenter, Faves, Anderson, Daniels, and Harms.)

There was transmitted a copy of the Annual Evaluation Report of the State Advisory Council for Career and Vocational Education, "Assessment of Vocational Education Teacher and Administrator Preparation."

Dr. Gene H. McIntyre of the Oregon Educational Coordinating Commission, who is staff to the State Advisory Council for Career and Vocational Education, had asked for an opportunity to appear before the Board's Committee on Instruction, Research, and Public Service Programs to present the Advisory Council's Report. He will make a similar appearance before the State Board of Education at a later date.

Staff Recommendation to the Committee

The Board's Office recommended to the Board (1) that it accept the report transmitted to it by the State Advisory Council for Career and Vocational Education; (2) that it instruct the Board's Office and appropriate State System institutions to cooperate with the Advisory Council, the State Department of Education, the Teacher Standards and Practices Commission, and other relevant bodies in the state, in working toward bringing to fruition the recommendations of the Advisory Council to the extent feasible; and (3) that it instruct the Board's Office to render a report to the Board's Committee not later than a year hence, as to the steps taken in response to the recommendations.

Discussion and Recommendation by the Committee

Dr. Romney summarized the report of the Advisory Council on Vocational Education. He noted that the Council, which is established by statute, is representative of both the teaching profession and technical occupational areas. The Council renders an annual report on the status of vocational education in Oregon.

Dr. Romney said this year's report emphasizes the partnership role that exists in the whole area of vocational teacher education in Oregon. He said the report makes a number of recommendations directed toward (1) assuring that vocational teacher education programs in Oregon do in fact provide the competencies that are required of effective vocational education teachers and (2) development of a statewide plan for coordination and delivery of in-service vocational teacher education programs.

Dr. Romney said the Board's Office had reviewed the Council's recommendations with Mr. Multanen, head of career and vocational education in the State Department of Education, and with vocational education personnel at Oregon State University. The staff recommendation before the Committee is made with the concurrence of these individuals.
Dr. Gene McIntyre, executive secretary to the Council, introduced Mr. Bert Fancher, chairman of the committee of the Council responsible for preparation of the Council report. Mr. Fancher said the Council selected teacher education for this year's study because, unlike other areas of teacher education in which there is a teacher surplus, many schools are fortunate if they can staff their vocational education classes with a warm body. This shortage of vocational education teachers emphasizes the importance of good quality pre-service and in-service programs of preparation. Mr. Fancher said the Council report is calling for "a little old-fashioned barn-raising cooperation" in addressing this problem. He said the Council was particularly concerned that there was no comprehensive statewide plan for in-service education in this area.

Dr. McIntyre said he was encouraged by the Board's staff recommendation that the Board of Higher Education adopt the report and call for a report back in a year's time on progress made in carrying out its recommendations, but that he was a little disappointed that the Board's staff review suggests that the matters concerning the Council are being addressed in a timely and appropriate fashion. He said the Council's study found that there was a serious lack of coordination and cooperation among the various agencies and institutions responsible for delivering in-service programs to vocational teachers and administrators in the state. He said considerable attention was being directed toward this matter by some of the agencies concerned, but that Oregon is spending an estimated $30 million a year on in-service education and he did not think the state was getting as much from this expenditure as it could if there were more coordination and cooperation among the agencies and the institutions concerned.

Mrs. Feves said she understood that a large portion of the $30 million being spent on in-service education was in the form of released time for teachers and contributions in kind and therefore was not recoverable for other expenditures. She asked if part of the problem was differing philosophies about vocational education. Dr. McIntyre responded that he felt the problem was not so much differing philosophies but rather a lack of communication and a confusion about who is responsible for what, in the vocational teacher in-service education area.

Dr. Romney noted that responsibility for in-service education is widely spread, involving the State Department of Education, the State System of Higher Education, the community colleges, the local public schools, and other institutions and agencies. The primary role of the institutions of the State System is pre-service education, he said, but they also cooperate very effectively with the State Department of Education in offering in-service training opportunities.

For example, Dr. Romney continued, the Personnel Development Center, which spends around $200,000 a year in in-service vocational teacher education, is a joint effort of the State Department of Education and Oregon State University. Dr. Romney said he did not wish to appear defensive concerning the role of the State System institutions in these activities, and that he did wish to indicate that the State System is willing to cooperate with other agencies in examining and finding resolution to these questions. Dr. Romney noted that the questions raised by the Council regarding in-service vocational teacher education are being asked broadly by the statewide committee on in-service teacher education. The committee's preliminary report on this subject was discussed by the Board's Committee at some length at its December 1977 meeting.

Mr. Harms said he understood Dr. McIntyre to be expressing concern that the Board's staff report does not emphasize sufficiently the problems of effective delivery of vocational teacher in-service education. Mr. Harms noted that
the Board staff recently (December 1977) presented to the Board the results of a study of in-service teacher education by a statewide committee, so that the Board is aware of the problems in the in-service teacher education area, of which vocational teacher in-service education is a part.

Mr. Anderson said he noted the words coordinate and cooperate ran through the whole report of the Advisory Council. He said this was fine, but who was responsible for putting the whole thing together and seeing that it worked.

Dr. Romney said that so far as vocational education is concerned, there is in the State of Oregon a State Board of Control for Vocational Education, which is the State Board of Education. The State Board of Control for Vocational Education, and the State Department of Education, are charged with producing plans for vocational education in the state, including vocational teacher education. In the development of these statewide plans, the State Department of Education has leaned very heavily, so far as teacher education is concerned, upon Oregon State University, the institution which for many years was the only institution offering vocational teacher education in the state and which presently has the major allocation in this field. In summary, the statewide plan for vocational education in Oregon is put together by the State Department of Education under the direction of the State Board of Control for Vocational Education (which is one and the same as the State Board of Education) with the close cooperation of Oregon State University.

Mr. Anderson said there appeared to be a qualifier in the staff recommendation in the use of the word "feasible." Dr. Romney said this was correct, that while the State System is very happy to cooperate with the Board of Education and the State Department of Education in carrying out recommendations of the Council, this work will take time and money to accomplish. The staff recommendation suggests that we agree with the recommendations and are prepared to move as fast as we can within the resources available.

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

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Moore and Wyss. Those voting no: None. Mr. Perry was absent from the meeting at this time.

Staff Report to the Committee

By way of orientation and clarification, a number of comments relating to the Report follow.
State System Allocations In Vocational Teacher Education

First, as to the allocations in the State System in vocational teacher education, Oregon State University has the principal allocation, as the following listing reveals:

<table>
<thead>
<tr>
<th>Subject Field</th>
<th>Oregon State University</th>
<th>Southern Oregon State College</th>
<th>Portland State U.</th>
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<td>Agricultural Education</td>
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<td>Business and Office Education</td>
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<td>Distributive Education</td>
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<td>Industrial Education</td>
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<td>Industrial Arts Education</td>
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<td>(Non-Vocational)</td>
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<td>Trade and Industrial Ed.</td>
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<td>(Vocational)</td>
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Oregon State University, as the state's land-grant university, has always had the dominant role in vocational teacher education. Southern Oregon State College has been given allocations in business and office education (both non-vocational and vocational), and in distributive education (marketing, finance, management, economics). Portland State University has been authorized business and office education (non-vocational).

The essential difference between the vocational and non-vocational teacher education programs in the same subject matter field (e.g., business and office education) lies in (1) some difference in the courses required for certification, with usually a somewhat heavier reliance on technical courses in the vocational education program, and (2) the vocational (as opposed to the non-vocational) requires two years of work experience in the technical area to be taught or clearance through procedures approved by the teacher preparation institution and the Teacher Standards and Practices Commission.

Vocational Teacher Education Objectives

A fundamental objective of vocational teacher education is to produce teachers who are effective in instructing in a vocational field.

To be effective, vocational teachers, like other teachers, must know what to teach and how to teach it.

The relative emphasis given to what to teach as opposed to how to teach varies from student to student.

- In some instances, students entering the vocational teacher education program must be taught both what to teach and how to teach it. They come into the program with only limited knowledge of the vocational field itself and largely devoid of any pedagogical skills or knowledge.
In other instances—often in the highly technical fields in the trade and industrial area—the vocational teacher education student has been recruited from industry and is a skilled, experienced industrial worker or tradesman who knows all about what to teach, but who direly needs help in mastering the art and science of teaching (e.g., organizing instructional materials, presenting instructional materials effectively, evaluating instructional outcomes, and taking corrective action where such is indicated).

Finally, there are those vocational teacher education students who have acquired skill and knowledge in teaching but who lack the vocational skills and who must be helped to acquire expertise in the vocation, namely, the knowledge of what to teach.

In highly technical vocational fields (pattern-making, for instance), it is generally more effective to recruit craftsmen from the field and to provide them training in how to teach than it is to take someone who has pedagogical skills and then to seek to provide them training and experience in the vocation adequate to make them skilled artisans with a rich background of knowledge and experience of a practical sort.

Vocational teacher education programs must be sensitive to this diversity of student needs. They must be sufficiently selective in their admissions policies as to admit only students whose occupational and pedagogical competencies can be raised to an acceptable level in the time allotted for the teacher education program.

Recommendations of the State Advisory Council for Career and Vocational Education

The Board's Office presents below the recommendations of the State Advisory Council with what we hope will be helpful background comments and observations.

Principal reference in the Board's Office comments following each Advisory Council recommendation below is to Oregon State University, the dominant vocational teacher education institution in Oregon. For the purposes of illuminating the recommendations it seems unnecessary to report here on practices in the limited programs at Southern Oregon State College and Portland State University.

The Council recommends to the Oregon State Board of Higher Education, specifically Oregon State University, Portland State University, Southern Oregon State College, and Linfield College that they:

1. Establish a common definition for vocational teacher competencies and coordinate establishment of competencies as graduation requirements.

Comment: The Oregon State University vocational teacher preparation programs in agricultural education, business education, distributive education, home economics education, and trade and industrial education are presently working on a refinement of their statements of competencies.
Major undergraduate curricular revisions have recently been proposed in industrial education at Oregon State University and a review of graduate curricula is nearing completion, while agricultural education staff are currently reexamining the agricultural education curriculum.

Oregon State University is the principal vocational teacher education institution in Oregon. It has developed its course assuring the competence of its graduates. The courses reflect periodic task analyses made by Oregon State University of public school vocational teachers. In addition, Oregon State University has drawn upon the best resources it could find in testing its instructional materials and in developing them, including materials from: the National Center for Research in Vocational Education at Ohio State University, and lists published by Oklahoma State University (agricultural education), American Home Economics Education Association (home economics education), National Association of Industrial and Technical Teacher Education (industrial education), California Business Education Guide, and Wayne State University in Michigan (business and distributive education).

2. Cooperatively, or individually, identify discrepancies between their vocational program objectives and the objectives desired by vocational education practitioners for purposes of program or curricular revision.

Comment: Oregon State University has, in the past two years, conducted follow-up studies of its graduates in four of the five program areas of vocational teacher education; the fifth program area will conduct a follow-up study during the spring term, 1978. On-site visits by Oregon State University faculty in vocational teacher education are made to the public schools to learn from public school vocational teachers their perceptions of needed competencies, and to relate these to the performance of first-year teachers from the Oregon State University vocational teacher education program. In addition, Oregon State University has, in the past few years, made follow-up visits to the first-year teachers in two vocational areas who graduated from Oregon State University. In 1978-79, Oregon State University plans on making visits to first-year vocational teacher graduates in Oregon of all of its vocational teacher preparation programs.

3. Systematically review the course content of preservice vocational teacher courses for their relevance to identified teacher needs and for purposes of adding appropriate practical experience.

Comment: The program at Oregon State University emphasizes practical experience in the teaching situation. Beginning at the sophomore level, vocational teacher candidates move through an integrated program involving (a) theory and (b) practice in the public school classrooms. At the sophomore level, the student's program includes a field-based program (in the public schools) coupled with campus instruction which relates the off-campus experience to the theory and research basic to an understanding of the problems faced in the classroom.
The next phase of the student’s preparation involves student application in the public school classroom of his/her knowledge, while on campus, further attention is given to the student’s understanding through analysis of theory related to effective teaching. Finally, in the culminating phase, prepared by two previous terms of actual experience and supported by appropriate theory, research, and application, the student enters upon full-time teaching responsibilities in the student teaching phase of the program.

The systematic review of preservice course content is an integral part of Oregon State University’s continuing efforts, to which they pledge continuing attention. As earlier noted, the course content is keyed to the task analyses made regularly by Oregon State University of the vocational teacher function.

4. Oregon State Board of Higher Education and Linfield College continue the practice of conducting annual follow-up studies of recent graduates; improve study procedures as necessary and beneficial; and use information obtained from these studies for program revision, design of instructional strategies and curricular planning.

Comment: Oregon State University seeks to assure the relevance of its instruction through a variety of means:

- Oregon State University has established advisory committees in each of the five areas of vocational teacher education to advise with it as to the needs of the field, the congruence of the teacher preparation program with those needs, and ways of improving the effectiveness of the preparation program.

- Follow-up studies of graduates are conducted periodically. Four of the five vocational teacher preparation programs have, within the past two years, conducted such studies. The agricultural education and home economics departments conduct on-site visits to first-year teacher graduates of their programs as an aspect of this follow-up study. The other three departments expect to do so, effective 1978-79.

- The Oregon State University Office of Careers-Planning and Placement conducts an annual follow-up of Oregon State University graduates to determine the type of employment into which they have gone.

Oregon State University expects to continue such follow-up studies and to adapt what is learned thereby to the improvement of their instructional programs.
The Council recommends to the Oregon State Board of Higher Education that they:

5. Cooperatively with the Superintendent of Public Instruction and the Oregon State Board of Education, review the relationship between Oregon State University and the Personnel Development Center for the purposes of establishing policy to guide both the pre-service and in-service of vocational teachers.

Comment: Since 1972, Oregon State University and the State Department of Education have collaborated in the maintenance of career education personnel development centers "designed to improve the professional competencies of instructional, administrative, and guidance personnel in career awareness, career exploration, and vocational education, primarily at the secondary and postsecondary levels." The centers are headquartered in Portland and Eugene, but serve the entire state. They are staffed by four professionals, two .50 FTE interns, and three secretaries.

Begun in 1972 with a budget of $75,000, the centers have increased their funding to more than $200,000 in 1977-78. The State Department of Education provides the basic funding, and the staff are assigned to, and work through, Oregon State University.

The career education personnel development centers are designed to serve primarily those engaged in vocational-technical education. The conditions of the grant funds supporting the centers dictate this orientation. The director of the center estimates that vocational-technical instructors constitute 70% of those participating in the center's activities; lower-division college transfer course instructors the other 30%.

The programs offered through the centers are based upon needs assessments involving personnel the centers are designed to serve. For instance, based upon needs assessment returns from community colleges, the center personnel plan a series of administrative leadership seminars to be offered during 1977-78, as follows:

- Two regional seminars on Basic Elements of Supervision
- Two regional seminars on Staff Evaluation Techniques
- Two regional seminars on Program Assessment
- Two regional seminars on Long-Range Planning
- One regional seminar on Staff Development
- One regional seminar on Contract Administration
- Three regional seminars on The Administrator and Career/Vocational Education

This joining together of the State Department of Education and Oregon State University in the service of personnel development in the vocational-technical areas has been and is a successful venture.
6. Cooperatively with the Superintendent of Public Instruction and the Oregon State Board of Education [the State Board of Higher Education should] review the basic question of who should deliver in-service teacher and administrator training for vocational education and consider any related policies and criteria and their implications for future funding levels and formulas.

Comment: The issue of in-service education for vocational education personnel is part and parcel of the whole question of in-service education for teachers generally, which is currently under study by a statewide group representing all of the major agencies that are concerned with or have a regulatory function relating to in-service teacher education.

The State Department of Higher Education and the State Department of Education are both playing important roles in the work of the foregoing committee. A progress report from the committee was presented to the Board’s Committee in December, 1977.

7. Coordinate the approval of in-service training courses and activities to facilitate satisfaction of certification requirements.

Comment: There are two types of vocational teaching certificates: (1) basic and standard, and (2) special. Certification requirements are established by the Teacher Standards and Practices Commission. Oregon State University verifies the satisfaction of collegiate credit requirements for basic and standard vocational teaching certification for the Commission. The fulfillment of work experience and teaching experience required for certification is verified to the Teacher Standards and Practices Commission by former employers and the candidates’ school districts. Oregon State University has not been authorized by the Teacher Standards and Practices Commission to work with special vocational teacher certification. School districts recommend candidates for special certificates direct to the Teacher Standards and Practices Commission.

Oregon State University and the Teacher Standards and Practices Commission should examine alternative ways of approving inservice training conducted outside a formal program such as that offered by Oregon State University.

The Council recommends to the Superintendent of Public Instruction and the Oregon State Board of Education that they:

8. Conduct, in cooperation with the Oregon State System of Higher Education, a study of vocational teacher in-service training that: (1) describes the current program, (2) describes the content and strategies desired by practitioners; and (3) describes necessary and sufficient procedures for coordinated delivery of in-service training.

Comment: This is similar to recommendations #5 and #6 and requires no further comment that is there provided.
9. Prepare a comprehensive plan for providing teacher in-service training in both teaching and technical skills areas.

Comment: This, too, is related to the study currently underway by the statewide committee, although recommendation #9 goes further in asking that a comprehensive plan for in-service education in both teaching and technical skill areas be prepared. This will require both time and funding to bring to fruition.

Traditionally, teacher inservice education has been the responsibility of local school districts and community colleges, primarily. The local school districts have often called on colleges and universities to assist them in this capacity. For a variety of reasons, including interest in acquiring an advanced degree and/or in meeting certification requirements, teachers have increasingly turned to formal graduate-level programs offered by colleges and universities for their inservice work.

10. Cooperate with teacher preparation institutions to establish an operational definition of vocational education "Leadership Development" which can be used as a guide for the design and conduct of such activities.

Comment: Oregon State University defines vocational education leadership development as preparing vocational educators and persons in related professions to perform the following functions: vocational program management, educational research, program development and evaluation, and personnel development. The persons most in need of this preparation include: master teachers, vocational program managers, vocational education researchers and developers, and vocational teacher educators.

Oregon State University conducts a non-degree, graduate-level Oregon Career and Vocational Education Leadership Development Program under contract with the Oregon Department of Education, in which approximately 150 teachers, counselors, and school administrators have participated in the past nine years.

Oregon State University also currently conducts a graduate-level vocational education leadership development program under contract with the U.S. Office of Education. The program is authorized by the Vocational Education Amendments of 1976 (Public Law 94-482) which also governs all vocational education leadership development conducted by the Oregon Department of Education. Since 1973, approximately 80 graduate students from throughout the United States and its territories (including 21 Oregonians) have attended Oregon State University full-time under the auspices of this national program.

Between 1968 and 1977, Oregon State University conducted the Oregon Vocational Education Leadership Development Program under contract with the Oregon Department of Education. Fifty-nine (59) vocational educators participated as full-time graduate students in vocational education under the auspices of this program.
Mr. Robert Liberty, Legislative Coordinator for the Oregon Student Lobby, stated that he and four student body presidents were appearing in support of payment of the federal minimum wage on behalf of student employees at the University of Oregon, Portland State University, Southern Oregon State College, and Oregon Institute of Technology.

Mr. John Becker, President of the Associated Students at Portland State University and Chairman of the Board of the Oregon Student Lobby, said the state minimum wage is $2.30 an hour and the federal minimum wage is $1.65. He said the students understood that there was no legal obligation to pay students the federal or state minimum wage, although the institutions do pay the state minimum. He said there is an obligation for the Board and the institutions to recognize the role employment plays in helping students to finance their education and to establish wages accordingly.

Mr. Becker said administrators have argued that budget constraints prevent them from raising wages except at the expense of the total number of positions. He asked why work-study money available from unfilled positions could not be used to raise the minimum wage to $2.65 per hour for other students. The budget provides a 5% wage increase for each year of the biennium. Mr. Becker said that since there were no increases in the first six months of this year, a total increase for the remainder of the biennium would represent more than a 10% wage increase because students would prefer no expansion of the number of positions.

Mr. Becker said that the work-study wage is required to be $2.65 an hour on July 1, 1978, unless an exception is granted. He also indicated there was a need for more specific cost information.

Mr. Becker concluded by asking that the Board:

1. Seek sufficient funds in the 1979-1981 budget to allow payment of the federal minimum wage to all student employees;

2. Not seek an exception from the payment of the higher wage, if funds are not available, until the Board has requested money from the Emergency Board; and

3. Recommend to the institutions that they determine the expense of and method by which federal minimum wages could be paid for the remainder of the present biennium.

Mr. Gary Feldman, President of the Associated Students of the University of Oregon, said a key issue is the worth of the work done by the student employees.

Miss Jennifer Tompkins, President of the Associated Students of Southern Oregon State College, concurred and said that students are doing the same work as classified employees in some instances but are not getting the same wages. She also said that students may be allocated a certain amount of work as part of a financial aid plan, but the work-study hourly limit, paid at the present wage, would not amount to the earnings allocated for that individual.
Mr. Ray Alley, representative to the Oregon Student Lobby from Oregon Institute of Technology, said students on that campus were required to demonstrate financial need in order to be employed. He then described the discussions in connection with the student strike. Mr. Alley said students were interested in obtaining more money for student wages so that the minimum wage could be paid. Without student help, the school will be paying more in some areas to operate. However, if students are used, both the students and the institutions will benefit.

In response to questions concerning the funding of student wages, Vice Chancellor Lemman said the money for student employment principally comes from three sources. These are: (1) state appropriation for employment within the instruction functions or the administrative and service activities of the institution; (2) incidental fee or user fees for students employed in auxiliary activities; and (3) federal grants under the college work-study program. The federal government pays 80% of the cost of the wages and the employer pays 20% under the work-study program. At the same time, the institution must agree to maintain its level of effort in non-college-work-study funds. Funds are allocated in the same manner as all other budget funds. Mr. Lemman said that from a legal standpoint students were not subject to the federal or state minimum wage law. In terms of public policy, both Congress and the Oregon Legislature have indicated that students were not subject to these regulations. The federal legislation partially excludes four categories of employees from the federal minimum wage by providing that students may be employed at no less than 85% of the minimum wage with the authorization of the Secretary of Labor. Students are already being paid more than 85% of the minimum wage. Eleven categories are excluded in their entirety from the Fair Labor Standards Act. Furthermore, the minimum wage does not apply to retail and service establishments with sales of less than $250,000 annually. This latter provision recognizes differences in economic conditions in small and medium-size communities as contrasted with large metropolitan areas.

Mr. Lemman said there had been no announcement of the $2.65 minimum wage although the change probably would occur eventually. He said before adopting the federal standard the Board should consider where the minimum wage will be over a period of time, because the Board would be committing itself not only to the $2.65 now, but presumably to $3.35 per hour by January 1, 1981. This would represent an increase of 46% in the federal minimum wage over a period of three years.

Mr. Lemman also indicated that the amount listed in the state appropriation for student wages was not a line item but, as with other resources, these funds could be used where they were needed most.

In reference to the statement that a student could not achieve the full amount authorized for wages because of the limitation of 20 hours per week under work-study employment, Mr. Lemman said the 20-hour rule does not apply to vacation periods. There would be an opportunity for students to work additional hours during vacations and achieve the maximum amount authorized under their financial plan. Furthermore, it should be remembered that all students pay a portion of any increased cost for student wages.

During the discussion a number of questions were raised concerning costs, available work-study positions and savings in work-study funds, the effect of an increase in wages at each institution, and the financial implications
on all budget sources if the requested increase were approved. It was indicated that answers were not available but could be provided.

The Chancellor said a basic decision is whether sound public policy requires that the minimum wage be adopted. If it does not, present policy would continue and the market place basically would determine the wage rates for students. If it does, it must be determined when the rate begins, and decisions must be made concerning the source of funds.

The Chancellor said it was his recommendation that the institutions not be required to follow the federal minimum wage policy on the grounds that these social policy issues have been dealt with by Congress and the Legislature. It has been the conclusion that it is in the public interest not to impose the minimum wage requirement in order to spread employment among larger numbers of students and to minimize the cost to taxpayers and student payers. The Chancellor further recommended that authorization be given to seek the 85% exemption where the State System might be required to follow the minimum wage.

The Chancellor also pointed out that a surplus of work-study money at one institution could be transferred to another which might need the funds. The transfer would be subject to approval by the State Scholarship Commission.

Mr. Perry expressed concern about making another appearance before the Emergency Board. He said there is a problem of priorities which do not center on this particular issue. Students have explained the matter very well, Mr. Perry said, but it is something that needs to be contained within the System. Alternatives available are to pay the minimum wage within the framework of the existing budget, a reduction of other programs, or a curtailment or removal of funds from other programs. Mr. Perry said, in his opinion, the issue should be left to the local discretion of the presidents on the various campuses who have a better knowledge of the local situation.

Mr. Moore indicated that the Board needed more information but said he thought the policy should be consistent throughout the System, not left to the individual administrators to decide.

It was the consensus that adequate background information should be made available with respect to the following: The extent of student employment at each institution; the extent to which students are funded in the three categories mentioned; how many work-study students there are and the number of vacancies; cost projections for making the adjustment in the wage rates; and any other pertinent data. It was also understood that the Oregon Student Lobby would be involved in the preparation of the data.

(Further presentation and report, March 24, 1978.)

Representatives of the Oregon Student Lobby and student body organizations at the institutions presented testimony advocating the payment of the federal minimum wage to student employees. Copies of the testimony were distributed to the Board. In addition to the oral testimony, letters from students in support of the requests were available to the Board.

The following requests were made:

1. That the Board provide for the payment of the federal minimum wage in the budget for the next biennium;
2. That the Board not seek an exception from the expected increase in the college work-study minimum wage, thereby continuing present practice;

3. That the Board study the cost of paying students the minimum wage for the remainder of the present biennium.

Comparisons between percentage increases in students' salaries and those for classified and academic staff were presented. The average rate for students in private enterprise was compared with wages paid to students on the campuses. It was asserted that students should receive equal pay for equal work and in many instances they were receiving substantially lower rates for similar or identical work. It was also indicated that the Oregon AFL-CIO and the State Scholarship Commission supported payment of the federal minimum wage to students. It was emphasized that student employees use these wages to pay for their education.

Mr. Ater said the real issue, in his opinion, was whether there was any validity for having separate compensation schedules for student workers as opposed to full-time classified workers employed in what appear to be the same jobs. He indicated that some differential for possible variations in efficiency might be justified.

Mr. Don Chalmers, of the Office of Student Advocacy at the University of Oregon, said the attitude and working relationships were another important factor in considering the desirability of differing pay scales for students and classified employees doing the same work. He suggested the incentive of comparable rates would increase the productivity of student employees.

Mr. Wyss asked whether the students would prefer that the Board reduce the number of positions available to students so that the wages for the remaining student employees could be raised to the minimum wage.

Mr. Robert Liberty, representing the Oregon Student Lobby, reiterated the student requests in priority order and pointed out that a large proportion of the added cost would be paid by students. He said students had indicated a willingness to pay higher rates so that student workers could receive the federal minimum wage. He also said there was some evidence to suggest that there is some flexibility in the budgets to provide funds for the payment of the federal minimum wage.

In discussing the pay differential for student employment, Mr. Perry said that in his previous experience with student employees, they had recognized that a certain differential was justified because of the convenience to students of on-campus rather than off-campus employment. He also stated that productivity was a factor in terms of student employees compared with classified staff, due to interruptions of the student work period for class attendance.

Mr. Liberty responded that continuity was important but the differential appeared to him to be excessive. In response to a question from Mr. Ingalls, it was indicated that student employees were not subject to all of the deductions made from wages paid to classified staff. Mr. Wyss asked whether students would assist the Board in its efforts to get the necessary funds for higher education during the next legislative session and was assured the students would be involved.
Vice Chancellor Lemman then presented and explained the data which had been requested by the Committee on Finance, Administration, and Physical Plant with respect to the federal minimum wage issue. This information appears below.

Staff Report to the Board

At the February 24 meeting of the Board's Committee on Finance, Administration, and Physical Plant, several student body presidents and representatives of the Oregon Student Lobby asked that the Committee recommend that the Board adopt a policy of paying the federal minimum wage to student employees at the various campuses. The student representatives acknowledged that neither state nor federal law requires institutions to pay the minimum wage.

After considerable discussion of the issues, Committee members asked that they be furnished factual information. The requested information is summarized on the attached exhibits. Before commenting on the data and the methodology of the study, certain other information may be useful to Board members.

The Oregon minimum wage law (ORS 653.010 to 653.261) establishes $2.30 per hour for covered employees after December 31, 1975. The statute, however, specifically excludes individuals employed by the State of Oregon and "an individual who is employed by an institution whose function is primarily education, and in which he is an enrolled student."

The federal minimum wage is contained in the Fair Labor Standards Act (29 U.S.C. 201-219), which was most recently amended in 1977 by Public Law 95-151. The 1977 Act established the following minimum wages:

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>Minimum Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 1978</td>
<td>$2.65 per hour</td>
</tr>
<tr>
<td>January 1, 1979</td>
<td>$2.90 per hour</td>
</tr>
<tr>
<td>January 1, 1980</td>
<td>$3.10 per hour</td>
</tr>
<tr>
<td>January 1, 1981</td>
<td>$3.35 per hour</td>
</tr>
</tbody>
</table>

The FLSA minimum wage (and overtime pay) coverage of state and local government employees was declared unconstitutional by the U.S. Supreme Court in National League of Cities v. Usery (96 Sct 2465) (1976), and thus does not apply to any Department of Higher Education employees. Even if the Department were subject to the minimum wage law, another section of the Act permits colleges and universities to employ their own students at 85% of the statutory minimum. The U.S. Office of Education will, upon request, permit use of the "85% rule" with respect to students employed under the College Work Study Program (CWSP). If the 85% formula were applicable, the rates would be thus:

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>Minimum Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 1978</td>
<td>$2.25</td>
</tr>
<tr>
<td>January 1, 1979</td>
<td>$2.46 1/2</td>
</tr>
<tr>
<td>January 1, 1980</td>
<td>$2.63 1/2</td>
</tr>
<tr>
<td>January 1, 1981</td>
<td>$2.85</td>
</tr>
</tbody>
</table>

The legislative history of the "85% rule" indicates that the Congress adopted the rule for the express purpose of encouraging the employment of students. Congress also acted to permit small retail and service establishments to pay the 85% rate, to encourage employment of students and to recognize local economic conditions, particularly in small communities.
In response to the Board's request for factual information on student wage rates and the sources of funds for student employment, the staff analyzed the student employee payroll for the month of November 1977. The historical relationship of November payroll costs to annual costs was established and used to make the projections. For brevity, four primary sources of funds were used and defined as follows:

General Funds - those state appropriations (taxes and tuition) used to finance the instructional and administrative departments.

Auxiliary Funds - those funds used to finance residence halls, student unions, student government, etc., primarily from user charges to students and student incidental fees.

CWSP Funds - Federal grant funds used to pay 80% of the cost of wages paid to student employees in the program.

Other Funds - Operating accounts (carpools, printing shops, etc) and all grants and contracts for research and other purposes.

You will note in Exhibit A that the number of students paid less than $2.65 per hour and the number paid $2.65 or more is approximately the same for the total of seven institutions, but the ratios at individual institutions vary widely. At Eastern Oregon State College, only 3% of student employees received $2.65 per hour or more, while at Portland State University 79% were paid $2.65 or more. At the three universities, 62% of the student employees were paid $2.65 or more, while the composite for the other four institutions was 16%. Analysis of the data suggests that there are two reasons for this difference. The three universities employ a significant number of graduate students whose pay rates tend to be higher, presumably related to higher levels of experience and skills. Second, the universities employ undergraduates on research projects at higher rates than elsewhere in the institution, again reflecting a higher level of skills.

Exhibit B sets forth the annual cost (by source of funds) of increasing the pay rate of all those now earning less than $2.65 per hour to $2.65. The costs indicated assume that rates of pay for those earning more than $2.65 per hour will remain unchanged. These costs were calculated by multiplying the total number of hours worked by $2.65, and subtracting the actual earnings of the same students. The annual cost of bringing all lower rates to $2.65 varies from 1% of the student payroll at Portland State University to 10.64% at Oregon College of Education. In addition to assessing the institutional ability to pay, two other results need to be kept in mind. First, the action will result in a substantial compression of student pay rates. If the range of student pay rates extant at the institutions have any validity (and we assume they do), those relationships will be substantially altered. Second, if the Board decides to adopt the federal standard, the minimum will increase to $2.90 per hour next January 1. Although we were unable to project the cost of bringing all those paid less than $2.90 to that rate, it will certainly increase the costs by at least 10% at Portland State University and ranging upward to 20% at Oregon College of Education. An extreme compression of pay rates will result, since only a small proportion of student employees are presently paid more than $2.90 per hour.
Exhibit C displays the annual costs of increasing the lowest paid student on each campus (presently ranging from $2.30 to $2.40 per hour) to $2.65 and increasing all other student pay rates proportionately. This plan assumes that the present range of pay rates will remain in effect on each campus.

Exhibits D, E and F show the cumulative annual costs of increasing present minimum rates paid to the federal minimum to be in effect at the beginning of each of the next three years, again increasing all other rates proportionately.

Two further comments should be made concerning the data on the exhibits. Although the costs are stated precisely, they must be treated as an order of magnitude more than as an exact cost. The first reason is that it is not possible to predict with complete accuracy the number of hours for which students will be employed in future months. Increases or decreases in workload and budgeting constraints may have an effect. We have simply used historical relationships. But the costs are believed to be accurate within ±10%.

The second comment is that the increase is costs indicated to be paid by federal CNSP funds may be entirely erroneous. Individual students are assigned CNSP earning quotas based upon financial need. If a student has a quota of $1,000 and is paid $2.50 per hour, he will work 400 hours. If the wage rate is increased to $4.00 per hour, the hours worked will be reduced to 250 because the earnings are limited to $1,000. The remaining 150 hours of work would then be performed by other students on non-CNSP funds. Thus the increases in costs attributed to federal CNSP funds on Exhibits C-F may be redistributed to other funds or many hours of work will not be accomplished.

With respect to other states, the public universities in Washington, Idaho and Arizona do not observe the federal minimum wage standard. UCLA and UC-Berkeley pay substantially more than the minimum wage (over $3 per hour) because of local economic conditions.

Staff Recommendations

At the national level, the Congress has decided the public policy question by permitting students to be employed at 85% of the minimum wage established for adult workers. Institutions already exceed that standard. In Oregon, the Legislative Assembly has expressly exempted students and state employees from the state minimum wage. If the Board were to adopt the federal standard, the increase in costs would approach $4,000,000 annually during the next biennium. Students themselves will bear a large share of the increased costs as they are reflected in tuition, incidental fees, and user charges for residence halls, food service, etc.

Alternatively, institutions would find it necessary to reduce very substantially the work opportunities for students. Institutions would be unable to employ adequate staff for significant components of their workload.

It is the staff recommendation that the Board continue to permit each institution to establish student pay rates, giving appropriate weight to institutional and student needs, local competitive conditions and institutional resources.
A. Number of Students Paid Above and Below $2.65 Per Hour

<table>
<thead>
<tr>
<th></th>
<th>EOSC</th>
<th>OCE</th>
<th>SDSC</th>
<th>OIT</th>
<th>U of O</th>
<th>OSU</th>
<th>PSU</th>
<th>TOTAL SEVEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students Paid Less</td>
<td>226</td>
<td>409</td>
<td>613</td>
<td>308</td>
<td>648</td>
<td>1230</td>
<td>273</td>
<td>3707</td>
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<td>Students Paid More</td>
<td>8</td>
<td>32</td>
<td>167</td>
<td>31</td>
<td>1500</td>
<td>1031</td>
<td>1018</td>
<td>3787</td>
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<tr>
<td>thereof per hour</td>
<td></td>
<td></td>
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<td></td>
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</table>

B. Cost to Increase Those Earning Less Than $2.65 to $2.65, Others Unchanged

<table>
<thead>
<tr>
<th></th>
<th>General Funds</th>
<th>Auxiliary Funds</th>
<th>CWSP Federal Funds</th>
<th>Other Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$4797</td>
<td>$12356</td>
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<td></td>
<td>$1948</td>
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<td>$2145</td>
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</table>

Percent of Total Student Payroll

|                  | 8.24%         | 10.64%          | 5.95%              | 6.58%       | 6.32% |
|                  | 8.24%         | 10.64%          | 5.95%              | 6.58%       | 6.32% |

C. Cost to Increase Lowest Rate to $2.65, All Other Proportionately

<table>
<thead>
<tr>
<th></th>
<th>General Funds</th>
<th>Auxiliary Funds</th>
<th>CWSP Federal Funds</th>
<th>Other Funds</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>$6817</td>
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<td>$44238</td>
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<td>$18878</td>
<td>$132136</td>
<td>$188788</td>
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</table>

Percent of Total Student Payroll

|                  | 15.21%        | 15.20%          | 15.20%             | 12.77%      | 10.42%|
|                  | 15.21%        | 15.20%          | 15.20%             | 12.77%      | 10.42%|

March 24, 1978
### D. Cost to Increase Lowest Rate to $2.90

**All Others Proportionately**

<table>
<thead>
<tr>
<th>Institution</th>
<th>EOSC</th>
<th>OCE</th>
<th>SOSE</th>
<th>OIT</th>
<th>U of O</th>
<th>OSU</th>
<th>PSU</th>
<th>TOTAL SEVEN INSTITUTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
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<td><strong>Total</strong></td>
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<tr>
<td><strong>Percent of Total Student Payroll</strong></td>
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<td>23.4%</td>
<td>20.8%</td>
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<td>23.4%</td>
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### E. Cost to Increase Lowest Rate to $3.10

**All Others Proportionately**

<table>
<thead>
<tr>
<th>Institution</th>
<th>EOSC</th>
<th>OCE</th>
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<th>OSU</th>
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<th>TOTAL SEVEN INSTITUTIONS</th>
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</thead>
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<tr>
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<td>Other</td>
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<td><strong>Percent of Total Student Payroll</strong></td>
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<td>31.9%</td>
<td>32.4%</td>
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### F. Cost to Increase Lowest Rate to $3.35

**All Others Proportionately**

<table>
<thead>
<tr>
<th>Institution</th>
<th>EOSC</th>
<th>OCE</th>
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<th>OIT</th>
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<th>OSU</th>
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<tr>
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<tr>
<td>Other</td>
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<td>9301</td>
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<tr>
<td><strong>Percent of Total Student Payroll</strong></td>
<td>45.67%</td>
<td>45.65%</td>
<td>45.65%</td>
<td>42.55%</td>
<td>39.6%</td>
<td>45.68%</td>
<td>42.55%</td>
<td>43.0%</td>
</tr>
</tbody>
</table>
In response to a question concerning the reasons for unfilled college work-study positions, Mr. Lemman said that these vacancies did not necessarily relate to the wage rate because many of the vacancies are at rates substantially above the minimum wage. He said one explanation for the vacancies might be that there are people seeking students, and students with college work-study authority, but the skills to not match the available vacancies. It was indicated also that students tend to get wage increases if they stay in the same position for a period of time.

Evidence presented on the availability and use of the college work-study funds varied among institutions and in terms of the data cited by the individuals presenting testimony. It was noted also that students are not always able to earn the full allotment specified in the financial aid package.

President Blumel said there had been a significant decrease in the number of students employed below the minimum wage at Portland State University from the November figures included in the staff report.

President MacVicar said he would support the proposal of recognizing a differential among the institutions because of differences in competition and cost of living in different communities. He stated that student employees may believe they are doing exactly the same thing as a classified person but this is rarely the actual situation. Interruptions for classes, vacations, and examination periods are inevitable and educationally sound, but they also make students less efficient employees. This problem could be resolved either by employing classified persons only, or by recognizing the differential in effectiveness by paying a different wage. He indicated that students at Oregon State University would receive the same 4% and 5% increases which are scheduled for other staff in April and December. He urged the Board, at least for the remainder of the present biennium, to allow the executives at each institution to work with the student leadership on the respective campuses in resolving this issue.

Mr. Harms moved that the Board approve the staff recommendation and also that authorization be given to seek the 85% exemption where the State System might be required to follow the minimum wage.

Mr. Batiste said students in the less populated areas of the state where there is less opportunity for employment should have an equal opportunity to pay for their education. This opportunity might not be available if wage rates were lower in less populated areas.

Mr. Harms said the students might not realize fully the amount of the increases which they would be paying in increased charges if the minimum wage were approved for student employees.

Mr. Moore said he could not understand why the principle of the minimum wage was not held in educational circles. He said the Board should approach the legislature for funds to pay the minimum wage.

Mr. Ater said it was important that an issue of this type be settled on an individual campus. At the same time, there has been a general shift in emphasis in the terms on which students are employed. Passage of the
recommendation as proposed, Mr. Ater said, should indicate the Board's intent that the institutions would address the issue of student employment.

He said it would be desirable if creative proposals would emerge from the discussions at the several institutions with respect to the employment of students and the main issue of paying equivalent wages for equivalent work. There is also merit to the statement that part-time workers may be less productive than full-time workers, and the institutions should have flexibility to recognize that fact by some differential in wage rates.

Mr. Ingalls agreed that an effort should be made to acquire additional funds from the legislature for this purpose, but perhaps not bringing students to the full minimum wage because they are not responsible for all of the deductions paid by non-students.

Mr. Ingalls moved to amend the motion to state that the Board would join with the students in seeking additional funds for student employment. He also asked that the two parts of the motion made by Mr. Harms be voted on separately.

The Chancellor said the amendment to the motion identified a program improvement. He asked whether the intent of the amendment was to place the request for funds to provide the minimum wage as the first priority for program improvement, or whether it should be brought back to the Board for a determination of the priority at a later time.

The inclusion of the request in the salary adjustment package was discussed in considering the matter of priority. It was agreed that the request for funding of student wages should be presented to the Legislature along with the academic salary request. Classified wages are reviewed separately.

The Board approved the amendment by Mr. Ingalls, with the following voting in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Wyss, and Perry. Those voting no: Director Moore. The President of the Board declared the amendment to the motion duly adopted.

The Board then approved the first part of the main motion by Mr. Harms, as amended, that the Board continue to permit each institution to establish student pay rates, giving appropriate weight to institutional and student needs, local competitive conditions, and institutional resources, and that the Board join with the students in seeking additional funds for student employment. The following voted in favor: Directors Anderson, Ater, Batiste, Carpenter, Daniels, Feves, Harms, Ingalls, Wyss, and Perry. Those voting no: Director Moore. The President of the Board declared the amended motion duly adopted.

The Board considered the remainder of the main motion to authorize seeking the 85% exemption where the State System might be required to follow the minimum wage.

The Chancellor said that if the authorization were not approved and the minimum wage was paid for college work-study positions, there would be a possibility of charges of discrimination in terms of other kinds of jobs which were similar to work-study positions being paid at a lower rate.
Failure to approve authorization of the 85% exemption request would be inconsistent with the earlier action to permit each institution to establish student pay rates. It would, in effect, adopt the minimum wage principle.

After comments concerning fringe benefits and other payroll expenses, the Board approved the motion to authorize seeking the 85% exemption. The following voted in favor: Directors Anderson, Feves, Harms, Ingalls, Wyss, and Perry. Those voting no: Directors Ater, Batiste, and Daniels. Director Carpenter was absent from the meeting at this time. Director Moore abstained.

The President of the Board declared the motion duly adopted by a vote of six to three.

Amendment of AR 60.050, Institutional Authority To Establish Fees and Charges

(Considered by Committee of the Whole, February 23, 1978; present--Anderson, Ater, Carpenter, Daniels, Feves, Ingalls, Moore, and Wyss.)

Staff Recommendation to the Committee

The Board's staff recommended that the Board adopt, pursuant to the Administrative Procedure Act, revisions to AR 60.050 which will incorporate into the rule Board-adopted policy appearing in the March 27, 1973, Board minutes pertaining to the authority of the president of an institution to establish rental rates for family housing. The proposed amended rule would also formally delegate to the president of the institution authority to establish rental rates for cooperative housing and miscellaneous housing. The amendments also clarify the responsibility of the president to establish rates or recommend rental rates to the Board in the case of residence hall housing at levels sufficient to meet operating costs, required assessments, and debt service, as well as the requirements of the Board's building repair service and equipment replacement reserve policies. This responsibility includes the obligation to collect rental payments which represent contributions from tenants of each type of housing toward the respective debt service for that type of housing, even though a specific unit of that housing may not have outstanding debt.

Discussion of Staff Recommendation

On March 27, 1973, the Board delegated to each institutional executive authority to establish rental rates for married student housing, following public hearing, with approval of the Chancellor, and a report to the Board by June 1 of the fiscal year preceding implementation. Prior to this date, the Board had been receiving and approving annually rates for all types of housing.

On July 20, 1976, the Board adopted policies for establishing and maintaining building repair and equipment replacement reserves for auxiliary enterprises including residence halls, family housing, and cooperative housing, and amended AR 60.050 to provide institutional executives with authority to establish, after public hearing, certain fees for services and materials, either provided or arranged by the institution. This delegation enabled each institution to serve students and the public better and to carry out its educational mission. The Board retained authority to establish instruction and required fees, room and board rates, including those for cooperatives, and other selected charges.
Inasmuch as Oregon State University is the only institution operating cooperative housing, and the cooperative housing rates approved annually by the Board pertain only to the housing, with each student cooperative housing council determining a food budget according to the wishes of the constituents it serves, it seems appropriate for the Board to delegate rate-setting authority for cooperative housing to the president of the institution.

The remaining modifications serve to centralize further within Section 60.000, Board's Financial Powers, of the Board's Administrative Rules all policies applicable to student housing. The Board-approved financial policies have been reviewed and discussed by the Board at numerous Board meetings and have been implemented for many years by the institutions, but they have never been adopted formally as Administrative Rules.

The rule, including amended portions, appears below.

60.050 Institutional Authority to Establish Fees and Charges

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

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

3. The Board of Higher Education delegates to each president the authority and responsibility to establish annually, or as necessary, rental rates for student family, cooperative, and miscellaneous housing.

4. The rates for each of the four types of housing (i.e. family, cooperative, residence hall and miscellaneous) shall be the amount necessary to meet operating costs, required assessments, debt service, and the requirements of the Board's building repair reserve and equipment replacement reserve policies. For housing scheduled ultimately for demolition, the institution shall establish separately for each type of housing demolition reserves or,
in lieu thereof, building repair reserves, sufficient to cover the costs of razing and removal, unless funds for this purpose are available from other sources. Residents of each of the four types of housing shall contribute, by means of applicable rental rates, toward the total debt service of that type of housing. If the institution has determined that major repairs shall not be performed on miscellaneous housing, the rental rates on such housing shall be the minimum necessary to meet operating and minor maintenance costs, required assessments, and debt service, if any.

[3.] 5. Fees and charges and amendments thereto [authorized] which the president has Board-delegated authority to establish under subsections (1) and (3) shall be [established] adopted only after approval of the president in the manner required by the Administrative Procedure Act (ORS Chapter 183). Copies of all fee schedules, charges, and amendments shall be presented to the Vice Chancellor for Administration for review and filing in the Chancellor's Office.

Discussion and Recommendation by the Committee

Several suggestions were made during the Committee discussion on February 23, 1978. These are incorporated below in the further staff report to the Board for consideration on March 24, 1978.

Further Staff Report to the Board (March 24, 1978)

Two issues raised in Committee discussion require further comment and a modification of the proposed language of AR 60.050.

1. "Pooling" of debt service

Under the self-liquidating requirement for bonds issued pursuant to Article XI-F(1) of the Oregon Constitution, the Board has made three types of arrangements: Against the bond issue for the Animal Isolation Facility at Oregon State University, the primary resource is a transfer from the State Racing Commission.

In 1969 (Minutes, p. 100, p. 105), the Board adopted a policy that the retirement of bond issues for the construction of residence halls should be considered as an obligation that should be shared among the institutions. The basis of the sharing is on the relative proportion that the replacement value of residence halls on one campus bears to the replacement value of all residence halls. Thus, the resident of a hall built from bonds which have been retired continues to contribute to the retirement of the debt on the most recently constructed residence hall.

At the same time (1969 Minutes, p. 101, p. 106), the Board declared that "separately for each institution, the rates of charge for rentals for married family housing shall be such as will produce sufficient income to meet all direct operating costs... The resultant net operating income... is to be sufficient to meet bond debt service requirements for married family housing at the institution."

These policies are incorporated in AR 31.130, adopted on December 8, 1970.
2. Sharing in debt service

In discussing Amazon rates with the Board last summer, it was noted that the University of Oregon had not charged Amazon residents a share of the debt service owed on Westmoreland housing in recent years. The University proposed that Amazon residents pay about one-fourth of the amount toward debt service that would be justified on the basis of "replacement value." Since replacement costs for Amazon housing are substantially in excess of current value, an adjustment, charging Amazon residents rentals sufficient to produce 32 percent of the Westmoreland debt service might be viewed as excessive.

The precise proportion of debt service borne by residents of particular units of housing has never been the subject of Board action. Rather, the Board has indicated that rates should be "sufficient" and that "the rates of charge may be different," "if there are significant dissimilarities." In other words, treating each of the four types of housing independently, within each type the rates of charge should reflect relative marketability, subject to the requirement of meeting all costs, including debt service.

* * *

In the light of these observations, it seems appropriate to modify the recommended language of a revised AR 60.050.

1. Pooling

It would clarify intent if the proposed paragraph 4 were revised to add, after the sentence "Residents of each of the four types of housing shall contribute, by means of applicable rental rates, toward the total debt service of that type of housing.," the following sentence: Debt service related to residence halls shall be apportioned among the institutions in relation to the replacement value of the residence halls on each campus; debt service related to family housing is the responsibility of the institution at which the family housing is located.

2. Sharing

The foregoing language is intended to make it clear that the proportion of debt service contributed by individual residents of particular halls or projects may vary, that the Board's Rule relates to types of housing. The institution president, however, may adopt rental charges based on considerations of the relative marketability of individual accommodations. To remove misunderstanding, it is further proposed that another sentence be added to paragraph 4, following the addition recommended in 1., above: Within each type of housing the rates of rental charge shall reflect relative marketability.

* * *

Assuming Board adoption of the revised set of Administrative Rules, the further change of AR 60.050, as now recommended, would be:

60.050. Institutional Authority to Establish Fees and Charges

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

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

3. The Board of Higher Education delegates to each president the authority and responsibility to establish annually, or as necessary, rental rates for student family, cooperative, and miscellaneous housing.

(4) The rates for each of the four types of housing (i.e., family, cooperative, residence hall and miscellaneous) shall be the amount necessary to meet operating costs, required assessments, debt service, and the requirements of the Board’s building repair reserve and equipment replacement reserve policies. For housing scheduled ultimately for demolition, the institution shall establish separately for each type of housing demolition reserves or, in lieu thereof, building repair reserves, sufficient to cover the costs of razing and removal, unless funds for this purpose are available from other sources. Residents of each of the four types of housing shall contribute, by means of applicable rental rates, toward the total debt service of that type of housing. Debt service related to residence halls shall be apportioned among the institutions in relation to the replacement value of the residence halls on each campus; debt service related to family housing is the responsibility of the institution at which the family housing is located. Within each type of housing the rates of rental charge shall reflect relative marketability. If the institution has determined that major repairs shall not be performed on miscellaneous housing, the rental rates on such housing shall be the minimum necessary to meet operating and minor maintenance costs, required assessments, and debt service, if any.

(5) Fees and charges and amendments thereto [authorized] which the president has Board-delegated authority to establish under subsections (1) and (3) shall be [established] adopted only after approval [of] by the president in the manner required by the Administrative Procedure Act (DRS Chapter 183). Copies of all fee schedules, charges, and amendments shall be presented to the Vice Chancellor for Administration for review and filing in the Chancellor’s Office.
Mr. Holmer said the Board's action to defer the repeal and readoption of the Administrative Rules made it necessary to recommend the adoption of the proposed amendment to AR 60.050 as shown in the revised material distributed to the Board.

Mr. Hamms moved that the Board adopt the staff recommendation to amend AR 60.050, subject to editorial clarification. He said the statement clearly delegates to the presidents of the institutions the authority to set certain kinds of charges, limited by the requirement that the rates recover operating costs, including debt service where applicable. He said the adoption of the motion would make it clear that the decision of a president on the rental rates for student family housing would not be revised by the Board if they were consistent with the Rule.

Mr. Branchfield said it was his understanding the amended version of AR 60.050 was proposed for adoption at the present meeting and indicated that students at the University of Oregon had been advised that there would be an opportunity to present testimony.

Mr. Hamms said it was the intent of his motion to repeal the present AR 60.050 and adopt the new language.

Mr. Ater said that subparagraph 3 delegated to the president the responsibility to establish the rates "annually or as necessary." He said a literal interpretation of this language would give the presidents the right to change the rates every month. He questioned whether the real intent was that the rates should be changed "not more frequently than annually."

Mr. Ingalls said he would prefer to delete the words "annually or as necessary" from subparagraph 3.

In response to a question from Mr. Batiste concerning other possible changes, Mr. Ater said he had suggested that the four concepts presently included in subparagraph 4 be separated into several subparagraphs. He said the concept of setting rates by marketability should be discussed by the Board, giving consideration to suggestions from students.

Mr. Don Chalmers, of the Office of Student Advocacy at the University of Oregon, suggested the following changes in AR 60.050, as recommended:

1. In subparagraph 4, add the words "The Board encourages resident involvement in institutional decisions regarding debt service related to family housing," to the statement that debt service related to family housing is the responsibility of the institution at which the family housing is located.

2. Amend the statement that "within each type of housing the rates of rental charge shall reflect relative marketability" to "shall reflect differences in quality of accommodations and level of services."

3. Inclusion of language to protect residents from the use of vacancies in the context of debt service, 'The Board and
institution shall not specifically consider vacancy rates when establishing debt service policy.

4. Insert in subparagraph 3 between the words "establish" and "annually," the words "not more frequently than annually," so that the subparagraph would read: "The Board of Higher Education delegates to each president authority and responsibility to establish not more frequently than annually, or as necessary, rental rates for student family, cooperative, and miscellaneous housing." Mr. Chalmers said this would provide adequate time for students to plan for the rental increase.

Mr. Walter Sheasby, chairman of the Amazon Family Housing Policy Board, said the group supported the statement that current policy did not indicate a decision to interfere in the question of the assignment of Amazon and Westmoreland debt service. He also said the self-supporting and self-liquidating principle was important and appropriate language should be retained in the proposed amendments. If this were done, it would be possible to delete the sentence dealing with demolition, because the ability to liquidate or demolish a project would be implied by the self-liquidation language. The determination of the rental rates also would be resolved because they would be established on the basis of the self-supporting and self-liquidating concept which would reflect differences in quality of accommodation and level of services.

Mrs. Nancy Lawrence, a member of the budget committees for both the Amazon Policy Board and the Amazon Community Tenants, said figures available to those groups indicated that it was unnecessary to have a building repair reserve and a demolition reserve. The demolition reserve could be accumulated in two or three years, once the decision to demolish was made.

It was agreed that the Board should have the further suggested revised language available before taking action on the amendment to AR 60.050. Mr. Holmer said that due to various issues before the University at this time it was important to have prompt action. Mr. Branchfield pointed out that the University of Oregon would require a month to adopt a new rule, plus another 30-days' notice of any proposed rent increase. Therefore, if any increase were proposed for July 1, 1978, it would be necessary to have action on AR 60.050 no later than May 1.

It was agreed that it would be preferable to defer action until suggested changes could be incorporated in the proposed Rule and that an adjourned Board meeting would be scheduled for this purpose in April. Mr. Harms then withdrew his motion.

Mr. Anderson moved that the adoption of the proposed rule be tabled.

The Board approved the motion by Mr. Anderson, with the understanding that the Rule would be considered at an adjourned Board meeting in April, at which time all of the necessary hearings would have been held and any revised language would have been incorporated in the AR 60.050 presented for further consideration at that time. Those voting in favor: Directors Anderson, Ater, Daniels, Feves, Harms, Ingalls, Moore, and Perry. Those voting no: Directors Batiste and Wyss. Director Carpenter was absent from the meeting at that time.

Mr. Anderson asked that the document presented to the Board in April designate separately the changes proposed by the Amazon representatives.
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Request for Approval To Submit Proposals for Federal Matching Funds, OEPBS

(Considered by Committee of the Whole, February 23, 1978; present—Anderson Ater, Carpenter, Daniels, Feves, Ingalls, Moore, Wyss, and Perry.)

Staff Recommendation to the Committee

It was recommended that the appropriate Board officials be authorized to submit two proposals to the Educational Broadcasting Facilities Program, contingent upon subsequent approval by the Emergency Board. The proposals include (1) a translator project to serve Coos, Curry, and Josephine Counties; and (2) replacement of the TV transmitter, tower, and antenna at the KOAP-TV, Channel 10, Portland, Healy Heights site.

They are described in detail in the staff report to the Committee.

Although these two capital construction projects proposed for joint funding by federal and state resources include $302,500 in state funds and $907,500 in federal funds for a total of $1,210,000, and an operations budget increase of $113,400 for a biennium, the demand that all areas of the state of Oregon and all populated areas of any significance must be afforded the opportunity to receive the broadcast signals seems to justify the expenditures. Submission of the proposals is not a guarantee that they will be funded at the federal level, and, past experience indicates that even if looked upon as meritorious the projects may be reconsidered over a period of two or three years until funds eventually become available. The quest for Educational Broadcasting Facilities Program funds is highly competitive both nationally and within states; therefore, it is important that projects be submitted as early as possible so that they may become familiar to the reviewers.

Discussion and Recommendation by the Committee

Mr. Wyss said Board members had received a letter from Mr. Edward P. Barnett, Executive Vice President and General Manager of KSYS in Medford, which indicated that a similar request for federal funds was being made for that station.

Dr. Bryant said the proposal in the letter from Mr. Barnett was not necessarily competitive with the OEPBS proposal and, in fact, there might be opportunities for cooperation if both requests were approved. In addition, many projects are submitted to HEW but are not funded, or they are funded only after several years.

Mr. Barnett said the objectives for KSYS were the same as those for any educational television station and he urged cooperation between KSYS and OEPBS. He suggested that if both requests were submitted, HEW might consider them to be a duplication of services.

Mrs. Carpenter said it was important to move ahead with both applications in view of the fact that the State System request represented a long-standing OEPBS effort with legislative mandate. There would still be an opportunity to explore various ways to be sure that there is not duplication in the two efforts.
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Dr. T. K. Olson, Executive Director of the Oregon Educational Coordinating Commission, said the Commission would be examining how both of these applications fitted into the long-range state development plan for educational television and broadcasting, and would also evaluate them in terms of the federal criteria.

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

Board Discussion and Action

The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Daniels, Feves, Harms, Ingalls, Moore, Myss, and Perry. Those voting no: None. Mrs. Carpenter was absent from the meeting at this time.

Staff Report to the Committee

OEPBS has submitted to the Office of Facilities Planning four capital construction requests for tentative inclusion in the list of projects for the 1979-1981 biennium. They include (1) a translator project to serve Coos, Curry, and Josephine Counties; (2) replacement of the TV transmitter, tower, and antenna at the KOAP-TV, Channel 10, Portland, Healy Heights site; (3) a permanent TV and radio studio building on the State Fairgrounds; and (4) a state-of-the-art TV studio in Eugene to serve KOAC-TV, Channel 7, Corvallis. The Fairgrounds proposal does not anticipate federal funds, and the Eugene studio project was submitted to the Educational Broadcasting Facilities Program of the Department of Health, Education, and Welfare in 1975 with Emergency Board approval. The translator project for Coos, Curry, and Josephine Counties and the KOAP-TV transmitter replacement project however, have both been proposed with the intent of requesting 75% matching funds from Health, Education, and Welfare.

To qualify for consideration for funding during the next grant year, fiscal 1979, these proposals must be submitted to the Department of Health, Education, and Welfare by March 1, 1978.

OEPBS Commitment to Maximize Service Areas of Channels 10, 7, and 3:

Commencing with the acquisition of KVDO-TV, Channel 3, Salem, some members of the Legislature have asked repeatedly for plans to be made to relocate the KVDO and the KOAC transmitters to serve better the more heavily populated areas of the state. Considerable support for the KVDO-TV acquisition came about precisely as a consequence of agreement by OEPBS staff that a plan for relocation of the Willamette Valley transmitters ultimately would be developed.

A first step in this planning was the completion of a spacing study, dated April 6, 1976, by Grant Feikert, Registered Professional Engineer. The objective of Mr. Feikert's study was to determine for OEPBS where Channels 7 and 3 might be relocated within the limitations set by the Federal Communications Commission for geographical separation in air line miles for co-channel and adjacent channel operations. Section 73.610 of the Commission's Rules requires that co-channel operations
be spaced 190 miles apart, and that adjacent channel operations be spaced 60 miles apart. On the basis of these spacing regulations, Mr. Feikert concluded as follows:

Channel 3 may be relocated in the:
- Vicinity of Astoria,
- Vicinity of Corvallis, Albany, and south to the Coburg Hills near Eugene,
- Vicinity of Bend, Redmond, Prineville, Madras, or Sisters on the Central Oregon plateau,
- Vicinity of Lakeview.

Channel 7 may be relocated in the:
- Vicinity of Corvallis and Albany and in the intervening area bounded on the south by an area approximately twelve miles north of Roseburg,
- Vicinity of Coos Bay and North Bend,
- Vicinity of Bend, Redmond, Prineville, Sisters, or Madras on the Central Oregon plateau.

The Feikert study reveals a number of alternatives for the relocation of Channels 7 and 3, and the ultimate decision unquestionably should be guided by the relative costs of moving to the eligible communities, the number of households which can be served from each location, and the level and quality of television service currently available in each of the communities. OEPBS does not propose that the Board decide the issue of relocation at this time. Moreover, the relocation of a channel requires that the licensee petition the Commission for a Proposed Rulemaking to amend the Table of Assignments. Ordinarily, this proceeding requires from one to two years before a Report and Order is adopted. In preparation for facing this issue, however, OEPBS has, in the case of Channel 3, petitioned the Commission for a Rulemaking, proposing the reservation of VHF TV Channel 3 as a noncommercial educational channel from its current status as a commercial assignment. This petition was filed with the Commission but has not as yet been acted on.

Relationship of Increase in Channel 10 Power to Plans for Relocation of Channels 7 and 3: If the Commission were to order, at petitioner's request, an amendment to the Table of Assignments providing for relocation of KVID-TV, Channel 3, Salem, to one of the communities listed in the Feikert study, and if the Table were amended to provide for the relocation of KDAC-TV, Channel 7, Corvallis, to another of the communities listed in the Feikert study, the effect on many communities in Marion, Polk, Yamhill, Lincoln, and Clackamas Counties, insofar as the availability of a noncommercial educational signal is concerned, would be significant. Although the present contours of Channels 10, 7, and 3 overlap extensively in these counties, there are many population pockets where only one of the signals is available. A principal cause of this limited penetration is the fact that both Channel 10 and Channel 3 operate at levels of power far lower than the allowable maximum. Thus, if the signals of Channel 3 and Channel 7 were to be removed from the upper Willamette Valley, many communities would be without a noncommercial educational television service unless the power of Channel 10 were increased to compensate for the absence of the other two. For this reason, OEPBS staff believes that an increase in effective radiated power at KDAP-TV, Channel 10, Portland, should precede any formal request to relocate the transmitters of Channels 7 and 3.
KDAP-TV Transmitter, Tower, and Antenna Replacement: OEPBS requests permission to submit a proposal to the Department of Health, Education, and Welfare for matching funds to finance the replacement of the Channel 10 transmitter, tower, and antenna at Healy Heights in order to achieve a maximum authorized power of 316 kw instead of the present 60.3 kw. This increase in power not only would provide a stronger and more effective signal throughout the area currently overlapped by KVIDO-TV, Channel 3, but also would radiate a stronger signal throughout the Portland area and Southwestern Washington. This increase in power would extend the A and B contours of KDAP-TV by approximately ten miles, bringing the A contour to the northern edge of the city of Salem and extending the B contour to a point equidistant between Salem and Albany. The A contour is that area of coverage over average terrain in which under normal conditions a strong useable signal may be received. The B contour is that additional area throughout which a useable signal may be received if the area is free of any significant interference or gross unevenness of terrain. The replacement antenna would also contribute to an improved signal throughout the area of service. It is proposed that a helical or spiral antenna be substituted for the present "bat wing" antenna. The spiral antenna would emit a more diffused signal pattern as contrasted with the directional tendencies of the bat wing antennas and this, coupled with a five-fold increase in power, should provide reception in several pockets in Portland's west hills where the present signal does not penetrate.

The total cost of replacing transmitter, tower, and antenna at Healy Heights is estimated at $750,000. The project would include $90,000 for construction and $660,000 for equipment. The local share for this project would be $187,500, and the federal share, $562,500.

The transmitter replacement project at Healy Heights includes also the retuning of the old transmitter to the Channel 13 frequency and relocating it on Mt. Fanny. Although the Healy Heights transmitter is twelve years old, the one at Mt. Fanny is at least twenty years old and possibly older. The present Mt. Fanny transmitter operates at only one third maximum allowable power, and the substitution of the Healy Heights transmitter would not only hold the promise of being a more reliable unit but would also permit its operation at maximum power, thus improving and extending the signal in Union, Baker, and Umatilla Counties.

Although a new tower would be required to support the new antenna at Healy Heights, the old tower segments could be salvaged and reconstructed for service as a translator support; or the present antenna and tower might be left in place as a standby in the event of trouble with the new system.

The increase in power for Channel 10 would result in an additional $20,000 per year in operating costs and at Channel 13 the increase to maximum power would require an additional $4,000 per year. Thus, the increase in operating costs resulting from replacement of transmitters at both Healy Heights and Mt. Fanny would amount to $24,000 per year or $48,000 for a biennium.

With KDAP-TV, Channel 10, Portland, at maximum power, OEPBS would be able to plan the relocation of Channel 3, Salem, and Channel 7, Corvallis, so as to serve the maximum number of people in Western Oregon without depriving people in the Salem area of adequate educational television service.
Coos, Curry, and Josephine County Translators and Microwave Interconnection:
The second capital construction project for which OEPBS requests approval to submit a proposal to the Educational Broadcasting Facilities Program is a translator and microwave interconnection system to serve Coos, Curry, and Josephine Counties. This project envisions the construction of 1,000-watt translators on reserved frequencies in the communities of Coos Bay, Gold Beach, and Grants Pass. Whereas the maximum power of UHF translators is ordinarily 100 watts, power of 1,000 watts is allowable for a reserved UHF frequency. Thus, OEPBS proposes to request authority to use Channel 18, allocated to Grants Pass, to serve Josephine County; Channel 14, allocated to Brookings, to serve Curry County; and Channel 17, allocated to North Bend, to serve Coos County. Recently, the Commission has adopted a change in regulations which permits translators to be served by a variety of "inputs" rather than the "off-air" pickup previously required. OEPBS proposes to construct a microwave interconnection to deliver a signal to these three translators located in Southwestern Oregon.

The microwave interconnection would originate at the KOAC-TV, Channel 7, Corvallis, on Vinyard Hill and, hopefully, would utilize Mary's Peak, Mt. Scott, and other convenient sites, not to exceed a total of six microwave hops, in serving the three 1,000-watt translators. OEPBS has engaged an electronics consultant, the same person who planned the Eastern Oregon system, to work with staff engineers in determining precise paths and sites. These details will be finalized before the proposal is submitted on March 1, 1978.

In addition to the extension of the OEPBS television signal proposed in the Southwestern Oregon translator and microwave project, the KOAP-FM composite radio signal (including the SCA or Golden Hours channel) would also be extended into Southern Oregon and interconnected with KSOR-FM, the Southern Oregon State College station. The principal purpose of this interconnection would be to make Golden Hours programming available in nursing homes, health care centers, and homes of the handicapped in Jackson and Josephine Counties. The microwave equipment selected for the entire project would have the capability of transmitting the FM radio signal along with the video and television audio signals. A radio only microwave hop from Grants Pass to the KSOR-FM transmitter would complete one way radio service from KOAP-FM in Portland to the Ashland station. Although it is conceivable that this one way service might be of some value to KSOR-FM's regular programming, the primary intent would be to extend Golden Hours programming into an area not now being served.

Costs for the Coos, Curry, Josephine Translator System include $10,440 for land purchase or lease, $20,000 for construction, $429,560 for equipment for a total of $460,000. General Fund or XI-G bonding to provide a 25% match would amount to $115,000 and the federal share from the Department of Health, Education, and Welfare would be $345,000.

Josephine County Translator: On December 28, 1977, the Federal Communications Commission adopted a Report and Order which tends to support the thrust of this OEPBS proposal. Earlier, OEPBS requested the Commission to reassign Channel 18, previously allocated to Medford, to Grants Pass rather than delete the reservation as had been recommended by KSYS-TV,
Channel 8, Medford, and a citizen petitioner from Jackson County. In granting the OEPBS request, the Commission's Report and Order stated:

Although only one of the two communities can be assigned Channel #18 due to spacing requirements, our engineering staff has determined that other TV channels are available for assignment to either community. One such channel (Channel 12) may be assigned to Medford if the transmitter site were to be located at least 25.3 kilometers (15.7 miles) north of the community. The assignment of an additional VHF channel to Medford in this fashion could provide a third network service on VHF channels. It would then be possible to reassign Channel #18 to Grants Pass, reserved for noncommercial educational use, as requested. This assignment would provide a first such local service to Grants Pass and extend the state's educational programming to the southwest area of the state.

(*designates educational channel)

The proposed translator and microwave project to serve Josephine County is the next logical step for OEPBS following this Commission action.

Coos County Translator: The proposal to provide a 1,000-watt translator to serve Coos County seems on the surface to be competitive with the earlier OEPBS proposal to cooperate with Coos Bay citizens in developing a 100-watt translator in the same area to rebroadcast the signal of KVDQ-TV, Channel 3, Salem. Actually, the 100-watt Channel 3 translator could be in service long before the Educational Broadcasting Facilities Program could even finish reviewing the larger proposal. Moreover, completion of both projects would permit Coos Bay people to receive both Channel 7 and Channel 3 as people presently do in Corvallis, Albany, and Eugene and other cities where the contours overlap. Also of importance is the improved signal which a microwave service to Coos County would provide for cable as well as for off-air pickup by non-cable households.

Curry County Translator: The Curry County translator would in some respects be the most important link in the entire project. It would provide potential service to 14,000 people, who at present, receive no signal from OEPBS, either off-air or cable. It would eliminate one of the remaining "dark" pockets in the state and bring the system one county closer to complete statewide television coverage.

The cost of operating 1,000-watt translators, of course, means a higher annual operating budget. The principal increase is for power; over ten times that required for the lower power translators. Operating costs for each of the 1,000-watt translators is estimated at $6,000 per year--$2,400 for power, $500 for tubes, $460 for miscellaneous parts, $1,440 for travel, and $1,200 for technician wages. Operating costs for the microwave interconnection system would amount to $14,700 per year. Thus, the total operating costs for the Coos, Curry, and Josephine County translator project would be $32,700 per year, or $65,400 for the biennium.
Confirmation of Institutional Degree Lists

In accordance with Board regulations, the following Board members represented the Board in approving candidates for degrees and diplomas for the June 1977 graduating classes at the various institutions, except as noted:

- Oregon State University
- University of Oregon (March 1977)
- University of Oregon
- University of Oregon (Fall 1977)
- University of Oregon Dental School
- University of Oregon Medical School
- University of Oregon Nursing School
- University of Oregon Law School
- Portland State University
- Portland State University (Summer 1977)
- Portland State University (Fall 1977)
- Oregon College of Education
- Southern Oregon State College
- Eastern Oregon State College
- Eastern Oregon State College (Summer 1977)
- Oregon Institute of Technology

The signed copies of the degree lists are on file in the Board's Office.

Board Discussion and Action

The Board confirmed the action of these Board members in approving candidates for degrees and diplomas. Those voting in favor were: Directors Anderson, Ater, Batiste, Daniels, Feves, Harms, Ingalls, Moore, Wyss, and Perry. Those voting no: None. Director Carpenter was absent from the meeting at this time.

Staff Recommendation to the Board

It was recommended that the Board authorize the presentation to the Emergency Board of a request for the allocation of $1,081,673 from the General Fund to permit service by the Crippled Children's Division to a larger number of children than was anticipated at the time of the 1977 session of the Legislative Assembly.

Discussion and Recommendation by the Committee

Acting President Jones and Dr. Victor D. Menashe, Director of the Crippled Children's Division, reviewed the financial situation necessitating the request for additional funds. They indicated the steps which had been taken to alleviate the problem and to stay within the budget and also the further reductions which would be required in the event additional funds were not forthcoming. These reductions would be related both directly and indirectly to patient care.

Three factors contributed to the costs--inflation, which was underestimated; volume, which was greater than anticipated; and an increase in technology with an accompanying increase in cost.
Dr. Jones commented that not only has technology become more expensive, but there has been a change in the social attitude so that services are provided for severe handicaps which might not have been treated in the past.

Mr. Wyss said he was concerned that with more services needed and more technology available, the only place costs would come under control was in the political process, with decisions being enforced by persons who are not medically competent to make judgments about treatment.

Dr. Jones indicated that part of the problem faced by the University of Oregon Health Sciences Center was that of bringing congruence between the statute which requires the institution to provide service to all crippled children with another requirement to maintain a balanced budget. Dr. Menashe said it was also incumbent upon staff at the Health Sciences Center to indicate there is a problem before reducing the level of service.

Mr. Wyss asked where the medical decisions should be made to provide the greatest amount of care for a limited number of dollars. Dr. Menashe responded that the medical decision might still be to do the task, but the funding resources would have to be determined somewhere else. There may be some opportunities to be more careful, he said, but the medical care should be available. However, Dr. Menashe said, the best care might not always be the most costly care.

Dr. Jones indicated that the control on the Crippled Children's Division program would probably have to be done through decisions on the degree to which a patient would be funded and said these decisions preferably should be made at the local level by the director of the Crippled Children's Division.

The Chancellor said the proposal had been examined in terms of whether it was of an emergency character. No significant emergency conditions that could not have been anticipated during the 1977 Legislature Session were identified.

After discussions with Dr. Jones and Dr. Menashe, the conclusion was reached that inevitably there would have to be an element of political decision-making involved. Consequently, the Chancellor said he then sought advice from persons who would ultimately be involved as to whether the request would receive a hearing or whether it would be regarded as a proposal that was inconsistent with the role of the Emergency Board. In terms of getting the necessary resources, the advice was not encouraging, but the political community indicated that it would be willing to examine the proposal in terms of whether it should be dealt with in terms of other priorities in state government relating to the funds available to the Emergency Board. The Chancellor said he would be willing now to recommend Board approval for submitting the request to the Emergency Board.

In response to questions concerning patient care and funding, it was indicated that no charge is made for the diagnostic evaluation. Patients who meet financial eligibility standards may receive care within the clinics or specialized care or hospitalization may be provided elsewhere. The University Hospital would bill for professional services to a third party, including welfare. Services provided outside of the clinics of the University of Oregon Health Sciences Center are controlled by reports on the treatment proposed for each patient, and charges are based on a specified fee schedule. The fee schedule covers all professional services and was developed from the cost formula established under Medicare legislation.
It was indicated also that there were serious budgetary problems in the Education and General Services portion of the budget, but it was not anticipated there would be any further requests related to costs for patient care. An increase in the expenditure limitation for the Dental Clinic may be requested, to be financed from dental clinic revenues.

In response to a question, Dr. Menashe said the minimum amount he would hope to receive was the amount of the backlog and the base budget adjustment. However, the $1,081,633 was a projection of actual figures and represents a real and honest estimate of where the Crippled Children’s Division will be financially.

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

Supplemental Staff Report and Recommendation

It is recommended that this matter be rereferred to the Committee on Finance for further consideration.

Since the Committee discussion, steps have been taken by the Health Sciences Center administration to institute action intended to assure that Division expenditures are controlled within the limitation of the current budget. This has been necessary in the light of the statutory requirement that state agencies operate within lawfully available resources.

Although the controls cannot reduce the potential workload for CCD, the application of the controls will provide a clearer definition of the alternatives available for consideration by both the Board of Higher Education and the Emergency Board. Experience with the impact of the controls will not be available for several weeks.

The Division will have two other "automatic" appearances before the Emergency Board this year. The first, seeking Emergency Board approval of acceptance of a Supplemental Security Income Grant from the federal government ($309,000) has already been approved by the Board of Higher Education. Referral to the Emergency Board has been held up for several months, at the request of the Executive Department. Emergency Board action will be sought in May. The other appearance is invited by a Ways and Means Committee budget not, should federal funds fall below the amounts authorized by the legislature. It seems clear that the federal allocations will fall below the authorized level by more than $250,000.

If the evaluation of the current cost controls demonstrates the need for revision of General Fund support, the appropriate time for such a submission would be in connection with the federal funds review. This is expected to be in late summer or early fall.

Board Discussion and Action

The Board approved the staff recommendation to re-refer this matter to the Committee. The following voted in favor: Directors Anderson, Ater, Batiste, Daniels, Foyes, Harms, Ingalls, Moore, Wyss, and Perry. Those voting no: None. Director Carpenter was absent from the meeting at this time.
Staff Report to the Committee

"The State Board of Higher Education... is designated as the state agency to... extend and improve services for locating crippled children and for providing medical, surgical, corrective and other services and care, and facilities for diagnosis, hospitalization and after care for children who are crippled or who are suffering from conditions which lead to crippling." - O.R.S. 444.101(1).

This open-ended charge is accompanied by a closed-end budget. In 1977, it was necessary to reduce authorizations for hospitalization in mid-April and discontinue purchased services, effective May 20. A backlog was thus created which has required expenditure of $195,100 in this biennium to eliminate.

In addition to the direct backlog, an additional $27,147 of purchased services was paid for from gift sources and approximately $105,172 was written off, cancelled for (in a very few cases) paid for by parents. These amounts, plus the $195,100 backlog, should have been included in the 1977-1979 base budget request (total: $327,419) and a 12.36% inflation allowance added ($40,469).

The workload projected on the basis of the first six months of experience in the biennium indicates that the numbers of children to be served will be 8,186 in 1977-78 and 8,584 in 1978-79. The budget anticipated 7,124 in each year. The cost of providing care for the additional children (beyond those actually served in 1975-1977) is estimated at $518,645.

The request may be summarized:

- 1975-1977 backlog not funded in 1977-1979 base:
  - Backlog expenditures in 1977-1979 (nonrecurring) $ 195,100
  - Appropriate additions to 1977-1979 base:
    - The deferred backlog
    - Services provided but not budgeted
    - Inflation adjustment
  - 1977-1979 currently projected workload increase $518,645

Total requested General Fund support $1,081,633

The request for General Fund support for the Crippled Children's program is related entirely to projected workload increases in purchased services. While clinical programs within the direct administration of the Crippled Children's Division are also experiencing workload increase, the elasticity of those services is great enough to accommodate the workload increases without additional staff and/or expenditure limitation at this time. The Crippled Children's Division administration will continue to apply administrative controls to maintain the level of expenditures for clinic services within the legislatively-approved budget. The relative inelasticity of purchased services make hospitalizations and other costly services more difficult to contain.
### TOTALS - ALL PROGRAMS

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#### SUMMARY OF REQUESTS

1) Backlog of Patient Care  
   $195,100

2) FY '77 Base Budget Adjustment in Purchased Services  
   327,419

3) Workload Increase in Purchased Services for 77-79  
   $461,592
   Inflation of 12.36% on items 2 & 3  
   97,522
   Total  
   $1,081,633
## ADJUSTED FY '77 BASE BUDGET FOR
CCD PURCHASED SERVICES

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<th>Program</th>
<th>Actual Expenditures FY '77</th>
<th>Backlog Expenditures</th>
<th>Gift Fund Expenditures</th>
<th>In Process Paid by Parents or Written-Off</th>
<th>In Process After 5/20/77</th>
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### Total Increase for FY '77 Base Budget Adjustment

- Adjustment due to Workload Increase: $327,419
- Inflation @ 12.36%: 40,469
- Total Base Budget Adjustment: $367,888
## CCD PATIENT SERVICES

**WORKLOAD INCREASE REQUEST**

**1977-79 BIENNIAL**

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<td>$518,645</td>
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If funding is not secured to relieve the projected budget deficit, the following alternatives can be considered:

I. Reduce Expenditures

a. More stringent financial eligibility

In October 1977, new policies regarding financial eligibility make financial assistance from the Crippled Children's Division more stringent. To make these policies even more stringent might be counter-productive to one of the main purposes of the Crippled Children's Division which is to provide financial assistance to needy families who have a handicapped child.

b. Reduce satellite operations

This has been a major factor in increasing the accessibility of the Crippled Children's Division programs throughout Oregon. As a consequence, more children in need are referred for help. To reduce satellite operations would be difficult.

c. Reduce program categories

This also would be difficult to do. Which one? One can argue that the Crippled Children's Division is at this time too restrictive in its definition of a crippled child, i.e., the child with severe asthma may have a multiplicity of problems but is not considered eligible for Crippled Children's Division services at this time.

d. Review of medical necessity

The Crippled Children's Division has had reasonable control of such review. Consultants are board certified specialists and before a procedure is done, there must be prior authorization. Also, the Crippled Children's Division is authorized, because of its control activities, to perform all PSRO functions for its patients admitted to hospitals excepting in-hospital reviews.

Much has been written in recent years about the value of second opinions to reduce unnecessary surgery and to reduce medical care costs. In the nature of the clinic setting at the Crippled Children's Division, where most indications for therapeutic procedures take place in the clinic conference, the "second opinion" is already part of the system.

e. Limit the number of hospital days

This is done frequently, especially for acute care. Prolonged hospital stay is unusual in the population of children under consideration. However, it does occur occasionally. It seems incongruous to judge a family unable to pay for hospitalization, then after the child may have been in the hospital longer than the allotted time, have the family responsible. When the family cannot pay, the hospital must, of course, pass this on to its other users. This action, then, might be expedient for the short term but results in no cost savings in the long run.
2. Increase Revenues

At present and in general, no reimbursement is received for patient care activities. The exceptions to this are:

a. Reimbursement from insurance for services. If there is insurance coverage for hospitalization, authorizations are made less insurance. In this manner, insurance pays first and the Crippled Children's Division makes up any difference in reasonable cost. There are charges made to third party payers in the Hemophilia Program and the Prenatal Diagnosis and Counseling Program.

b. The Federal formula grant did increase in 1977-78 to $912,400, but this is less than was budgeted in the biennial budget. The President's recommendation for Maternal and Child Health for 1978-79 is 4% greater than this last year. It could be estimated that our next year's allotment from the Federal Government might be $949,000.

c. Grants might be considered as possibilities for revenue. It is difficult to get grants of such magnitude for ongoing activities. In general, grants are available to extend activities and usually with special focus. This would tend to create new demands for service.

There is pending at the Health Sciences Center a proposal for establishment of a patient billing and accounts receivable system that would increase collections, especially from third party payers. The current estimate is that start-up costs of such a system would be about $170,000 but that collections in 1978-79 (if the System were established by October) would not fully offset the start-up costs. Thus, the systems would not affect directly the request in this agenda item for $1,081,633 in 1977-1979. As soon as the systems proposal has been thoroughly evaluated, it will be brought to the Board for its review.

One other pending Crippled Children's Division budget concern is the fact that current income projections of non-General Fund sources appear to be about $155,000 short of a $3.5 million requirement. It is yet too early to initiate a request for replacement, as was invited by a budget note of the 1977 Ways and Means Committee.

(Considered by Committee of the Whole, February 23, 1978; present--Anderson, Ater, Carpenter, Daniels, Feves, Ingalls, Moore, and Wyss).

Staff Recommendation to the Committee

It was recommended that the Board adopt as an Internal Management Directive the following statement:

Use of Institutional Facilities, Supplies, and Equipment

Institutional property of whatever kind is intended for institutional use and not for private purposes. However, the president of the institution may approve the use of facilities, supplies, personnel, and equipment by faculty and staff employees, and outside organizations, when such use is construed as being consistent with institutional policies and mission and the institution is fully reimbursed for all appropriate costs.
Discussion and Recommendation by the Committee

Suggestions made during the Committee discussion on February 23, 1978, have been incorporated below in the revised staff recommendation to the Board for consideration on March 24, 1978.

Revised Staff Recommendation to the Board (March 24, 1978)

It was recommended that the Board adopt as an Internal Management Directive the following statement:

Faculty and Staff Use of Institutional Facilities, Supplies, and Equipment

The president of an institution may approve the use of facilities, supplies, personnel, and equipment by faculty and staff employees, when such use is construed as being consistent with institutional policies and missions and the institution is reimbursed for all appropriate costs.

It was further recommended that the Board amend IMD 71.230 as follows:

**IMD 71.230 Use of Facilities for Other than State Purposes**

The various institutions in the State Department of Higher Education normally shall not make available the buildings and other facilities of these institutions to outside organizations. Exceptions to this policy shall be approved by the institutional executive. Exceptions will be made only in case of community, regional, or state gatherings where no admission fee is charged or where the using organization is a governmental agency or public body if the proposed use is consistent with Institutional policies and missions and the organization fully reimburses the institution for all appropriate costs. [The benefiting organization in all instances will be expected to meet any normal expenses such as janitorial, policing, and other overhead expenses.]

Staff Report to the Board

The present Rule establishes a general prohibition of the use of institutional property for private purposes. Exceptions are permitted under Internal Management Directive 71.230. The current policies are:

**AR 71.210 Use of Institutional Property**

Institutional property of whatever kind is intended for institutional use and not for private purposes.

**IMD 71.230 Use of Facilities for Other than State Purposes**

The various institutions in the State Department of Higher Education normally shall not make available the buildings and other facilities of these institutions to outside organizations. Exceptions to this policy shall be approved by the institutional executive. Exceptions will be made only in case of community,
regional, or state gatherings where no admission fee is charged or where the using organization is a governmental agency or public body. The benefiting organization in all instances will be expected to meet any normal expenses such as janitorial, policing, and other overhead expenses.

Exceptions have been made for musicians, artists, physicians and other faculty who are granted permission to use the facilities and equipment for private purposes, when such use is consistent with institutional policies and mission. The private purposes include but are not limited to lessons, displays, medical treatment, research, writing, demonstration, and development of creative works of art. In most instances, institutions have been reimbursed for all appropriate costs. Exceptions are also made when community, regional, and state organizations request the use of facilities during non-instructional hours. The rental charges for the use of facilities cover operating and overhead costs.

A limited survey of other states indicates that it is the practice of institutions to allow, under institutional control, limited private use of institutional property, subject to reimbursement of costs.

In the proposed Directive the reference to "all appropriate costs" is intended to mean all costs unless there are compelling reasons that lead the president of the institution to excuse a user from some portion of the costs. If the Directive is adopted, an administrative directive will be issued (probably in the Financial Administration Standard Operating Manual) defining "appropriate costs" to mean all costs except in specified circumstances.

Board Discussion and Action

The Board voted to defer action on this item until the adoption of the revised Administrative Rules, Internal Management Directives, and Bylaws. The following voted in favor: Directors Anderson, Ater, Batiste, Daniels, Feves, Harms, Ingalls, Moore, Wyss, and Perry. Those voting no: None. Director Carpenter was absent from the meeting at this time.

Staff Report to the Committee

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Meeting #445

Meeting #445

is a governmental agency or public body. The benefiting organization in all instances will be expected to meet any normal expenses such as janitorial, policing, and other overhead expenses.

Exceptions have been made for musicians, artists, physicians and other faculty who are granted permission to use the facilities and equipment for private purposes, when such use is consistent with institutional policies and mission. The private purposes include but are not limited to lessons, displays, medical treatment, research, writing, demonstration, and development of creative works of art. In most instances, institutions have been reimbursed for all appropriate costs. Exceptions are also made when community, regional, and state organizations request the use of facilities during non-instructional hours. The rental charges for the use of facilities cover operating and overhead costs.

A limited survey of other states indicates that it is the practice of institutions to allow, under institutional control, limited private use of institutional property, subject to reimbursement of costs.

In the proposed Directive the reference to "all appropriate costs" is intended to mean all costs unless there are compelling reasons that lead the president of the institution to excuse an individual user from some portion of the costs. If the Directive is adopted, an administrative directive will be issued (probably in the Financial Administration Standard Operating Manual) defining "appropriate costs" to mean all costs except in specified circumstances.

(Considered by Committee on Finance, Administration, and Physical Plant, February 24, 1978; present--Ingalls, Ater, Moore, Wyss, Perry, and Batiste.)

Staff Recommendation to the Committee

It was recommended that the Committee propose adoption by the Board of a 1978-79 annual budget expenditure allocation plan for Education and General Services, and that budget planning for other programs be authorized within the expenditure levels provided by Legislative action.

Discussion and Recommendation by the Committee

In presenting the budget, Mr. Keith Jackson, Budget Director, said that inflation rates incorporated in the budget ranged from a 5% increase projected for student pay rates to more than 6% in energy and utilities assessments. Mr. Jackson also indicated that the budget plan represented a method for allocating to the institutions the funds appropriated by the Legislature. The detailed budget planning would be developed at the institutions and brought back to the Board for review in May or June.

Mr. Holmer added that the elements reflected in the budget plan were consistent with understandings that the staff had with the Legislature at the time of the Ways and Means Committee review of the budget.

Mr. Perry asked whether there were ways of developing greater public approbation and support of higher education in the broader sense. The Chancellor responded that the Board's Office had been deeply concerned about this question and there had been discussions internally and with the
presidents of the institutions as to the means by which the executive and legislative branches of government can be persuaded that the base budget has been reviewed. In the past, the base budget examination has been largely an internal examination, primarily by the presidents of the institutions in the development of the budget, with subsequent examination in the Board's Office and by the Board. However, the Chancellor said, these examinations are in-house examinations of the budget and do not provide the confidence that some other steps might.

One suggestion has been that some other group in Oregon, perhaps FORE, might take the 1978-79 annual budget of a university or of each of the colleges and universities and devote the necessary amount of time, as a public service, to look at the details in the base budget and draw conclusions about certain kinds of general things. The Chancellor said he was proposing that kind of budget review, assuming that the presidents can devote the necessary time to meeting with persons who are unfamiliar with higher education but very familiar with management and budgeting. It would be anticipated that general conclusions might be reached by the outside individuals as a result of these discussions. The general conclusions would be reported to the Board and the Board would transmit them to the legislative and executive branches of government.

Mr. Perry said these discussions might be worthwhile as an effort to reach a reasonable approach to what should and must be the public's concern about the future of the citizenry of Oregon as an educated group.

Mr. Holmer said there should be an opportunity for the Board to spend a substantial period of time in reviewing with each president the operating budget for the institution. At that time the president of the institution would have an opportunity to inform the Board fully of the kinds of choices that went into the development of the operating request.

Mr. Ater said the kind of inquiry suggested by the Chancellor was a relevant one and would address the management and control aspects of the budget for higher education. A more fundamental question, he said, was whether the institutions are proceeding in the proper directions.

It was indicated that it is important to examine (1) the rigor with which the budget is developed, and (2) the policy decisions involved in determining proper directions for the institutions. These two factors are different but not inconsistent.

The Committee recommended that the Board approve the staff recommendations as presented, and it also is recommended that the concept of an outside study be brought to the Board and embellished to a more definite proposal.

Board Discussion and Action

Mr. Holmer asked for Board reaction to spending an extended period of time, perhaps two days, to review specific recommendations from each of the institutions with respect to the budgeting of the funds allocated to that institution. He also asked for any comments from the Board with respect to the format of the review.

Board members agreed that a detailed review of the recommendations was imperative so that the presidents would have an opportunity to present their budgets and the Board members would have an opportunity to be informed fully. It was agreed that the time and place of the review would be determined at the time of the April Committee meetings.
The Board approved the Committee recommendation as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Daniels, Feves, Harms, Ingalls, Moore, Wyss, and Perry. Those voting no: None. Director Carpenter was absent from the meeting at this time.

Staff Report to the Committee

At the beginning of each biennium, the Board’s staff calculates the fiscal year distribution of funds in accord with Legislative action. Funds for the first year of the biennium (1977-78) are then allocated and authorized for expenditure. The remainder is reserved for the second fiscal year (1978-79). State Emergency Board actions change the Legislative authorization. These changes are combined with the initial allocations to establish revised annual budgets. For the Education and General Services Program, this process requires allocation of expenditure authority among eight campus institutions, Teaching Research, and Centralized Activities. The attached summary reflects the proposed 1978-79 allocation, based upon the 1977 Board action and the items of change for 1978-79.

The budget provides funding for 46,930 3-term FTE students at the six colleges and universities. There are 1,870 FTE students at Oregon Institute of Technology and 1,435 at the Health Sciences Center. At Oregon State University and Portland State University, the budgeted enrollments are limited to 15,015 and 9,408, respectively. "Program maintenance" funds to limit annual budget reductions have been applied to the University of Oregon, Oregon College of Education, Southern Oregon State College and Oregon Institute of Technology.

Salary adjustment funds are included at estimated amounts, pending release of the April 1978 and December 1978 salary increase amounts by the Emergency Board. Salary funding calculations are at the net amount available after allowing the percentage savings required of all State agencies. Other Payroll Assessments (retirement, Social Security) are included in the budgets at the funded level, which is below estimated costs. This factor continues to be a major concern in determining how program reductions can be accomplished to offset the funding deficiency.

Statewide Public Service Divisions and Auxiliary Activities, which operate under separate expenditure limitations, will be instructed to prepare budgets for year 1978-79 which are within the authorizations established by the Legislature. If, in any activity, the 1978-79 estimated resources fall below the level planned in 1977, the lesser amount will be budgeted.

This allocation plan and proposal for preparation of annual operating budgets will result in detailed budgets prepared by each institution and division. It is the Board’s staff expectation that the detailed budgets will be submitted for Board review and approval before June 30. The Board may wish to instruct its staff as to the analytic materials it wishes to examine. In the absence of such instruction, the staff will provide comparisons of functional and departmental costs at the several institutions in an effort to assure the Board an adequate opportunity to "examine the base." Institution executives will be available to facilitate responses to Board queries about the budgetary detail.
### 1978-79 Budget Allocation Plan

#### Education and General Services

<table>
<thead>
<tr>
<th></th>
<th>UC</th>
<th>OSU</th>
<th>PSU</th>
<th>OCE</th>
<th>OSUC</th>
<th>OSUS</th>
<th>GIT</th>
<th>BoSSC</th>
<th>TR</th>
<th>CA</th>
<th>Board</th>
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</thead>
<tbody>
<tr>
<td><strong>1977-78 Initial Budget</strong></td>
<td>$41,798,360</td>
<td>$44,600,776</td>
<td>$26,544,041</td>
<td>$8,193,124</td>
<td>$8,894,356</td>
<td>$4,320,543</td>
<td>$6,346,340</td>
<td>$19,059,514</td>
<td>$283,243</td>
<td>$5,773,604</td>
<td>$1,784,088</td>
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<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delete Nonrecurring Equip.</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>(1,442,019)</td>
</tr>
<tr>
<td>Correct Recurring Equip. Alloc./Prog. Improvement</td>
<td>38,312</td>
<td>(63,934)</td>
<td>1,765</td>
<td>1,007</td>
<td>1,802</td>
<td>(623)</td>
<td>(16,358)</td>
<td>67,257</td>
<td>--</td>
<td>--</td>
<td>(983,689)</td>
</tr>
<tr>
<td>1977-78 Funds for April Academic Increase</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>29,108</td>
</tr>
<tr>
<td>1977-78 Est. Academic Salary Underfunding</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>820,659</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$42,110,672</td>
<td>$46,234,570</td>
<td>$27,311,561</td>
<td>$8,346,490</td>
<td>$8,790,178</td>
<td>$4,253,816</td>
<td>$6,412,699</td>
<td>$19,092,131</td>
<td>$292,490</td>
<td>$5,703,212</td>
<td>$1,784,088</td>
</tr>
</tbody>
</table>

#### Inflation Changes:

|                | | | | | | | | | | | |
| Academic Year | (354,058) | 36,106 | 431,851 | (287,788) | (80,040) | 36,054 | (115,790) | -- | -- | -- | (353,675) |
| Summer Session | (23,028) | (44,861) | (51,220) | (34,940) | (7,105) | (8,710) | -- | -- | -- | 237,603 | 72,144 |

#### Inflation Adjustments:

| General Services & Supplies | 269,364 | 318,410 | 130,871 | 39,169 | 50,080 | 21,257 | 34,089 | 271,889 | 2,348 | 1,704 | (12,379) |
| Capital Outlay | 13,379 | 41,446 | 12,636 | 3,560 | 3,886 | 1,420 | 9,536 | 5,277 | 6,346 | (34,089) | 1,575,694 |
| Library Books | 127,563 | 67,257 | 11,883 | 16,236 | 7,123 | 4,770 | 1,007 | 1,802 | 6,099 | 1,985 | 103,653 |
| Student Pay Rate | 30,687 | 22,119 | 17,046 | 4,160 | 8,494 | 2,999 | 6,099 | 1,985 | 34,140 | 95,005 |
| Central Assessments | 6,975 | 8,622 | 3,395 | 1,038 | 1,214 | 713 | 824 | 1,704 | (35) | (1,295,024) |
| Energy/Utilities | 49,932 | 259,486 | 71,707 | 29,193 | 37,088 | 45,934 | 10,114 | 56,230 | 72,144 | 359,684 |

#### Other Changes:

| WICHE Student Exchange | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | (36,490) |
| Service Credits Increase | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | (9,956) |
| New Bldg. Oper. & Maint. | 23,490 | 24,474 | -- | -- | 1 | -- | -- | -- | 1 | (5,710) | (413,630) |
| Labor Educ. Center, OO | 23,490 | -- | -- | -- | -- | -- | -- | -- | -- | -- | (60,183) |
| Student Monitoring, OSU | 235,447 | (40,183) | -- | -- | -- | -- | -- | -- | 1 | -- | (5,706) |
| Telephone Services | 1,765 | 1,007 | 1,802 | (623) | (16,358) | 67,257 | 2,348 | 1,704 | (35) | (12,379) |
| Increase/Ind. Cost Recover. | (155,926) | (212,139) | (22,005) | (8,395) | (345) | (1,008) | (1,119) | 1 | (5,710) | (413,630) |
| Accting Change/Ind. Cost Recovery as Revenue | 267,926 | 216,710 | 22,005 | 8,395 | 345 | 1,068 | 1,119 | -- | 43,693 | 561,201 |
| Swc. Fee as Revenue | 3,900 | 3,900 | -- | -- | 3,350 | -- | 453 | 453 | 3,900 | 6,570 |
| Nursing Sch. Faculty | -- | -- | -- | -- | -- | -- | -- | -- | -- | 45,079 |
| Medical Sch. Faculty | -- | -- | -- | -- | -- | -- | -- | -- | -- | 45,079 |
| Allocation Revisions | 112,332 | 112,332 | -- | -- | 55,666 | -- | -- | -- | 569,997 |
| **Total** | (153,887) | 659,452 | 280,438 | 20,385 | 9,566 | 54,838 | 79,770 | (419,041) | 16,056 | 20,420 | 569,997 |

#### Emergency Board Adjustments:

| Changes/Ind. Cost Recovery, Spec. Fee Programs, Fin. Aid Admin. Allowances | | | | | | | | | | | |
| **Total** | (153,887) | 659,452 | 280,438 | 20,385 | 9,566 | 54,838 | 79,770 | (419,041) | 16,056 | 20,420 | 569,997 |

#### Salary Increase Funding:

| Academic | 1,744,304 | 1,731,148 | 1,190,467 | 338,290 | 395,637 | 170,723 | 287,559 | 746,028 | 9,772 | 69,767 | 6,663,725 |
| Classified | 543,100 | 556,780 | 360,764 | 93,659 | 113,907 | 57,521 | 77,266 | 260,880 | 6,031 | 93,358 | 2,461,264 |
| **Total, 1978-79 Budget Allocation Plan** | $44,364,224 | $48,188,005 | $29,064,427 | $8,473,107 | $9,616,017 | $4,598,809 | $6,696,108 | $20,222,134 | $317,513 | $5,935,382 | $189,781 | $211,768,702 |

**KL:Drk**

02/09/78
Staff Recommendations to the Board

The Chancellor said certain salary adjustments require Board approval and recommended that the Board approve the following salary adjustments, effective April 1, 1978;

<table>
<thead>
<tr>
<th>Institution</th>
<th>1977-78 Annual Rate</th>
<th>Revised 1977-78 Annual Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Oregon State College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Briggs, Rodney; President</td>
<td>$40,000</td>
<td>$41,604</td>
</tr>
<tr>
<td>Expenses incident to position</td>
<td>2,100</td>
<td>2,184</td>
</tr>
<tr>
<td>Gilbert, David E.; Dean of Academic Affairs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(President Briggs recommends the appointment of Dr. Gilbert as Dean of Academic Affairs)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oregon College of Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leinwand, Gerald; President</td>
<td>40,000</td>
<td>41,604</td>
</tr>
<tr>
<td>Expenses incident to position</td>
<td>2,100</td>
<td>2,184</td>
</tr>
<tr>
<td>Oregon Institute of Technology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Light, Kenneth; President</td>
<td>40,000</td>
<td>41,604</td>
</tr>
<tr>
<td>Expenses incident to position</td>
<td>2,100</td>
<td>2,184</td>
</tr>
<tr>
<td>Douglass, W. M.; Dean of Administration</td>
<td>34,650</td>
<td>36,036</td>
</tr>
<tr>
<td>Fraser, Harvey R.; Dean of Faculty</td>
<td>34,650</td>
<td>36,036</td>
</tr>
<tr>
<td>Stanaway, Timothy J.; Dean of Students</td>
<td>29,000</td>
<td>30,160</td>
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<tr>
<td>Oregon State University</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MacVicar, Robert W.; President</td>
<td>50,750</td>
<td>52,788</td>
</tr>
<tr>
<td>Expenses incident to position</td>
<td>3,465</td>
<td>3,600</td>
</tr>
<tr>
<td>Chick, R. W.; Vice Pres. for Student Services</td>
<td>37,752</td>
<td>39,264</td>
</tr>
<tr>
<td>Knapp, S. E.; Dean of Undergraduate Studies</td>
<td>35,400</td>
<td>36,816</td>
</tr>
<tr>
<td>Nicodemos, D. B.; Dean of Faculty</td>
<td>38,256</td>
<td>39,792</td>
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<tr>
<td>Popovich, M.; Vice Pres. for Administration</td>
<td>45,504</td>
<td>47,328</td>
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<tr>
<td>Portland State University</td>
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<td></td>
</tr>
<tr>
<td>Blumel, Joseph C.; President</td>
<td>50,750</td>
<td>52,788</td>
</tr>
<tr>
<td>Expenses incident to position</td>
<td>3,465</td>
<td>3,600</td>
</tr>
<tr>
<td>Forbes, Orcilia Z.; Vice Pres., Student Affairs</td>
<td>32,000</td>
<td>33,280</td>
</tr>
<tr>
<td>Richelle, Leon J. V.; Vice Pres., Acad. Affairs</td>
<td>40,400</td>
<td>42,016</td>
</tr>
<tr>
<td>Todd, James E.; Vice Pres., Finance &amp; Admin.</td>
<td>37,400</td>
<td>38,896</td>
</tr>
<tr>
<td>Southern Oregon State College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sours, James K.; President</td>
<td>40,000</td>
<td>41,604</td>
</tr>
<tr>
<td>Expenses incident to position</td>
<td>2,100</td>
<td>2,184</td>
</tr>
</tbody>
</table>
Christlieb, Mary; Dean of Student Environment
Ettlich, E. E.; Dean of Academic Affairs
Lewis, Donald E.; Dean of Administration

University of Oregon

Boyd, William B.; President
Hawk, N. Ray; Vice Pres., Admin. and Finance
Lallas, John E.; Executive Dean
Olum, Paul; Vice President, Provost

University of Oregon Health Sciences Center

Jones, Richard; Acting President
Kassebaum, Donald G.; Vice Pres. for Hospital Affairs
Peterson, Robert A.; Vice President for Administration and Finance
Stone, Robert S.; Vice President

Centralized Activities

Lieuallen, R. E.; Chancellor
Holmer, Freeman; Vice Chancellor for Administration
Hunderup, J. I.; Vice Chancellor for Facilities Planning
Krueger, E. R.; Vice Chancellor for Educational Systems
Lemman, W. T.; Vice Chancellor for Personnel Administration
Romney, Miles C.; Vice Chancellor for Academic Affairs

The salary adjustments recommended above are in accordance with the salary adjustment guidelines for academic staff adopted by the Board at its meeting on June 24, 1977 (1977 minutes, p. 473). These recommendations have not been reviewed by the Board's Committee on Finance, Administration, and Physical Plant.

Board Discussion and Action

The Board approved the recommended salary adjustments as presented, with the following voting in favor: Directors Anderson, Ater, Batiste, Daniels, Feves, Harms, Ingalls, Moore, Wyss, and Perry. Those voting no: None. Director Carpenter was absent from the meeting at this time.
(Considered by Committee of the Whole, February 23, 1978; present--Anderson Ater, Carpenter, Daniels, Feves, Ingalls, Moore, Wyss and Perry.)

Staff Recommendation to the Committee

It was recommended that the Committee-of-the-Whole consider the recommendations of the staff report and provide further guidance to the staff in the development of the 1979-1981 budget request for the Department of Higher Education.

Discussion and Recommendation by the Committee

Mr. Holmer reviewed the materials presented in the budget program, together with materials from the current operating budget. It was indicated that salary adjustments would be included in a separate request after completion of a survey of salaries paid at comparable institutions. The salary recommendations ultimately would appear in a separate bill for salary adjustments for all state employees and would not be part of the agency budget.

The regional responsibilities of Eastern Oregon State College and Southern Oregon State College were mentioned. Mr. Holmer said that if additional funds were necessary to fulfill the regional mission, the institution would submit a budget request for funds for specific activities. The priorities for these requested activities would then be considered.

The pending mission issues were discussed, particularly the issue of health manpower distribution, which has been of interest to legislators. It was indicated that if the University of Oregon Health Sciences Center or the Board were to impose some specific responsibilities in the area, those decisions would then be reflected in a program improvement request, or possibly through some internal reallocation of resources by the institution.

In discussing the rationale for the establishment of enrollment ceilings, it was indicated that one of the important reasons was for planning purposes. The impact of the ceilings in this respect has been felt at many of the institutions.

The Chancellor said that at the University of Oregon and Oregon State University another reason for the imposition of the ceilings at the time they were established was that the institutions were at a size where the targets should not be raised. At the other institutions, the ceilings represented what was anticipated in terms of the near-future enrollments and the facilities available. The Chancellor said it had been his interpretation that it was unlikely that any change in the maximum ceilings at the University of Oregon and Oregon State University would occur, but that if enrollment pressures developed at other institutions, consideration at least would be given to modifying those targets upward. He said Portland State University had a more volatile circumstance in terms of enrollment than the other institutions and the Board might want to consider modifying the ceiling upward if the enrollment pressures in the metropolitan area seem to indicate that such a decision would be advisable.

Mr. Holmer said the budget planning would proceed on the assumption that the ceilings will remain at the present levels and will affect the enrollment anticipations accordingly.
Mr. Holmer then described the target, budgeted, and projected enrollments shown in the table and the relationship of these figures to the 1% limitation to limit severe budgetary reductions.

Mr. Wyss said evidence had suggested that enrollment limitations had not precluded any Oregon students who might benefit from a college education from getting one within the State System. He questioned the advantage of having enrollment limitations since the overall enrollment demand is declining. Mr. Wyss said that, in his opinion, the Board should be considering its priorities in terms of important educational issues with respect to undergraduate and graduate education, open or limited enrollments, and future decisions in the face of probable limited funds.

The Chancellor said limited enrollment is a means of stabilizing management in order to deal with the problem of fairly unpredictable, and sometimes very extreme enrollment fluctuations on a temporary basis.

Mr. Ingalls suggested that perhaps enforcing enrollment limitations would force people into careers they did not want. It was pointed out that the limitations involve lower-division students primarily and that these students can take general education at any institution for the first year.

The Chancellor said the Board had established its priorities as: (1) upper-division, to serve all who wish to come; (2) graduate students; and (3) lower-division, because there are ample opportunities at this level.

Mr. Wyss said he was satisfied that enrollment planning was being discussed instead of enrollment limitations. It was also stated that there were budget limitations involved, but based upon the working mechanism of planning for enrollment.

Mr. Ingalls asked whether there were periodic changes in the base. Mr. Holmer responded that there were. He said it was planned to return with a detailed review of the operating budget for each of the institutions and the statewide public services. The proposed review of particular disciplines and particular operating functions on a revolving schedule will indicate how the base shifts.

Mr. Ater said there appeared to be a mix of enrollment and program in the institutions and that the budget appropriation is not developed completely on the basis of average cost per student. Mr. Holmer explained that three of the budget functions—instruction, libraries and museums, and student services—represent costs which vary with the number of students.

The remaining three functions—physical plant, general administration, and general institutional expense—are nonvariable costs which change only with respect to specific items identified and concurred in by the Executive Department and the Legislature. There are also variable costs per student for lower-division, upper-division, and graduate students.

President Boyd said the question of program versus head count budgeting is of major concern to a president. He referred to a statement that an alternative to an enrollment-driven model has not demonstrated its superiority or its acceptability. He said he would grant that there would not be acceptability for an alternative but asked the Board to start considering a comparative search for alternatives. Enrollment-driven budgets have always had
ideological and intellectual inaccuracies, President Boyd said, but these inadequacies are not disclosed during a time of constant growth because sufficient funds was still available for the institutions to fulfill their missions. When enrollment reaches a steady state or there is a period of regression, the really catastrophic consequences become apparent as institutions are unable to meet their missions which are not related specifically to teaching. Some of these non-teaching functions may be even more important at times than the teaching functions. Student count is an important part of the workload in the teaching mission, but a drop of even a fairly large number of students may make only a slight difference in costs because it may not be possible to drop any courses as a result of the lower enrollment.

Mr. Perry suggested that perhaps the public educational system could learn from private institutions which have limited enrollment to a certain level but constantly reexamine their missions.

President Boyd said it would be possible to learn management lessons from the private sector since most administrators have learned their management skills during a period of growth.

Mr. Wyss said that the public believes that as long as the cost per student continues to grow, there must be some contraction in the total number of services to offset the rising costs.

President Boyd said that higher education does not enjoy any immunity from inflation and, in fact, has exceeded the national average for inflation for more than a decade. He also indicated that there is no reason to expect that faculty costs will decrease because salaries are not out of line.

Mr. Holmer said one of the greatest challenges to higher education is the development of a viable model as an alternative to enrollment-driven budgeting. An enrollment-driven model emphasizes the number of students rather than the requirements of teaching those students at various levels.

President Boyd indicated he was convinced some variation on the theme of program budgeting would develop, perhaps out of zero-based budgeting. Hard choices will be inevitable, he said, and the Board may be forced to make some of those choices. Some of the duplication in the State System may need to be eliminated. The alternative to making some of these difficult choices, however, will be deterioration in the quality of the institutions. Education competes with more dramatic programs in the human services area, such as good welfare programs, but in the long run, education should still be the priority concern for the benefit of society as a whole.

Mr. Ater asked what happens to the money taken from one institution when the enrollment declines.

The Chancellor said if the enrollment drop is part of the planning that precedes the biennial budget, the resources would be reduced on the basis of the predicted enrollment decrease. Money would not be available for distribution elsewhere. If the budget has been adopted, and if the enrollment at a given institution is below the anticipated level, the money may be transferred to another institution which overrealized its estimate. If tuition income falls generally in the State System, it may be necessary to reduce resources for all of the institutions because there is no guaranteed level of state support.
In discussing nonresident tuition, Mrs. Carpenter said a state resource of out-of-state graduates is so important that it is sheer folly to price these students out of the market. She said she hoped the Board would make that statement to the Legislature.

There was some discussion of the percentage of the cost to be paid by various categories of students, particularly those in the medical and dental schools. It was indicated that some of the differential is intended to minimize the much higher cost for education in these fields. There are similar considerations in the Law School.

It was reported by President Sours that California apparently has moved to a policy of "instant residency." If this is true, it will have a serious impact on Southern Oregon State College which received nearly 15% of its enrollment from out of state a few years ago. If Oregon had "instant residency," President Sours said, Southern Oregon State College would be able to attract sufficient California students to fill the institution.

President Briggs commented that there is a base in the smallest institution below which there may not be a program which can be operated. He referred also to the problem of non-traditional students returning to the institution for undergraduate courses and being required to pay graduate fees. There is also the importance of the regional mission of the institution which requires resources.

In discussing the 1% formula, Mr. Ater said it was a useful short-term means to avoid sudden shifts in funding; however, if a particular institution appears to be changing, perhaps the situation should be reviewed in terms of making necessary adjustments. Mr. Ater said the basic question was whether the Board would impose on each institution the sole responsibility for allocating the money distributed to that institution in terms of its mission, or whether the Board was going to look at a system-wide allocation.

Mr. Holmer said the review of the operating budget provided the most effective time for the Board to have an impact on the programs of the institutions.

At some point, Mr. Ater said, it is necessary to examine the missions of the institutions and decide whether they are appropriate and also to project these missions into the future budget planning. He said the biennial budget request was more of a projection than the annual budget request.

Mr. Wyss said a little more coordination of planning is important on a system-wide basis before the money is distributed to the institutions to spend on the designated missions.

One of the recommendations of the Oregon Educational Coordinating Commission to the Executive Department with respect to budget format for 1979-1981 was that the budget be prepared by level of course rather than by level of student.

Mr. Holmer said it is proposed to forecast enrollments for budget allocation purposes to the institutions on the basis of instruction by level of course. Resources are allocated for faculty who teach lower-division courses rather than lower-division students. The budget would not be changed but the dollars would be arrayed somewhat differently and the budget presentation would correspond more closely to the actual expenditure of the funds.
President MacVicar said it is easy to define a student by level but it is very difficult to define a course by level, because the level of a course is not uniform at all institutions. If resources are allocated by students, it is immaterial if there are differences among institutions. If resources are allocated by course level, and student credit hours become the generator, there is a substantial difference. President MacVicar said the proposed plan would be difficult to administer and it would be necessary to monitor the institutions closely because each administration of each institution will do everything possible to assure the survival and welfare of that institution.

Several years ago, Mr. Holmer said, an interinstitutional committee sought to identify a procedure which would assure relatively equitable allocations among the institutions. With respect to the cost of instruction, the consensus of the committee was that the two factors that should determine the basis of allocation were the level of instruction and the discipline. To be as fair as possible in the allocation of funds, the relative costs of lower-division, upper-division, and graduate instruction by major discipline should be considered.

President Boyd said he would concur with President MacVicar that the proposal would elicit bad behavior on the campuses, there would be no economy, and there would be some deterioration of standards.

Dr. T. K. Olson, Executive Director of the Oregon Educational Coordinating Commission, said the display of this information in the manner proposed would result in a better understanding by the people outside of the academic institutions of the relative costs of the different kinds and levels of instruction. Dr. Olson said he believe it would not be difficult to supervise the potential shift toward upper-division and graduate work. He suggested displaying the information by both student level and course level.

In response to a question regarding the number of graduate students who may be taking undergraduate courses but who are budgeted at the graduate level, Mr. Jackson said he did not think there was a significant number. Those students are built into the budget now at a cost level which recognizes that they take courses across all levels of instruction, so that the argument they are being excessively recovered in the appropriation is false.

Dr. Olson said that is not correct because it refers to the difference between the aggregate and the specific.

Mr. Holmer commented that there is an equally large, if not larger, number of students in the postbaccalaureate category who cost four times the amount of the average lower-division student. The Chancellor said there are also undergraduate students taking graduate courses and these were not in Dr. Olson's report.

Mr. Jackson pointed out that postbaccalaureate students enrolling for six hours or less pay by level of course and are treated in the budget in that manner.

Mr. Ater said the Board's staff and the staff of the Educational Coordinating Commission should get together and resolve the issue, because the question of how the Board displays the budget gets away from the basic question of what is being taught in the institutions.
Dr. Olson said a more accurate budget picture is in the best interests of the State System and the State of Oregon.

It was agreed that it should be possible to proceed to forecast enrollments and costs by level of student and budget accordingly, with another limited display that identifies how the costs would appear by level of instruction.

The need to have a substantial sum for the maintenance of facilities was reviewed. The importance of maintaining present facilities was emphasized, and it was agreed that the proposed expenditure for this purpose was an appropriate part of the operating budget and should be placed there rather than in the capital construction budget.

With respect to program improvements, it was agreed that the institutions should submit these requests on the basis of approximately 2% of the base budget but not be bound by that amount. The lists are to be submitted by the institutions in priority order.

In discussing budgets for various statewide public services, two major points were made:

1. They should be identified clearly in order to show that administratively these programs are serving other missions than the traditional educational missions. Mr. Ater was concerned that ultimately educational funds would be traded to provide public services at various levels.

2. Efforts should be made to secure payment for services whenever possible.

Mr. Jackson emphasized the importance of the principle that indirect cost recoveries earned on grants and contracts to an institution would be treated budgetarily as an institutional resource rather than a system-wide resource.

Staff Recommendation to the Board

It is recommended that the Board adopt the Committee of the Whole recommendation for program and policy guidelines for preparation of the 1979-1981 Biennial Budget.

Further Staff Report to the Board (March 24, 1978)

In the submission to the Committee of the Whole on February 23, 1978, the staff outlined a series of biennial budget policy issues for the Board to consider. The staff has prepared the following summary of the decisions, which are believed to represent the consensus of the Committee of the Whole, for recommendation to the Board.

A. Institutional missions

1. Continue current differences in institutional missions and recognize regional responsibilities of Eastern Oregon State College and Southern Oregon State College as described in the February 23 agenda.
2. Mission revisions are intended to (a) include establishment of a baccalaureate nursing program at Oregon Institute of Technology, (b) continue existing plans for Health Sciences Center decentralized student educational programs, but not to propose further effort to influence geographic distribution of physicians; and (3) propose no further provision for extending clinical services of the Health Sciences Center to other areas of the state except for services included for Board review as a part of the program improvement request of the Center.

B. Enrollment issues

1. Existing enrollment targets are to be continued, except that notice should be given to the Executive Department that adjustments may be proposed after fall term 1978 experience in enrollments is recorded.

2. Accept current enrollment projections based upon continuation of existing policies affecting access and direction of student enrollments.

C. Tuition issues

1. Recommend that preliminary instruction fee rates be calculated on the percentage of the cost of instruction indicated by the 1977 Legislature as intended for year 1978-79. The budget note adopted by the 1977 Legislature indicated an intent that nonresident graduate instruction fee continue to rise (as a percentage of the cost of instruction) until a charge comparable with other states was achieved. It is proposed that the Board's staff study graduate tuition charges in other states and return to the Board with a recommendation before a final tuition recommendation is established in the budget request.

2. Continue the current policy for fee assessments, including the payment of part-time postbaccalaureate students by level of course, medical/dental rates at 1978-79 percentages, remissions for international students at 10% of the prior year's nonresident income, differentials between colleges and universities, and Eastern Oregon State College resident rates for all undergraduate students.

3. Charge instruction fee by level of student (continuation of current policy).

D. Other budget issues

1. Funding the authorized level of activity should include:


   b. The program stability policy, whereby enrollment adjustments are limited to 1% per year for institutions with declining or increasing enrollments. The Board may wish to reserve the privilege of reconsidering this recommendation in the light of fall term 1978 enrollments.