OREGON STATE BOARD OF HIGHER EDUCATION

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

July 28, 1978

MEETING #447

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

ROLL CALL

The meeting was called to order at 8:30 A.M. (P.D.T.), July 28, 1978, by the President of the Board, Mr. Louis B. Perry, and on roll call the following answered present:

Mr. Jonathan A. Ater
Mrs. Jane H. Carpenter
Mrs. Betty Feves
Mr. Edward C. Harms, Jr.
Mr. Robert C. Ingalls
Mr. Gregory G. Moore
Mr. William C. Thorp III
Mr. Loren L. Wyss
Mr. Louis B. Perry

Absent: Mr. Lester Anderson was out of the country; Mr. Alvin Batiste was on a vacation.

OTHERS PRESENT

Centralized Activities--Chancellor R. E. Lieuallen; 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; Keith Jackson, Budget Director; Arthur Mancl, Director of Campus & Building Planning; Richard Zita, Director, Public Services and Publications; Diane Marsh, Assistant Director, Public Services and Publications; Ross Hall, Controller; Gary Powell, Internal Audit Director; Janet E. Young, Administrative Intern; Francetta Carroll, Administrative Assistant; Karen McCumsey, Secretary to Chancellor.

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

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; Ronald M. Parelius, Acting Vice President for Administration and Finance; Harold T. Osterud, Chairman, Department of Public Health and Preventive Medicine.

Portland State University--President Joseph Blumel; James Todd, Vice President for Finance and Administration; J. K. Harris, Budget Director; William D. Williams, Associate Dean of Students.

Oregon College of Education--President Gerald Leinwand, Ronald Chatham, Assistant to the President.

Eastern Oregon State College--President Rodney A. Briggs; J. C. Lundy, Business Manager.

Southern Oregon State College--Ernest E. Ettlich, Dean of Academic Affairs.
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Oregon Institute of Technology--W. M. Douglass, Dean of Administration.

Others--Elinor Rogers, Research Analyst, Oregon Educational Coordinating Commission; Tuck Wilson, Deputy State Treasurer; Tom Moore, Vice President and Resident Manager, Portland Office, Foster & Marshall Inc.; Jerry L. Nowlin, Vice President, Municipal Consulting Department, Seattle Office, Foster & Marshall Inc.; David V. Landes, Municipal Consulting Department, Seattle Office, Foster & Marshall Inc.; Harvey Rogers of Rankin, McMurry, Osburn, Gallagher & VavRosky, Attorneys, Portland, Oregon; Molly Smith, Legislative Coordinator, Oregon Student Lobby; Nahum D. Chandler, President, Associated Students, Southern Oregon State College.

W. Thorp III Welcomed

President Perry welcomed Mr. William C. Thorp III, the newly-appointed student member of the Board, to his first meeting. Mr. Thorp replaced Mrs. Ruth Daniels whose term expired on June 30, 1978.

MINUTES APPROVED

The Board voted to dispense with the reading of the minutes of the regular Board meeting held on May 26 and June 23, 1978, and approved them as previously distributed. Those voting in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Thorp, Wyss, and Perry. Those voting no: None.

CHANCELLOR'S REPORT

The Chancellor indicated that he would review the July 27 actions of the Emergency Board subcommittee on requests to the Emergency Board and then discuss more fully those which had significant policy implications for the State System. The Chancellor reported as follows:

The request for authorization to purchase a residence for the incoming president at the University of Oregon Health Sciences Center was denied.

Requests related to the Oceanography Laboratory Building, Second Phase, at Oregon State University and Parking Structure III at Portland State University were approved.

A request for a budget allocation for research in Non-Point Source Pollution by the Experiment Station was approved.

The rehabilitation and remodeling of student housing under the student services group in Portland was deferred until the Legislative Session.

The supplemental budget request of $750,000 for the Medical School was modified.

The Chancellor then referred to the denial of the request for authorization to purchase a residence for the use of the president of the University of Oregon Health Sciences Center. He said this action and other discussions had led him to the conclusion that it might be time for the Board to consider phasing out the practice of providing state-owned housing for presidents and the Chancellor. The Chancellor said it was his intention to bring to the Board a detailed proposal which would have the effect of phasing out ownership of housing for the presidents and the Chancellor and providing instead a housing allowance in each instance. He said it would be anticipated that under the proposal the present occupants of these state-owned houses would have the option of continuing under current arrangements until such time as they retired or moving out of the state-owned housing and buying a residence, thus benefitting from the appreciation and equity acquired.

Mrs. Feves asked whether there had been any study of costs to the state for a housing allowance as compared to ownership of the property. The Chancellor responded that preliminary studies indicated there would be substantially less cost to the state under the housing allowance approach than under the present arrangements. Maintenance costs are a significant factor in some instances.
Mr. Wyss pointed out that the financial benefit of property which is appreciating now accrues to the state. Under the proposed arrangement, it would accrue to the executive.

The Chancellor mentioned that in using his residence as an example, it also should be stated that this particular property has a reversion clause and would not belong to the state when it no longer occupied as a Chancellor's residence.

In referring to other state-owned housing, it was stated that rent is charged for those residences and they are modest homes compared to the executive homes provided for the presidents and the Chancellor.

The Chancellor reported also that the $750,000 requested for the Medical School was considered in conjunction with the request to purchase the residence. It was related also to a Scholarship Commission Report whereby the Scholarship Commission was proposing to revert to the Emergency Board an amount of approximately $600,000 for use in accordance with a Budget Note by the Board of Higher Education for additional equipment and library books. The 1977 Legislative Assembly appropriated $750,000 to the Scholarship Commission for the purpose of extending assistance to middle income students, with the understanding that any balance remaining would be allocated to Higher Education to supplement the non-recurring amount for equipment. The recommendation of the Fiscal Office was to reserve $500,000 of this amount, not for library books and equipment, but to provide budgetary relief for the Medical School. An additional $25,000 was recommended for allocation to the Educational Coordinating Commission for the purpose of studying medical education and its needs. Further, the subcommittee recommendation urged the Board and the Chancellor's Office to try to identify sources of funds which might reduce the $500,000, with the understanding that any reduction would be available for equipment and library book purchases. It was further suggested that funds proposed for purchase of the house would be used to offset a portion of the $500,000.

The Chancellor said the amount of $40,000 from the Medical Education Improvement Fund would be an appropriate offset against the $500,000. However, he said he stated to the subcommittee that the $160,000 from the sale of the Miller house, and the $10,000 from the Foundation were given specifically for the purpose of providing a residence for the president of the University of Oregon Health Sciences Center. Therefore, it would be more appropriate to continue that fund and use the earnings to rent housing for the president. It was pointed out to the subcommittee that use of gift funds designated for a specific purpose for some purpose other than that specified by the donor would be contrary to the Legislative admonition that the Board encourage gifts to the institutions by spending the money given for the purposes designated by the donor. To do otherwise would tend to eliminate the gift sources.

The Chancellor said the motion to use the full $210,000 did not prevail but it is expected that the $40,000 will be one amount reported to the Emergency Board at a later date as an offset against the $500,000. Another possible offset mentioned at the subcommittee meeting was Board's reserves. The Board's principal reserve is for rehabilitation. The Chancellor indicated his reluctance to use that reserve for operating expenses of a single institution in view of urgent problems in the maintenance, rehabilitation and renovation of buildings at all institutions.

The Chancellor said he would examine any sources which might provide some reduction against the $500,000. The Chancellor said if the tuition income exceeds the estimates in the second year of the biennium, this would be one source of income for offsetting a portion of the $500,000.
Mr. Ingalls suggested that if the Legislative Fiscal reports issued in advance of the Emergency Board meetings arrived in time, it might be beneficial to the Board's interests to share some of the opinions prior to the Emergency Board meetings. It was stated that the normal time of delivery in the Board's Office is the Tuesday prior to the Thursday meeting of the sub-committee of the Emergency Board.

President Perry said there was a real ethical question in the matter of gifts if the Board were to vary from the intent of the donors, without getting approval from them, and spend the funds in a fashion different from that originally intended. He said it would seriously jeopardize the Board's ability to obtain gifts.

President Perry also stated that the suggested policy for presidential housing would be to the advantage of the presidents in the long term.

(Considered by Committee on Finance, Administration, and Physical Plant, June 23, 1978; present--Ingalls, Batiste, and Moore.)

Staff Recommendation to the Committee

It was recommended that the up-dated long-range development plan for Eastern Oregon State College, which has been prepared by institutional officials with the assistance of Martin/Soderstrom/Matteson and their consultants, be accepted for use as a guide in the future physical development of that campus.

Discussion and Recommendation by the Committee

In response to questions during the discussion, it was indicated that the storm and sanitary sewers were separated. The importance of the provisions for surface drainage and traffic access were emphasized and will be reflected in the updated long-range development plan. It was stated that surface drainage improvements and the relocation of the physical education fields were included in the tentative capital construction list for 1979-1981. Planning has been coordinated with the City of La Grande.

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

Board Discussion and Action

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

Staff Report to the Committee

Based upon the Planning Assumptions and Planning Objectives approved by the Board on May 27, 1977, officials of Eastern Oregon State College have been working with Architects Martin/Soderstrom/Matteson, A.I.A., Portland, and their consultants, The Brewster Co., in up-dating the long-range development plan for the campus in La Grande. (These assumptions and objectives were detailed on pages 375 through 379 of the minutes of that meeting, along with some of the historical background for changes subsequent to the adoption of the schematic master plan prepared in 1965.)

The current study has included a comprehensive diagnosis of site conditions and existing facilities, and has involved participation of representatives from various segments of the local community to assure the integration of the planning principles and recommendations with those of the City of La Grande and the larger region served by the institution. Furthermore, the planning has been done in full recognition of the mission statement and
guidelines for Eastern Oregon State College adopted by the Board on November 18, 1977, articulating the institution's role as a regional multi-purpose state college. As graphically presented in the revised site plan, the up-dated long-range development plan is a direct result of super-imposing the various diverse elements of the planning process to form a congruous physical development program to guide future decisions regarding buildings and other facilities as well as roads, paths, land forming and landscaping.

The site plan reflects approximate locations of new buildings to provide for identified needs, such as the Physical Plant Services unit authorized by the 1977 Legislature, a fieldhouse for physical education, recreation and athletic programs, a performing arts center, expansion of the library and the science building, and other facility improvements (the relocation of parking lots, outdoor teaching stations for physical education, athletic and recreation fields, tennis courts, roads, walks, etc.).

The following site considerations were given intensive study in the plan preparation:

- The need to provide campus identity and visibility
- Integration of the campus with the community while creating a "college environment"
- Providing a unified and attractive physical environment
- Locating all parking peripheral to the campus related to day and night use, special event and activity use
- Affording access to the entire campus by the physically handicapped
- The ability of the campus to adapt to changing educational programs
- Attention to functional relationships of buildings to each other and to paths, parking and special service access

The campus would be given definition by concentrating campus functions within the area bounded by "L" Avenue and Hill Avenue on the north and northeast, 12th Street and Hillcrest Cemetery on the east, a line approximating "E" Avenue on the south, and 6th Street on the west. (The family student housing complex located east of 12th Street, the Rodeo Club facilities and the Range and Habitat Center on Gekeler Lane do not require immediate adjacency to other campus facilities. Their present locations are considered to be advantageous for their activities and purposes, but the Rodeo Club facilities could be relocated if necessary or desirable to accommodate a possible reduction of area within the approved projected campus boundaries.)

The main entrance to the campus would be provided on "K" Avenue at 6th Street, with a turning circle to enhance the sense of transition from community to campus, reduce existing pedestrian/car conflicts, facilitate smooth traffic flow and provide ample parking for visitors. Vehicular circulation through the campus would be modified to reduce traffic conflicts and allow adequate access for service and emergency vehicles. General access by automobile would be provided on "K" Avenue, on the loop road adjacent to Quinn Coliseum and Dorion Hall, and from 12th Street to parking facilities on the east side of the campus. A new cross-campus access, connecting 7th Street to 12th Street, would be created by extending "E" Avenue easterly. Such a street would define the campus "edge" and strengthen the academic core. (The adopted land use plan of the City of La Grande projects high population growth to the east and south of the campus. Inasmuch as City
officials have indicated the desirability of providing a traffic route through the campus, it would appear that the extension of "E" Avenue would serve the needs of the College and the community generally.)

As noted, parking lots would be relocated to peripheral areas, permitting the improvement of the central campus environment. The relocation and improvement of playing fields in close proximity to the Coliseum and the future fieldhouse would not only provide the visible campus boundary but would permit shared use with the community whenever appropriate.

At such time as the proposed creative and performing arts center is authorized and completed, consideration would be given to the conversion of the building now used as the Ackerman Laboratory School for the accommodation of administrative offices, various student support functions as well as instructional areas. Simultaneously, the elementary school program would be moved to the present Administration Building at the north edge of the campus, effectively providing a separate and discrete area for the laboratory school program.

The implementation of the long-range development plan undoubtedly would extend over a period of many years, depending upon the availability of funding for various units of the construction and rehabilitation program. The planning for the Physical Plant Services Building, adjacent to the relatively new heating plant, is now being completed and the construction thereof is expected to be competed during this biennium. Funds are being requested in 1979-1981 for the relocation of outdoor physical education fields and surface drainage improvements. Institutional officials have identified additional units of work in each of the two succeeding biennia, and the planning for them, when it is undertaken, would be consistent with the up-dated long-range development plan for the campus.

Because of the proposed concentration of facilities within the campus area north of "E" Avenue (extended), the Board’s staff has asked institutional officials and the planning consultants to consider the potential removal of major portions of land south of this line from the areas within the approved projected campus boundaries. It is expected that a recommendation for the modification of the boundaries will be submitted to the Committee and the Board for consideration within the near future.

Staff Recommendation to the Board

It was recommended that the Vice Chancellor for Facilities Planning be authorized to purchase the property at 720 S. W. 17th Avenue, Corvallis, from Claude and Eva L. Lukens at the option price of $42,250. Inasmuch as the property is within the approved projected campus boundaries for Oregon State University and is expected to be used for recreation areas adjacent to the student residence halls, the purchase would be financed from proceeds from the sale of self-liquidating bonds within the expenditure limitation for land acquisition authorized by Chapter 592, Oregon Laws 1973.

Board Discussion and Action

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

Staff Report to the Board

The owners of a small three-bedroom residence located at 720 S. W. 17th Avenue, Corvallis, have executed an option in the amount of $42,250 to sell this property to the Board. The land area involved is about 5,200 square feet, or about 0.13 acres. It is adjacent to property previously purchased by the Board for student housing and related recreational needs.
The residence contains an area of approximately 1,118 square feet, excluding the garage, and is in average condition. Until the site is needed for other institutional purposes, the house would be rented as part of the miscellaneous family housing program managed by the University's Housing Office.

The option price is equal to the average of two independent appraisals obtained by the institution. Funds required for the purchase are available from bond borrowings issued under the provisions of Article XI-F(1) of the Oregon Constitution within the authorization and expenditure limitation granted by Chapter 592, Oregon Laws 1973.

Staff Recommendation to the Board

It was recommended that the appropriate Board officials be authorized to approve revised drawings and specifications for the proposed second phase of remodeling of the Memorial Union Building at Oregon State University, solicit new bids and award a construction contract within the expenditure limitation of $630,000 previously approved by the Board, the 1977 Legislature and the State Emergency Board. The scope of work to be accomplished will be somewhat less than that described to the Board on March 25, 1977, when the schematic design phase of planning was approved. At a later time, when cost estimates are available for portions of the work being omitted from the initial contract award, a recommendation may be submitted for an increase in the project budget financed from Article XI-F(1) bond borrowings and/or other balances available for auxiliary enterprises.

Board Discussion and Action

Mr. Moore asked whether approval of Ballot Measure 6 would have any effect on auxiliary bonds. Mr. Hunderup responded that it is not expected that it would, but it would be conceivable that there might be some indirect impact.

Mr. Ingalls asked whether there was any conflict between Ballot Measure 6 and the present Constitution in regard to XI-F(1) bonds. Mr. Branchfield indicated that, in his opinion, there was no legal conflict.

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

Staff Report to the Board

Inasmuch as both of the bids received from two contractors on June 14, 1978, for the proposed second phase of remodeling of the Memorial Union Building at Oregon State University exceeded substantially the direct construction cost allowance of $492,500 for this work, they were rejected and the project architects, Jeppsen, Miller & Tobias of Corvallis, were asked to modify the drawings and specifications so that new bids could be solicited as quickly as possible for major portions of the work. In consultation with institutional officials, the scope of the basic bid was reduced to include only the items of highest priority, namely the alterations to the kitchen service and delivery (dock) areas on the ground level, the replacement of a service elevator and extending it to the second floor, modifying the restrooms on the main concourse level to accommodate the handicapped, and minor alterations in other areas in order to correct various safety deficiencies and to comply with current code requirements. Several deductive alternates are expected to be provided to assure reasonably the ability to proceed with the project on an even further reduced basis if necessary. Other portions of the work included within the approved program would be bid as additive alternates. These include alterations to the administrative office suite, the modifications of additional restrooms for handicapped persons, the addition of roof coverings over three existing entrances, the conversion of the...
ground floor area previously used as the craft shop into storage and identification card processing, and the installation of handrails in the center of the main stairway in the rotunda area. To the extent that these items can be financed within the approved budget, the alternates will be added to the work contemplated by the basic bid. However, it appears likely that an increase in the expenditure limitation will be required, especially if other items of work contemplated originally, such as the cleaning, repointing and caulking of exterior surfaces of the building, are to be undertaken during this biennium rather than to be deferred for consideration in lieu of other items programmed in the next phase of work in 1979-1981. When more specific data and cost estimates are available, a recommendation may be presented for increasing the expenditure limitation for the current biennium and/or the budget request for the next biennium. As noted in the staff recommendation, all of the project costs are financed from Article XI-F(1) bond borrowings and/or other balances available for auxiliary enterprises. No state tax funds are involved.

RECAPITULATION UPON REVISION OF CONSTRUCTION DOCUMENTS

Project - OSU Memorial Union Remodeling

Architects - Jeppsen, Miller & Tobias, Corvallis

Board's priority - No. 8 in the 1977-1979 (Auxiliary Enterprises)

Legislative authorization - Chapter 560, Oregon Laws 1977

Estimated total project cost: $630,000

Estimated total direct construction costs: 500,000

Tentative schedule:
Bidding - August 1978
Completion - February 1979

Tentative financing plan:
General obligation bond borrowings under Article XI-F(1) of the Oregon Constitution and/or balances available for auxiliary enterprises: $630,000

(Considered by Committee on Finance, Administration, and Physical Plant, June 23, 1978; present--Ingalls, Batiste, and Moore.)

Staff Recommendation to the Committee

It was recommended that the appropriate Board officials be authorized to approve the drawings and specifications for the proposed Physical Oceanography Laboratory Building II at Oregon State University, solicit bids and award a construction contract following approval of the State Emergency Board, with the understanding that the estimated expenditure requirements of approximately $80,000 would be financed from building use credits and other resources available to the institution.

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 staff recommendations as presented, with the following voting in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Thorp, Wyss, and Perry. Those voting no: None.
It was indicated that the subcommittee of the Emergency Board had concurred with the recommendation for this construction.

Staff Report to the Committee

Over the past several years, five industrial-type buildings have been completed within the Oceanography Research Service Facilities complex located east of 30th Avenue, north of Western Avenue, across from the Forest Research Laboratory. The master plan for this area contemplates the construction of additional units as they are needed and as funding therefor becomes available from research overhead or other institutional resources.

Institutional officials have requested authorization to expend up to $80,000 for another unit very similar to the Physical Oceanography Laboratory Building completed in 1975. Based upon bid documents being prepared by the Physical Plant Department, the external configuration of the proposed prefabricated metal building would be virtually identical to that of the other five buildings in the complex. It would be of rigid steel frame construction on a concrete floor and foundation and would have a pitched roof. The exterior walls would be of painted metal panels. It would provide a gross area of approximately 2,400 square feet for assignment to the electronics section of the Technical Planning and Development group as well as the research programs of certain staff members in the School of Oceanography, releasing space within the main Oceanography Buildings elsewhere on the campus for other research activities.

Of the estimated expenditure requirements of $80,000, it is expected that the direct construction costs would be about $71,950, or $29.98 per square foot. The project would be financed in part from building use credits (indirect cost allowances from instructional and research contracts and grants), supplemented to the extent necessary from budget resources available to the School of Oceanography from the institution's operating reserve. Because of the amount involved, expenditure authorization must be obtained from the State Emergency Board before a contract award can be made for construction.

(Considered by Committee on Finance, Administration, and Physical Plant, June 23, 1978; present--Ingalls, Batiste, and Moore.)

Replacement of X-ray Unit in Plageman Infirmary, OSU

Staff Recommendation to the Committee

It was recommended that approximately $50,000 be advanced from excess sinking fund reserves from commingled student building fees to cover the estimated cost of replacing the old X-ray equipment within Plageman Infirmary, the Student Health Center at Oregon State University, with the understanding that the amount advanced for the new unit would be repaid, without interest, over a period of about ten years from equipment replacement funds budgeted at the institution's health center.

Discussion and Recommendation by the Committee

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

Board Discussion and Action

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

Officials of Oregon State University have indicated that the health center staff and the campus Radiation Safety Officer have expressed serious concern over the continued use of the old X-ray unit because of protracted exposure to patients. This machine is about thirty years old and is of obsolete design. To provide a high-quality modern unit at the Plageman Infirmary, particular for the diagnosis of student injuries, it is estimated that approximately $50,000 may be required.

Alternatives to purchasing and installing a new unit on the campus have been examined, but in view of the need to provide timely service, they do not appear to be feasible. Institutional officials have requested an allocation of $50,000 for this purpose, but have agreed to the staff recommendation for "borrowing" the funds from excess sinking fund reserves from commingled building fees with the understanding that repayment would be accomplished from annual equipment replacement charges budgeted at the health center over a period of approximately ten years. No interest would be charged on the advance. Hopefully, similar circumstances can be avoided in the future through the implementation of the recently adopted policies of the Board concerning equipment replacement reserves for auxiliary enterprises.

Naming of Faculty Club as Collier House, UO

(Considered by Committee on Finance, Administration, and Physical Plant, June 23, 1978; present--Ingalls, Batiste, and Moore.)

Upon the request of officials of the University of Oregon, it was recommended that the building now commonly identified as the Faculty Club be named Collier House in honor of its builder and former owner, the late Professor George Collier.

Discussion and Recommendation by the Committee

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

Board Discussion and Action

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

Staff Report to the Committee

In 1885-86, Professor George H. Collier constructed a residence for his family on property on the south side of 13th Avenue which he had purchased from Harrison R. Kincaid. It was located across from the original portion of the University of Oregon campus. The residence is on the southwest corner of 13th Avenue and University Street, east of Johnson Hall.

Mr. Collier was a native of New York. He was educated at Westfield Academy in Chataqua, New York, the State Normal School at Albany, New York, and Oberlin College in Ohio. Before coming to Oregon in 1866 to serve as a professor of natural sciences at Pacific University in Forest Grove, he taught mathematics at Wheaton College in Illinois. He was elected to the Oregon Legislature by the Republican party in 1872 and was appointed chairman of the committee on education. In 1876, he was called to Willamette University. His service at the University of Oregon as a professor of physics and chemistry began in 1879 and continued until 1895.
In 1895, the Board of Regents for the University of Oregon purchased the house and surrounding property from Professor Collier for use as the residence of the president. Beginning in 1932, it was occupied by the chancellor of the newly formed State System of Higher Education, but when the property at 2237 Spring Boulevard was donated to the University and the State in 1939, the chancellor moved there and the University president moved back into the Collier House. Shortly thereafter, the McMorran property became the president’s residence and the Collier House was used for various faculty functions, including faculty meetings. After it became identified as the Faculty Club, some remodeling was accomplished and in 1963 an addition was constructed to provide additional food service and recreational area.

Institutional officials have advised that the City of Eugene has identified the building as an historical landmark and that members of the Collier family, heirs of Professor George Collier, have offered to provide financial assistance in restoring the structure to its original color and in making further repairs and improvements.

Following review by appropriate committees and administrative officials, a recommendation has been submitted for reinstating the name Collier House, the original name of the building.

(Considered by Committee on Finance, Administration, and Physical Plant, June 23, 1978; present—Ingalls, Ater, Batiste, and Moore.)

It was recommended that the Board authorize a request for Legislative action to amend ORS 351.560(1) to increase the Board’s revolving fund from $1,000,000 to $1,500,000.

Discussion and Recommendation by the Committee

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

Board Discussion and Action

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

Staff Report to the Committee

ORS 351.560(1) establishes a revolving fund in the amount of $1,000,000 for the Board of Higher Education. Revolving fund checks are issued for travel advances, student refunds, student loans, payroll advances, and similar emergency situations in which immediate cash payment is necessary.

The revolving fund was initially established by statute in 1933 and was increased several times, until it reached $300,000 in 1947. Chapter 255 Oregon Law 1967 revised the limit to $1,000,000. This $700,000 increase required no additional budgeted funds. It was obtained from funds in the suspense cash account “float.” The additional $500,000 under this proposed limitation increase will be funded in the same manner.

In 1946-47 educational and general fund expenditures were less than $10,000,000 per year. By 1966-67 these expenditures had increased to $100,000,000 per year. The 1976-77 expenditures in this category totaled more than $222,000,000. Total expenditures from those funds utilizing the revolving fund were over $400,000,000 for 1976-77. In 1965-66 over $3,500,000 of payments were disbursed through the institutional sub-revolving funds. For the 12 month period ending April 10, 1978, more than $10,000,000 had been disbursed through the institutional revolving funds.
Several steps have been taken in the last ten years to reduce the dependence on the institutional sub-revolving funds for emergency disbursements. A procedure has been implemented to reimburse payroll advances immediately rather than waiting until the end of the month. Travel reimbursement requests are given top priority, so that travel advance money can be returned to the institutional accounts more rapidly. Further modifications are planned which will decrease the amount of institutional revolving funds tied up in travel advances. Student financial aid programs have been an increasing burden on the revolving funds. Students in need of loan or scholarship funds sometimes cannot wait for their money, they need it immediately for living expenses. Many of the revolving funds are overdrafting accounts in the local banks due to the limited availability of revolving fund money.

When the increase from $300,000 to $1,000,000 was requested in 1967, the Controller testified that the funds would be used only as necessary. Following is a schedule showing how the funds have been husbanded over the years:

<table>
<thead>
<tr>
<th>Date</th>
<th>Revolving Fund Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 1967</td>
<td>$300,000</td>
</tr>
<tr>
<td>June 30, 1968</td>
<td>$500,000</td>
</tr>
<tr>
<td>June 30, 1969</td>
<td>$600,000</td>
</tr>
<tr>
<td>June 30, 1970</td>
<td>$700,000</td>
</tr>
<tr>
<td>June 30, 1971</td>
<td>$780,000</td>
</tr>
<tr>
<td>June 30, 1972</td>
<td>$860,000</td>
</tr>
<tr>
<td>June 30, 1973</td>
<td>$890,000</td>
</tr>
<tr>
<td>June 30, 1974</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

At each registration period the permanent institutional revolving funds must be enhanced with substantial temporary advances so that the institutions will have sufficient operating funds during the two weeks of registration. This is the time that the student financial aid demand is the heaviest. It is recommended, therefore, that the revolving fund limitation be increased to $1,500,000.

Staff Recommendation to the Board

Subject to the execution of satisfactory arrangements for the use of space within buildings at the former Camp Adair near Corvallis for the storage of library materials from several institutions within the Oregon State System of Higher Education, it was recommended that the appropriate Board officials be authorized to allocate up to $50,000 from the Board’s reserve for physical plant rehabilitation and minor capital outlay to cover the estimated expenditure requirements for alterations to the facilities.

Board Discussion and Action

In response to a question concerning access to the stored materials, Mr. Hunderup said a full-time staff person would maintain the collection and respond to requests. The state shuttle service would give ready access to materials for institutions in the Willamette Valley. Duplicate materials might be eliminated with the consent of the parties which had stored them.

Mrs. Carpenter asked whether conditions in the proposed facilities would be satisfactory for preservation of the materials which were stored.

Mr. Hunderup responded that the conditions were not ideal but were as good or better than the conditions under which these materials were housed at the present time.
Mrs. Carpenter said she had been privileged to attend a very distinguished seminar on libraries at which innovative suggestions had been made for meeting the storage problem on a national basis. Emphasis was placed on the preservation of the materials located in storage facilities.

It was indicated that the environmental conditions in the blockhouse facility were substantially better than in the buildings under discussion, but that use of the blockhouse for library storage had been denied by the Board of the Training Center. The letter stated that the request for use of the blockhouse had been examined very carefully and it had been determined that no portion of that building should be made available for library storage because it was necessary to protect this space for the expanding program of the Training Center.

The Board accepted the report, including the possible expenditure of $50,000 as recommended. The following voted in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Thorp, Wyss, and Perry. Those voting no: None.

Mr. Ingalls then moved that the Board continue to pursue the possibility of utilizing the blockhouse as soon as possible in any way that would benefit the State System. Those voting in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Wyss, and Perry. Those voting no: None.

Staff Report to the Board

During the presentation of the Chancellor's recommendations for the 1979-1981 capital construction program, it was indicated that efforts were being made to locate off-site storage facilities which might be acquired or otherwise made available, such as through a lease or a use permit at nominal rates for low-use library materials from a number of the institutions. Because of the critical shortage of stack areas within the State System libraries, a substantial number of volumes could be placed in a cooperative storage facility. This would provide some temporary relief to the libraries at a much lower cost than would be required if such storage were provided within the floor space normally used to house current library acquisitions and often-used materials.

At one time, there appeared to be a possibility that a portion of the mammoth "blockhouse" structure at Camp Adair might be made available as a library repository. However, the board of directors of the Willamette Carpenter Training Center which operates its program there recently concluded that the entire structure should be reserved by them for the training of apprentices and journeymen. Consequently, substitute arrangements were discussed with representatives of the trust which has title to other facilities at the Adair location, and on the basis of preliminary negotiations, it appears that space may be made available in the Base Exchange Building, the Non-Commissioned Officers' Club, and/or other buildings there at relatively low cost. It would be necessary, however, to undertake some minor remodeling in order to provide adequate security, such as to cover certain window areas, remove interior partitions, modify electrical wiring and repair or replace roofing. It is expected that the expenditures for the alterations would not exceed $50,000. Bid invitations would be extended through the Board's Office based upon drawings and specifications being prepared by the Physical Plant Department of Oregon State University. As noted in the staff recommendation, funds for the remodeling would be provided from the Board's reserve for physical plant rehabilitation and minor capital outlay. Operating costs would be borne by institutions participating in the cooperative centralized storage facilities, including (but not necessarily limited to) the University of Oregon Health Sciences Center, Portland State University, Oregon State University, Oregon College of Education, and Southern Oregon State College.
It is understood that the arrangements for the use of the facilities would be subject to normal reviews and approval of the Board’s staff as well as the Board’s attorney.

Tri-university Doctoral (EdD) Degree Program in Education

(Considered by Committee on Instruction, Research, and Public Service Programs June 23, 1978; present—Carpenter, Feves, Daniels, Wyss, and Batiste.)

Oregon State University, the University of Oregon, and Portland State University request authorization to establish a tri-university doctoral program for community college personnel leading to the Doctor of Education (EdD) degree. A complete description of the program, titled Proposal for a Tri-University Doctoral Program in Education (EdD) for Community College Personnel, June 23, 1978, is on file in the Board’s Office.

Board’s Office Recommendation

The Board’s Office recommended that the Board authorize Oregon State University, University of Oregon, and Portland State University jointly to offer a tri-university doctoral program for community college personnel, leading to the Doctor of Education (EdD) degree, effective fall term 1978-79.

Rationale

This proposal marks the culmination of extended efforts to provide community college personnel in the Portland metropolitan area greater access to advanced graduate work leading to a doctoral degree.

Involved in the deliberations out of which this proposal emerges have been, at various times, the following: Board’s Office personnel, faculty and administrative officers from Oregon State University, Portland State University, University of Oregon; community college faculty and administrators from Portland, Mt. Hood, Clackamas, and Clark (Vancouver) Community Colleges, State Department of Education personnel; personnel of the Northwest Regional Educational Laboratory; and outside consultants.

This is not to imply, however, that the final version of this proposal has been reviewed and approved by each of the foregoing. It has not, although the committee which drafted the proposal benefited significantly from discussions in which the foregoing persons participated.

The present proposal is the product of the work of a committee consisting of representatives of the Board’s Office and of the three State System universities (Oregon State University, University of Oregon, Portland State University). The proposal has undergone rigorous discussion and review by various faculty and administrative personnel in the three universities and in the Board’s Office. It comes now to the Board with the full endorsement of the Board’s Office and the three universities.

The selective use of the resources of the three universities in the offering of the proposed program will have the advantage of offering a stronger program with less duplication of effort among the institutions in serving the needs of the community college personnel for access to advanced graduate education programs.

Selected Characteristics of the Proposed Program

Among the most distinctive of the program’s characteristics are these:

1. The degree program and the degree are to be offered and awarded jointly by the three universities.
Perhaps the most distinctive thing about the proposed program is that, although the student will be asked to select one of the three universities as his/her institution of record to which he/she will apply for admission, the fact is that the degree is being offered jointly by the three universities.

In practical terms this means that:

a. The diploma granted the graduates of the program will bear the names of all three universities, although the student will be asked to select one of the institutions as the institution of record.

b. The specialized resources of the three universities will be available to the program in the design, staffing, implementation, and evaluation of individualized programs of study. This will provide a richer base for the program than any one of the institutions could, of itself, provide.

That this approach to advanced graduate education poses serious problems of coordination and articulation is beyond question. But the potential compensating strengths to be achieved by a cooperative effort are sufficiently great to more than justify the effort.

The proposed program will require careful monitoring and periodic evaluation by the institutions, the Board's Office, and by the program's clientele, with modifications in the programs as may be indicated by experience. These activities will be provided by a system of program governance as outlined in the program proposal.

2. Optional residency requirements are proposed: (a) three consecutive terms of full-time study (at least nine credit hours per term), one of which may be a summer term, or (b) two consecutive terms of full-time study coupled with at least one term of directed internship for nine credit hours.

Faculties of the three universities are united in the view that an effective doctoral program must provide for some full-time study when the student can be on campus and gain the benefits of close and continuing association with faculty and other graduate students, and can have ready access to the library without the distractions that so commonly beset the student who is continuing to carry a work load on the job in addition to graduate study.

But they are willing, too, to acknowledge the benefits to be derived from the close integration of directed field experience with on-campus instruction and have provided for it as noted above.

3. The admissions requirements are left quite flexible to allow the working of institutional selection processes, but with the stipulation that students seeking admission to the tri-university degree program must meet admission requirements as interpreted by the tri-university admissions committee. The tri-university admissions committee will meet twice a year.

4. An emphasis is to be given to an individualized approach to preparing the candidates and designing a program appropriate to the candidate's work environment and career objectives, with the candidate having an active hand in the planning of the program to serve his/her objectives.

An individualized program of study leading to the EdD degree is to be worked out together by the student's advisor and the student, bearing in mind the student's specific career goals, and the tri-university program requirements as they are set forth in detail in the report on file in the Board's Office.
 Initially, the proposed tri-university doctoral program for community college personnel is designed to serve the needs of personnel in the Portland metropolitan area. Subsequently it is expected that the program would be made available to other sections of the state to the extent resources and demand permit and require.

The number of degree-oriented community college personnel desiring part-time access to a doctoral program in community college education is estimated variously, but seems to lie somewhere between 50 and 100. The seriousness of that interest will be tested if the proposed program is authorized and offered, effective fall term 1978-79.

The Proposed Program in the Light of Current Programs in Oregon for Community College Personnel

Oregon State University and the University of Oregon are the only two State System institutions authorized to offer doctoral programs in education. Each offers programs that have relevance for community college personnel interested in advanced graduate education, as we shall note in greater detail below.

Oregon State University Programs

Doctoral degree programs at OSU. Oregon State University has the principal program in Oregon for community college personnel leading to the doctoral degree. It offers PhD and EdD degrees in the following fields which have relevance for community college personnel needs:

- Science Education
- Counseling and Guidance
- Vocational Education
- College Student Services Adm.
- General Education emphasis in:
  - Adult Education
  - Community College Education
  - College/University Teaching

The foregoing programs are available to individuals in the preservice stages of their careers as well as to those who are employed in the community colleges and desire to upgrade their capacities for effective service.

In addition to the foregoing major programs in the school of education specifically directed to employment in the community colleges, the school of education offers a minor or area of concentration in postsecondary teaching for those taking master's and doctoral degrees in other schools and departments (e.g., college of science, school of agriculture) who are interested in community college employment options.

Additional flexibility is to be found within each of the foregoing Oregon State University degree programs, permitting the tailoring of the program to the special needs of the candidate, so long as general institutional requirements for the degree are met.

University of Oregon

The principal advanced graduate program through which the needs of community college personnel are met at the University of Oregon is entitled "Higher Education."

The program in Higher Education is a post-master's doctoral program. Course work and practicum experience are offered in college student personnel administration, higher education administration, and adult community education. Students also select cognate courses from the wide range of offerings elsewhere in the University.
The program in Higher Education is flexible. It allows the student, with the concurrence of his/her advisor, to draw upon the University's numerous graduate fields (e.g., basic arts and science fields such as English, mathematics, biology, psychology; or professional fields such as personnel management, public finance, counseling psychology) in developing a program meeting the student's special needs.

Portland State University

Portland State University has reviewed its capability to participate in doctoral level education for community college and public school administrative and supervisory personnel.

Faculty. Eight faculty presently employed in the School of Education have the educational background and experience to provide primary leadership in the students' academic and professional growth, the teaching of courses related to special competencies, the handling of professional career block seminars, and the directing of research programs and studies. These faculty would be involved in the program as required on a part-time basis. In addition to these eight persons, the School has allocated approximately $46,000 in salary funds which has become available because of resignations and retirements to the employment of two persons specifically designated for the EdD programs, one person with expertise in the area of research and evaluation and one person in the area of community college administration. Portland State University expects to add a third faculty member this year in support of this program and the joint program in School Administration.

Library. The director of library at Portland State University, Dr. Frank Rodgers, has identified materials already in the library directly supportive of the proposed EdD programs which have a total valuation of $601,757. The library has been allocating the sums of $11,576 per year for acquisition of monographs and $11,346 per year for acquisition of serials in areas supportive of the proposed program and will continue this allocation. Dr. Rodgers has identified an additional $20,825 worth of materials, primarily reference materials, as starting costs for the program. Some of these materials, in the amount of $2,325, have been acquired since this analysis was made. Another increment of these materials, the Social Sciences Citation Index of materials published before 1970, will be provided through the library's on-line electronic search capability. The remainder of the starting costs, mainly reference materials not covered by the electronic search system, will be provided by a special allocation of $12,850. Dr. Rodgers' analysis of the Portland State University library resource anticipates that the library will rely on the inter-library loan system for materials which need not be duplicated.

Supporting Course Work. Nineteen academic departments offer course work which would permit them to participate in the program by providing a support area.

General Degree Requirements

Outlined below are general degree requirements for the proposed tri-university doctoral degree.

Proposed Degree Model

The tri-university doctoral program in education will consist of four basic components. Total degree requirements will amount to 135 credit hours beyond the baccalaureate, including the master's degree (45 credit hours) or its equivalent. The four basic components are described below.

1. Area of Concentration. The candidate will select one or two possible areas of concentration. Of the 135 credit hours required, approximately 50 credit hours will be devoted to the area of concentration.
2. **Area of Specialization.** The area of specialization is taken in a school of education. It identifies the career goal of the candidate within his/her area of concentration. There would be approximately 36 **credit hours** taken in the school of education in the area of specialization.

3. **Support Area.** The support area involves work in related fields supporting the candidate’s career goals and area of specialization. It is expected that approximately 25 **credit hours** will be devoted to the support area.

4. **Dissertation.** Dissertation requirements of the institution of record will be followed, but it is expected that approximately 24 **credit hours** will be devoted to the dissertation.

In sum, the proposed degree model for the tri-university doctoral program in education, with a major in community college education, is as follows:

<table>
<thead>
<tr>
<th>Area</th>
<th>Approximate Credit Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Area of concentration</td>
<td>50</td>
</tr>
<tr>
<td>b. Area of specialization</td>
<td>36</td>
</tr>
<tr>
<td>c. Support area</td>
<td>25</td>
</tr>
<tr>
<td>d. Dissertation</td>
<td>24</td>
</tr>
</tbody>
</table>

Program design is such that each candidate will have a basic core of courses in the major and sufficient flexibility in the balance of the program to afford a variety of experiences including, but not limited to, a planned field experience.

**Admission**

1. **Procedures.** The following admission procedures are proposed:

   a. The applicant will apply for admission to doctoral study at the institution at which he/she wishes to enroll (institution of record).

   b. The institution of record will process the application in accordance with its established policies and procedures and the graduate dean will transmit applications of candidates acceptable to the institution to the program coordinator of the tri-university program.

   c. The program coordinator will assemble all completed and approved applications for consideration by the tri-university admissions committee.

   d. The admissions committee will meet twice a year to consider applications in terms of consortium admissions criteria and availability of space in the program.

   e. Admissions procedures will comply with state and applicable federal regulations.

2. **Criteria for Admission.** The following criteria will be used by the tri-university admissions committee in the evaluation of applications for admissions:

   a. Master’s degree or its equivalent, from an accredited college or university, and academic achievement indicating the candidate is capable of doing satisfactory doctoral work will be required.

   b. Supportive letters of recommendation from persons having knowledge of the candidate’s academic abilities and job experience.
c. Achievement at an appropriate level on the Miller Analogies Test or Graduate Record Examination scores. (There will be no absolute cutoff score, although a score at the 70th percentile on the Miller Analogies Test or a raw score of 1080 on the combined verbal and quantitative Graduate Record Exam will be a recommended minimum.)

d. Samples of scholarly work (e.g., term papers, master's thesis) indicative of ability to do doctoral quality work.

e. Statement of career goals, academic interests, and employment history indicative of appropriate abilities and interests.

f. Score of 500 or more on the Test of English as a Foreign Language (TOEFL) for applicants whose native language is other than English.

Only applicants who have been admitted for graduate study in one of the three universities of record will be considered by the tri-university admissions committee.

Student Advisement and Program Approval

1. After a candidate has been approved by the tri-university admissions committee, the program coordinator will schedule a conference with the candidate:

   a. To solicit information from the candidate regarding career goals, tentative time schedules, and specific areas of interest.

   b. To review with the candidate the tri-university doctoral program concept, options in the selection of a major, and institutional and tri-university program requirements.

   c. To help the candidate choose an advisor at the institution of record in accordance with the policies of that institution.

2. The advisor will work out a program of studies with the candidate reflecting the requirements of the institution of record, the candidate's specific career goals, and the tri-university program requirements.

3. The advisor and the graduate school of the institution of record will assist the student in selecting his/her doctoral program committee. At least one of the members of the committee will be a faculty member from a university other than the institution of record.

4. Approval of the candidate's doctoral program will be in accordance with procedures and policies established by the institution of record.

5. The student's program, after approval by the institution of record, will be reviewed and approved by the tri-university coordinating committee.

Residency Requirements

Residency requirements for the tri-university program may be fulfilled by:

(a) completing three consecutive terms, one of which may be a summer session, in full-time study (at least nine credit hours per term); or (b) completing two consecutive terms, one of which may be a summer session, in full-time study, followed by at least one term of directed internship for nine credit hours.

It is conceivable that in some instances, depending on the candidate's program and the nature of the internship, that the internship experience would precede or fall between the two terms of residency on campus.
It is expected that candidates will not carry a full-time job assignment when completing residency requirements. Institutions of record may elect either option (a) or option (b) or both and will govern all other residency requirements.

Dissertation Requirements

1. The candidate must submit a dissertation embodying the results of research, and giving evidence of originality and ability in independent investigation.

2. The candidate will be required to make an oral defense of the thesis satisfactory to his/her dissertation committee.

3. Dissertation committees will include representatives from at least two institutions. Dissertation committee members will be full-time members of the graduate faculty of their respective institutions.

Other Requirements

Time limitations, language requirements, advancement to candidacy, and terminal activities will be governed by the institution of record.

Committee Discussion

President Blumel reviewed the history of need for doctoral level work in education in the Portland area. He said Portland State University has been approached over and over again, over the past nine years, to implement doctoral programs in various phases of education, but the institution has never had the resources to build the school of education to the point where this would be possible. These continuing discussions culminated two years ago in development of a proposal for a free standing doctoral program directed toward the needs of community college and public school administrative personnel. That proposal could not be implemented without supplementary funding. Since there appeared to be little likelihood that such funding would be forthcoming, it was decided, on the suggestion of Dr. Romney, that Portland State University explore the possibility of a joint program with the University of Oregon and, perhaps, Oregon State University. The present proposal is the result of these discussions.

President Blumel said he hoped the Board would approve the proposal, that the consortium arrangement, drawing on the resources of the three state universities, would, at least in some respects and perhaps fully, meet a need that had existed in the Portland area for a long, long time.

Mr. Wyss reviewed allegations he said would likely be made by some opposing the proposed program:

- Here is another doctoral program in education when there are already too many of these programs for the 1980's.
- This is an oblique attempt to get Portland State University a doctoral program when Oregon already has adequate facilities offering such degrees.
- This appears to require an expansion of five FTE faculty positions without compensating reductions elsewhere.
- The program appears to require a huge increase in overhead bureaucracy in relation to the service provided.
- The programs may be an attempt to save positions at the University of Oregon and Oregon State University which might otherwise be eliminated.
President Blumel said he would attempt to respond to these allegations one by one. First, he said, while it is true that there are a lot of people in the state who hold a doctorate in education, it is also true that there are a great many mid-career people in the Portland area who do not have the doctoral degree and who are seeking this opportunity. Also, he said, demographic data indicate that the present decline in public school enrollment is a short-term cycle, and there will be a continuing need for administrative personnel in the future. President Blumel observed, however, that the need to be served in the Portland area was primarily inservice, for already employed people, who simply cannot afford to take time off for protracted periods of study in another location. Preservice people, he said, could just as well go to the University of Oregon for educational administration or Oregon State University for community college administration degrees.

As to whether this was an oblique attempt to get an EdD program for Portland State University, he said he would prefer to have a free-standing program. However, if the resources for such a program are not available in the state, and the need for the program is there, he said he felt the sensible thing to do was to develop cooperative programs with other institutions.

In respect to the allocation of positions to the school of education to support of the proposed programs, President Blumel said that the school of education has a total of nine vacancies as of the close of the 1977-78 year. This provides opportunity to restructure the faculty resource in conformity with highest priority needs. He noted that this situation creates a particularly opportune time to implement the proposed cooperative programs. (He said this was not to suggest that Portland State University would not allocate any additional resources to the school of education by reason of the doctoral programs, because it probably would.) Insofar as development of any bureaucratic superstructure to administer the program, he said organization of the program was complex because of having more than one institution involved, but he did not feel this meant it was going to be an expensive program to administer.

Dr. Romney said the institutions involved could speak to the question as to whether the proposed programs were an effort to save faculty positions at the University of Oregon and Oregon State University. However, he said, early in the discussions of a possible cooperative program, the feeling was expressed that it would make sense in Oregon to examine the staff needs in advanced education broadly so as to avoid unnecessary duplication of specialists.

Chancellor Lieuallen said it appeared that the allegations posed by Mr. Wyss addressed the issue of motivation. He said the initial institutional reaction to the idea of a collaborative program in Portland was not overwhelmingly enthusiastic. The motivation which developed as discussions progressed was one of agreeing to provide a service rather than one of accomplishing the sort of institutional objective suggested.

Dean Gilberts said he would like to corroborate President Blumel's statements concerning the demand for these services in the Portland area. During the last eight-nine years, he said, the University of Oregon college of education has been repeatedly asked to extend doctoral level services to the Portland area. There has been no way the college could respond to these requests within its staffing level. The tri-university and joint degree proposals appear to be a way of using existing staffing patterns at the three universities to begin to meet this need. The demand for delivery of on-site advanced course work in education is growing throughout the state, Dean Gilberts added. So far as overhead goes, he said he felt the governance structure of the programs was somewhat elaborate, but that as the relationships between the three participants are built and trust established, it is likely that ways will be found to simplify the management process.
President MacVicar said he had been in Oregon eight years and during all of these years he had heard the institutions of higher education berated for failure to be responsive to the need to provide advanced professional education on-site in the Portland area. This proposal, he said, is not one that has come hastily; from many points of view it is long overdue. In respect to the questions posed by Mr. Wyss, he said, every president would like to feel his institution has the capability to deal with needs independently. However, he continued, if that time ever existed, it certainly is not now, nor is it likely to be in the future. So, he said, it is necessary for institutions to work harder to construct programs which relate to needs and in which resources are shared so that when vacancies occur we deliberately try to seek personnel who will complement the other available resources.

He said the Oregon State University staff in adult, community college, and vocational-technical education is heavily loaded and, if a vacancy occurs, Oregon State University cannot transfer the position to another area. Participation in the Portland program is not an effort to acquire credit hours to defend an underloaded professor, but rather it will be some burden to Oregon State University to carry its share of the program. He said Oregon State is committed to participation in the program, and would like to be able to do more than it will probably be able to do.

Dean Newburgh said he agreed with Dean Gilberts that the proposal provided for more administrative structure than was really needed, but that as people became used to working together this would probably settle down to a single governing committee and an advisory committee.

Mrs. Daniels moved approval of the staff recommendation. The motion was approved unanimously.

Board Discussion and Action

In response to a question concerning the demand for the program, Dr. Romney indicated that considerable interest in such graduate education had been expressed in Portland by both community college and public school personnel. Consultants who were asked to examine the situation stated they saw no problem whatsoever in maintaining a very effective program in the Portland area as set forth in the proposal before the Board.

Mr. Perry asked whether the need for the program justified the extensive effort and faculty time involved to coordinate the program.

Dr. Romney said the structure for managing the program might seem to be somewhat top heavy in terms of the committees specified. However, it is anticipated that once the program is established and the institutions have worked together for a time, the amount of coordinating effort would be reduced as people begin to understand one another and to work more effectively together. The consensus during the planning discussions was that the program should be established and the goals could be achieved more effectively as a cooperative venture than as a free-standing program which would require additional funding.

Mr. Ingalls asked whether the budgets of the institutions would be able to support the travel expenses necessary for this type of program. Dr. Romney responded that Oregon State University and the University of Oregon already offer work off-campus in graduate education.

President Blumel stated that the proposed program might not represent an ideal arrangement but, given the financial circumstances, it would go a long way toward meeting a longstanding need for graduate education opportunity in the Portland area.

Mr. Ingalls said he would vote to approve the program but that the levels and committees set forth in the management structure should be combined and reduced in number. Further the faculty time that would be required to serve on these committees should be reduced or eliminated.
Dr. Romney pointed out that the advisory committee would consist of individuals who are not part of the State System. They would be from the public school system, community colleges, and the State Department of Education. They would meet with representatives from the institutions, but the number of representatives would be small. The governing committee would make appointments to the coordinating committee and the admissions committee which would involve one meeting a year. He said he would anticipate the coordinating committee would meet once or twice a year and the admissions committee would meet twice a year.

In response to a question from Mr. Ater, there was some discussion of whether community college administrators were paid on the basis of their advanced degrees in the same way public school administrators are paid. There was general agreement that advanced training would be reflected in the salaries paid community college administrators but that the specific amount might not be designated in a formal salary scale as it is in the case of many public school administrators.

The Board approved the staff recommendation as presented, with the understanding that the concerns expressed in the discussion would be given serious consideration as the program develops. The following voted in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Thorp, Wyss, and Perry. Those voting no: None.

(Considered by Committee on Instruction, Research, and Public Service Programs, June 23, 1978; present--Carpenter, Feves, Daniels, Wyss, and Batiste.)

The University of Oregon and Portland State University request authorization to establish a joint University of Oregon/Portland State University degree program leading to the EdD degree in public school administration and supervision. A detailed presentation of the proposal, entitled "Proposal for a Joint University of Oregon/Portland State University Program Leading to the EdD Degree in Public School Administration and Supervision," dated June 23, 1978, is on file in the Board's Office.

Staff Recommendation to the Committee

The Board's Office recommended that the Board authorize a joint University of Oregon/Portland State University degree program leading to the EdD degree in public school administration and supervision, effective fall term 1978-79.

Discussion and Recommendation to the Committee

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

Board Discussion and Action

Mr. Ater asked President Blumel to elaborate on the kinds of adjustments that have been made in the faculty of the school of education.

President Blumel responded that there have been a number of vacancies due to resignations and retirements and these have been filled with individuals whose qualifications would permit them to work on this proposed program. There has been a shift also in distribution of part-time and full-time faculty.

Dean Petrie explained further that the salaries of the six persons who retired were at the high level and so it was possible to replace them and create two new positions with the same resources.
Mr. Ater then asked what would happen in several years when these eight lower-salaried individuals were at higher salaries.

Dean Petrie said that since no additional funds were required for the eight staff members, the salaries for the eight would increase at the same rate as those of the original six and there would be no difference in the total amount of money required.

In discussing enrollment in the school of education at Portland State University, Dean Petrie indicated that there has been a reduction of 25-30% in the basic elementary and secondary programs. At that enrollment level, the placement record has been very good. There has also been an effort to strengthen programs at the graduate level while still maintaining a very strong undergraduate program. It has been possible to transfer resources into the advanced level programs because of retirements and the flexibility of the staff. Use of part-time faculty from the Portland metropolitan area provides additional flexibility.

Mr. Ater referred to his earlier remarks which indicated a concern that individuals were receiving credentials which would enable them to obtain higher salaries for essentially the same job which they had been doing at a lower salary prior to receiving advanced training or an advanced degree.

Dean Petrie said the ultimate purpose of an advanced degree is to improve the quality of instruction and administration in the public schools and/or the community colleges. Individuals may receive fringe benefits in terms of salary increments but the ultimate purpose of the degree is to make the recipient a better employee.

Mrs. Feves concurred that the ultimate purpose of education is to enable the individual to do a better job or give them greater skills.

Dean Petrie commented that the tri-university and the dual-university programs, although cumbersome in some respects, provide the State System with the greatest benefit for the resources available. There would be no way that any of the institutions could duplicate what is available at the other institutions.

Mr. Ater said these two programs were very positive because they demonstrate an effort at coordination. However, he said the Board should consider the relationship between these programs and in-service and graduate education in the larger context.

Mr. Wyss said the primary responsibility of the State System should be to offer the best courses and the best training available and the eventual employer should determine whether credentials or competency are the basis for financial rewards.

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

Rationale

The purpose of the proposed program is to utilize the joint resources of the University of Oregon and Portland State University in the field of public school administration and supervision to make an advanced graduate program leading to the EdD degree in that field more readily available to school administrators and prospective school administrators in the Portland metropolitan area.

In doing so, the State System is being responsive to a long-time interest on the part of public school personnel in the Portland area for improved access...
to an advanced graduate program in public school administration and super-
vision. Such a program has always been available to them at the University
of Oregon, if they could qualify for admission. But that has to them
increasingly seemed an inadequate response in a time when many public and
private universities across the country are extending their graduate degree
programs to the very doorsteps of their clientele, not only within the state,
but across state and regional boundaries.

Pattern and Mechanisms of Collaboration

The pattern for UO/PSU collaboration and the mechanisms through which
collaboration is to be effected are similar to those to be employed in the
proposed tri-university program for community college personnel, earlier
discussed with the Board.

Presently Authorized Programs in the State System
For Preparation of School Administrators

Presently authorized programs for preparation of school administrators in
the State System are assigned by the Board to the University of Oregon
and to Portland State University, as follows:

1. University of Oregon. The University of Oregon has the principal
allocation in the State System of Higher Education for the preparation
of school administrators. The University is authorized to offer:

   a. Post-master's programs for the preparation of elementary and secondary
      school principals, and for school superintendents, leading to basic
      and standard certification by the Teacher Standards and Practices
      Commission. The program for the former consists of 33 credit hours
      beyond the master's degree; for the latter, 45 credit hours beyond
      the master's degree.

   b. Programs in educational administration leading to the PhD and EdD
degrees.

The University's instructional, research, and public service programs
in the field of educational administration place it among the top half-
dozen or so universities in the United States in educational admin-
istration. As such, it has for more than a quarter century, been
the beneficiary each year of large grants and contracts from private
foundations or the federal government in support of its activities in
educational administration.

The Board's Office has written and placed in Appendix B of the pro-
posal presentation filed in the Board's Office a fuller account of the
University of Oregon program in educational administration, that the
Board may know something of the nature of the one doctoral program
in educational administration in Oregon at the present time.

2. Portland State University. Portland State University has, since 1967,
been authorized to offer a post-master's program for the preparation of
elementary and secondary school principals, leading to basic and
standard certification by the Teacher Standards and Practices Commission.

Portland State University's accredited program for preparation of
elementary and secondary school principals consists of 33 quarter
hours in a planned program beyond the master's degree. Some of
these credit hours may be waived by Portland State University upon
showing by the applicant of competence equivalent to that which would
be achieved by the completion of the course.
Portland State University reports that it recommended to the Teacher Standards and Practices Commission for certification as elementary or secondary principals 87 persons in 1977-78 (up to June 1, 1978), as follows:

<table>
<thead>
<tr>
<th></th>
<th>1977-78</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommended for Basic Principals Certificate</td>
<td>47</td>
</tr>
<tr>
<td>Recommended for Renewal of Basic Certificate</td>
<td>14</td>
</tr>
<tr>
<td>Recommended for Standard Principals Certificate</td>
<td>26</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>87</strong></td>
</tr>
</tbody>
</table>

Portland State University also reports that it admitted to the elementary and secondary school principals certificate program 123 persons in 1976-77, and in 1977-78 (to June 1, 1978), 112 persons. Enrollment in Portland State University's courses in school administration was reported to have averaged 229 per term for fall, winter, and spring terms 1977-78.

To strengthen its program in educational administration, in preparation for Portland State University's participation in the joint UO/PSU program in school administration and in the tri-university program leading to the EdD degree in community college education, Portland State University has adjusted its distribution of faculty within the school of education so as to provide for the employment of three new faculty with special qualifications relating to school administration, research, and community college education.

The Board’s Office presented a report of the collaborative efforts of the University of Oregon Health Sciences Center, Portland State University, and the University of Washington to offer Oregon part-time and full-time students access to a fully-accredited University of Washington program leading to the degrees Master of Public Health and Master of Science in Public Health.

A draft of a memorandum of understanding as to the principles governing the collaboration of the three institutions is on file in the Board’s Office.

**Staff Recommendations to the Committee**

The Board’s Office recommended that the Board encourage the continuation of the collaborative efforts of the University of Oregon Health Sciences Center, Portland State University, and the University of Washington to make available to Oregon employees of health and related agencies an extended degree program from the University of Washington leading to the Master of Public Health and Master of Science in Public Health.

If, as a result of the experience of the first three years, it appears likely that the University of Oregon Health Sciences Center and Portland State University will wish to offer a Master of Public Health or Master of Science in Public Health degree, formal request in the usual form will be made for Board authorization of the degree programs. Meanwhile, the degree is to be offered by the University of Washington as an extended degree, with funding therefor (a five-year grant) being sought by the University of Washington from the U.S. Department of Health, Education and Welfare.

The University of Washington will need to register its MPH/MSPH program with the Educational Coordinating Commission as an out-of-state institution planning on offering programs in Oregon.
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Discussion and Recommendation by the Committee

Dr. Leon Richelle, Vice President for Academic Affairs at Portland State University, explained the circumstances at that institution which had led to its involvement in the development of this program. He described the participation of Portland State University as anticipated in the cooperative program.

Dr. Harold T. Osterud, Chairman of the Department of Public Health and Preventive Medicine at the University of Oregon Health Sciences Center, discussed the demand for individuals trained in public health and the highly specialized training which is required for some of the positions in this field. He emphasized that the program will serve mid-career people who are attempting to improve their training but who are also employed and find it difficult to leave their positions to take these courses. He said the program will be scheduled in such a way that the course work will be available at times which are convenient. It is anticipated that the research in the program will be directly applicable to problems of the agencies with which the students are employed.

In response to questions, Dr. Osterud indicated that the courses offered by the University of Washington will be during summer periods and the trainees would be absent from their positions during these sessions.

In discussing the financing in the event federal grants were discontinued at a later date, it was indicated that the University of Washington had been invited to submit the grant proposal. Dr. Osterud said staff members were convinced that if the program were funded and proved to be successful, the federal funds would be extended almost indefinitely.

Support for faculty positions at the University of Oregon Health Sciences Center is included in the federal grant. Portland State University will receive funds from the grant for coordination and also to fund classes contracted out of the grant for added sections of courses in specific areas.

Mr. Wyss expressed some apprehension at the substantial amount of administrative detail in such a program where three institutions are involved. He noted that this program had much less detail in the way of an administrative bureaucracy than the other cooperative programs on the Board's agenda.

Dr. Richelle responded that the detail in the memorandum of understanding which was appended to the proposal had been developed amicably in conference with the representatives from each institution. He asserted that the institutions were becoming more adept at working together in joint programs as a result of their increasing experience in such activities.

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

Board Discussion and Action

In response to a question concerning the continuation of the federal funding, Dr. Harold Osterud, Chairman of the Department of Public Health and Preventive Medicine at the University of Oregon Health Sciences Center, again reiterated his confidence that the federal funding would continue to be received.

Acting President Jones said he did not anticipate that a request would be made to the Board or the Legislature to support the program if federal funds were unavailable.

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

The Program

The objective of the extended Master of Public Health program is to provide accessible public health graduate education opportunities to employed mid-career health professionals in the Pacific Northwest region through the collaborative efforts of the University of Washington Health Sciences Center, the University of Oregon Health Sciences Center, and Portland State University.

The program is specifically directed toward the needs of the employed part-time students who cannot attend a full-time traditional campus program because of employment or family responsibilities. The program is being designed to provide such students with the discipline and rigor of the traditional on-campus program in delivery formats, time, and location which allow for full employment while achieving the competencies leading to the degree.

The proposed program is designed to increase the relevance of graduate education to these students' interests and needs by utilizing their work experience-related problems as projects and adjusting the level of curricular content to their level of sophistication.

The program will test the feasibility of a regionalized educational system to minimize the educational cost and maximize efficient use of regional resources using two sites at first; this will allow the development and testing of a model which, if successful, could be extended to other regional sites.

The proposed course of study in the Health Services area is designed to provide students with the capabilities necessary to function effectively in mid- and upper-level administrative and community health specialty positions in the organizational context of health care and health care services as they relate to specified populations, and in the Environmental Health area to provide training for the development of innovative leadership for planning, implementation, management and evaluation of environmental health services needed to safeguard community health.

Both programs build on a base of quantitative methods in the disciplines of epidemiology and biostatistics and emphasize content in health care organization and financing, health services administration, health planning and evaluation, health sociology, economics, politics, health policy analysis, health law, quality assessment and assurance, special organization settings (ambulatory care, long-term care), program specialties (aging, and child health), environmental conditions affecting human health and well-being, and technology currently available in the control and amelioration of environmental hazards, waste disposal, food and water quality, environment pollution (water, air, noise, vector control, etc.)

Institutional Roles

Students taking courses at Portland State University will be enrolled at Portland State University and will pay tuition to that institution, as regular students. Students taking courses given at the University of Oregon Health Sciences Center in combination with the University of Washington Health Sciences Center will be enrolled with the University of Washington. The details of these mechanics are addressed in the grant proposal.
If the program is approved by all appropriate agencies within the State, and if funding is forthcoming from the U.S. Department of Health Education and Welfare, it is anticipated that the first year will be spent in developing the courses to be taught on an extended basis. The program would become operational with the summer term 1979.

The University of Washington Health Sciences Center School of Public Health and Community Medicine would be the degree-granting institution for at least the first three years, and would also serve as the grant-writing and fund-seeking agent. The University of Oregon Health Sciences Department of Public Health and Preventive Medicine of the School of Medicine would serve as the coordinating agent and program implementor for the Portland metropolitan area and, as the program develops, for more remote sites in the State of Oregon. The University of Oregon Health Sciences Center Department of Public Health and Preventive Medicine would also serve as the coordinating agent to work with Portland State University in the Environmental Health Program.

Faculty from each of the three collaborating institutions will participate in the committee structures and other decision-making processes associated with the extended degree program in the Portland area.

Students participating in the program during the first three years are expected to spend a total of approximately nine weeks, divided into three summer sessions of three weeks each, at the University of Washington Health Sciences Center School of Public Health and Community Medicine.

Related Collaborative Efforts of UOHSC & PSU

Portland State University and the Department of Health Administration and Service of the University of Oregon Health Sciences Center are currently cooperating in the development of a health administration track leading to the Master of Public Administration and a health care financial management track leading to the Master of Business Administration, both of which basic degrees (MPA, MBA) are currently being offered at Portland State University.

Clinical field experience will be offered at the University of Oregon Health Sciences Center. Some of the health services courses in the Master of Public Health program will recruit faculty from the University of Oregon Health Sciences Center Department of Health Administration and Service for specific lectures; in the same way, faculty from the Department of Public Health & Preventive Medicine will be called upon for individual lectures in health administration and health care financial management courses.

The University of Oregon Health Sciences Center School of Nursing has a master's degree in nursing presently ongoing. Some of the courses, such as those in Community Health Nursing could be conjoint efforts. For those nurses employed in the health field for whom the current Master's degree in Med-Surg would not be appropriate, the extended Master of Public Health program may be an attractive alternative. Therefore, this program is seen as being both complementary and supplementary to the School of Nursing master's degree program.

The School of Dentistry has a strong Public Health Dentistry program. The Department of Psychiatry in the University of Oregon Health Sciences Center School of Medicine is developing a Community Psychiatry section. These programs will add support in teaching Community Health Organizations.

Evidence of Need

In 1973, the Western Branch of the American Public Health Association published a report entitled "Feasibility of an Extended MPH Degree" documenting that nearly 2,000 practicing health professionals in Region X (Northwest) geographic area were interested in immediate access to such a program and
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were eligible according to the criteria of the University of Washington Graduate School and that about 800 persons in Oregon were actively interested in the MPH/MSPH degree. This study also explored the attitude of employing agencies and found that about half of the directors felt that more employees with master's level education were needed and that such an extended program would enhance the employees' ability to function.

In 1976, the Oregon Public Health Association did a survey of employed health professionals in their membership and found that more than one-third were interested in such a program.

The first study reflected a preponderance of hospital-based personnel, whereas the 1976 survey reflected the perceived need of employees in health departments and health planning agencies.

With the advent of health maintenance organizations, the proliferation of health planning agencies, and health services facilities, whether functioning as multi-specialty or large single specialty clinics, increasing numbers of persons are being employed to function at mid- and upper-level management and in areas of program implementation and evaluation. The health industry is expanding and the need for qualified and well-trained personnel is increasing.

Both the University of Washington and University of Oregon Health Sciences Centers receive frequent calls and inquiries concerning an extended MPH degree program.

(Considered by the Committee on Instruction, Research, and Public Service Programs June 28, 1978; present--Carpenter, Feves, Anderson, Daniels, Harms, and Wyss.)

The Board of Higher Education has instituted regular and systematic reviews of graduate programs under its jurisdiction. The first of these reviews, covering 37 programs exhibiting a history of low degree conferral, was completed during 1976.

A report of the second review, covering master's and doctoral programs in physics, chemistry, and biology at the University of Oregon and Oregon State University, and master's degree programs in these fields and the doctoral programs in environmental sciences at Portland State University (for which physics, chemistry, and biology form the base), has been completed and is presented herewith to the Board for its consideration and action. Copies of this report, titled "1976-78 Review of Graduate Programs in Physics, Chemistry, and Biology in Oregon's Three State-Supported Universities," dated June 23, 1978, are on file in the Board's Office. Physics, chemistry, and biology are the only disciplines offered through the doctoral level by all three State System universities. If there is duplication among the three universities at the doctoral level, it is in these areas.

Staff Recommendation to the Committee

The staff recommended that the Board:

1. Accept the report of the review of graduate programs in physics, chemistry, biology, and environmental sciences.

2. Authorize continuation of the programs by the respective institutions.

. All of these programs are making valuable contributions to the state and the nation in research and in providing needed manpower at an advanced level for colleges and universities, business, industry, government, and non-profit organizations.
Placement of graduates is good; essentially all have been placed in positions directly related to their area of specialization.

All the programs are of sound basic quality. Generally, the programs of the University of Oregon and Oregon State University have gained national recognition, as evidenced by the $7 million in research funds brought into the state by these programs annually in competition with programs nationally, the honors and awards achieved by their faculties, and the achievements of their graduates.

The multidisciplinary doctoral program in environmental sciences at Portland State University, although relatively new, is unique, is gaining in strength, and showing promise for the future. In the words of one of the consultants, it is "growth stock" which, with comparatively modest increased support and wise administration will soon be in a position to attract substantial and important federally-funded research projects.

Elimination of one or more of the programs with the idea of concentrating resources in a given discipline at fewer institutions would weaken, not strengthen, Oregon's graduate offerings in the basic sciences. In terms of modern science, these disciplines cannot be separated into encapsulated, excisable units.

The programs are not duplicatory; the programs at each university have different emphases, different research interests, different student clientele.

Adjustment of production of graduates in these basic sciences to decreased academic demand, both nationally and in Oregon, appears to be being accomplished. Production peaked nationally in these fields in 1971-72; in Oregon in 1973-74. There is no reason to believe that continuation of the Oregon programs will produce graduates unable to find appropriate employment.

3. Seek a modest but critical improvement in state support for these programs to provide:

   - Increased support for the initial research activities of faculty members.

   During an initial or interim period, state support can assist a faculty member to demonstrate the ability to produce research of a quality which can command external support. In that sense it is "seed money" which has a multiplicative effect.

   - Support for establishment at each university of graduate research fellowships in each of the three disciplines competitive with the national market.

   Graduate student support is inadequate to ensure an optimum program of research at the three universities. Were the state to provide some prestigious and well-paying awards to superior graduate students, in addition to those provided from federal and other sources, the quantity and quality of students would be improved at all three institutions.

   - Rotating competitive faculty research professorships.

   - Increased support for the renewal and maintenance of instruments and equipment.
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The universities have acquired most of their instruments and equipment through federal and other outside sources. However, state support is needed to maintain this equipment and to renew and replace it to avoid obsolescence.

The consultants were unanimous in the assertion that a relatively small outlay of additional support in certain strategic areas at the three universities would return disproportionate benefit to the state in terms of better education and economic growth.

Board Approval of Program Improvement Requests for (1) the State Support of Nonsponsored Research and (2) Equipment Replacement

At its May 26 meeting, the Board of Higher Education approved program improvement requests for the 1979-1981 biennium for (1) one million dollars to support non-sponsored research and (2) three million dollars for equipment replacement. Judicious use of these funds will enable the institutions to meet some of the most critical needs identified above.

Discussion and Recommendation by the Committee

Mr. Harms said he was pleased and impressed by the reports of the distinguished consultants. He noted that the consultants were highly complimentary of the programs of the two older institutions and that their assessment of the Portland State University program was that, as a new program, it appears to be progressing very well and more things may be expected from it in the future.

He said the Board should note with interest the consultants' comments on what one described as "a fanatic attention to lack of duplication" in Oregon. They are complimentary concerning how well the programs and staffs complement each other and work together, but indicate that some programs, particularly biology, may suffer because of lack of duplication in basic areas of expertise.

Mr. Harms observed that the report confirms the need for additional state research funds and graduate student support, a need the Board had recognized in budget decisions earlier in the month. He concluded by saying he felt the accomplishments of some of the programs as reported by the consultants have not been adequately publicized and he hoped the report could be used to overcome inadequate public knowledge concerning these areas of graduate education.

President MacVicar said he felt the review of the graduate programs was important because it provides (1) assurance to people who support the programs about their quality, and (2) valuable information to the institutions in respect to program deficiencies. All of the programs are not in the same stage of development, he said, as one readily notes if one compares chemistry, with a long history of excellence at Oregon State University, with physics, which during the mid-1960's suffered a severe trauma from which it is just now recovering. The physics faculty, he said, is a young faculty, just now beginning to be competitive in the national market for research support. Clearly, he said the department must have a much larger level of research activity if it is to accomplish the mission assigned to it. Research is a critical element of graduate programs which deserves to be recognized by limited but nonetheless valuable state support. The importance of equipment, he continued, cannot be overemphasized, noting that a significant amount of equipment in the department of physics is inventoried as having been acquired by Oregon Agricultural College, which means it is at least 50 years old. The equipment replacement funds provided by the 1977 Legislature have been extremely valuable, he said, and hopefully the 1979 Legislative Assembly will continue to increase base budget support for this project.
The faculties of the department of physics, and more recently the department of chemistry, recognizing the importance of fellowship funds in a graduate program, have felt their own commitment to the programs should be exercised by a personal, financial contribution to the fellowship program. Admittedly, President MacVicar continued, this is not going to solve the economic problems of the two departments, but it does speak to the quality of commitment and remarkable sense of dedication on the part of the faculty in trying to correct some of the deficiencies found in the two programs.

Mrs. Carpenter noted that the consultants had suggested that heavy teaching loads for graduate assistants in chemistry together with low stipends was creating a problem.

President MacVicar said it was true that the teaching load in chemistry at Oregon State University was extraordinary, because of the very large numbers of students taking this subject at the freshman, sophomore, and even junior and senior levels. The institution is trying to remedy some of the problems found by the consultants by trying to assure that the stipends it pays teaching assistants are somewhat more competitive on the national market, and by arranging for the department of biochemistry to share in providing teaching assistants for chemistry so that graduate students in the two departments will not be required to spend more than two years as a teaching assistant before transferring to a research assistantship.

Mr. Wyss asked, if it were not possible to restrain increases in graduate tuition in years to come, if the quality of students attracted to the graduate programs could be maintained by increased stipends for graduate teaching assistantships.

Dean Newburgh pointed out that in these three fields, almost no students are paying tuition because they are all on assistantships. Dr. MacVicar observed that the international students in these departments would be paying fees and for these students the quality and reputation of the institution is crucial, in terms of placement by a foreign government or selection of an institution if the student is subsidized by his family.

Dean Baldwin of the University of Oregon College of Arts and Sciences, said that the Board's Office recommendation on the reports of graduate physics, chemistry, and biology programs in Oregon was sound.

Speaking specifically to the question of quality of students, Dean Baldwin said that, as a former chemistry professor at the University of Illinois, he was in a position to make some comparison of chemistry students at the University of Oregon and the University of Illinois. He said that entering students at both institutions take a national examination prepared by a subcommittee of the American Chemical Society designed to assist entering graduate students at institutions across the country to take the proper course work and to repair deficiencies and get on with their professional development. On this examination, he said, the mean score of graduate students at the University of Oregon is higher than the mean score at the University of Illinois. But, he said, the University of Illinois gets each year three or four students who are absolutely superior, which the University of Oregon does not get. These few students in any educational venture are of critical importance to the health of the whole enterprise, he noted. If one has 50-75 graduate students and a half dozen of them are blessed with great talent, energy, and inventiveness, the educational experience of all the students in the program is enhanced in remarkable ways. The fellowship activity which the consultants recommended for Oregon should, Dean Baldwin said, attempt to make Oregon more competitive for those truly rare, well-qualified students on a national basis. If the University of Oregon had a few three- or four-year fellowships that could be offered to the very best students that could be found nationally - fellowships carrying prestige as well as financial support - Oregon could attract some
of the very top graduate students like some of the very top students who attend Cal Tech, Stanford, or Harvard, and these would make all the difference. Oregon presently competes very well for the very good graduate students; what it needs now is to attract a few of the absolutely outstanding graduate students, which it could do with a few fellowships like those suggested by the consultants.

Asked by Mrs. Feves and Mr. Anderson about the dollar figure to which he was alluding, Dean Baldwin asserted that it is the net amount which the student is offered by the institution, taking into account the stipend offered and the tuition and fee charges, if any, that determines the fiscal advantages to the student. He noted that the fellowship stipends at the University of Illinois are $5,200; at the University of Oregon they are, for the entering graduate student, $3,300 plus probably summer employment contingent upon the availability of research grants. This works out to a total of a little more than $4,000. So the differential is not large, but it is important in the recruitment of the top students.

Dean Baldwin observed that throughout the consultants' reports recognition is given to the amalgamation of teaching and research responsibilities. This, he said, was enormously encouraging because so often one hears comments implying that research is being done at the expense of teaching responsibilities or vice versa. The consultants' reports properly recognize that the two are so intertwined that one can't sensibly plan for or strive for, excellent qualities in one sphere at the expense of the other. They must go hand-in-hand. He said that some increase in funds in support of a few major fellowships would constitute a message from the Board of Higher Education to faculties and to citizens generally in Oregon that this intertwined characteristic of advanced scholarly work and teaching that is characteristic of the program is recognized, supported, and appreciated by the Board. This would do a great deal for morale of the faculties. He agreed, he said, with Mr. Harms that the consultants' reports should be given wide publicity in the state.

Mr. Wyss said that along with the money, it is important that the young scholar feel he is entering a community of scholars that is respected and prestigious. He asked if there was anything that could be done by the Board to help make the quality of Oregon's programs better known.

Dr. Baldwin said the specific areas of strength of graduate programs is generally known to faculty members throughout the country through their professional ties. A senior considering graduate work will know either through his/her own reading of the literature or in consultation with faculty the institutions he really ought to consider. The student then writes these institutions to request information and it is at this point that the student's relationship with the institution takes over from the initial recommendation of the faculty advisor. If in the case of the very best students we were able to contact them and say not only would we be delighted to have you come to our campus, but in view of your strong record we would like to offer you an unusually fine award, it would cost a little more, he said, but by being special and being long term, it would pay dividends in the students we could attract.

Mr. Anderson asked if the report of the consultants would be of any help in talking with potential graduate students. Dr. Baldwin said he did not know, that the University of Oregon is receiving applications from good students and good people are coming. The institutions could not have the quality of programs evidenced in the report with third-rate graduate students, he observed.

Mrs. Carpenter asked if the $1 million being requested by the Board for nonsponsored research would provide funds for graduate awards. Chancellor Lieuallen said the institutions will make recommendations as to how the
funds can best be used, but it is the anticipation of the Board's Office that these will include the first three items in Item 3 of the Board's Office recommendation.

Vice President Richelle said the review of the Portland State University program in environmental sciences by such distinguished scientists had been invaluable to the institution and the program. The review was made somewhat difficult because Portland State University first had to convince physicists that it was doing good physics, then chemists that it was doing good chemistry and then biologists that it was doing good biology. Having established these facts, the program had to demonstrate to each group of consultants what the interdisciplinary program was really like. Portland State University was very pleased with the results of the review. What was particularly encouraging, Dr. Richelle said, was the consultants' statement that external support would be forthcoming as the program developed. He said the environmental sciences program now attracts close to $1 million annually in grant support. The level of support from outside sources has increased by 200 percent since 1975 and the rate of growth is still accelerating.

Vice President Richelle said Portland State University's problems in providing support for teaching and research assistants, in attracting outstanding students, and equipment were the same as those in the other institutions but perhaps even more acute, and emphasized the importance to the programs of the additional state support being requested by the Board.

Mr. Harms moved approval of the staff recommendation. The motion was approved unanimously.

Mrs. Feves asked if there were some way the report on these programs could be summarized and made available as a companion report to the Board's report on graduate education. She said she felt the summary of these reviews was somewhat buried in the graduate report and it was important that those in the Legislature and others who are interested in reading the reviews have the information available.

Dr. Romney said the Board's staff would be happy to do this.

Board Discussion and Action

Mr. Harms emphasized the positive nature of the review of the graduate programs in physics, chemistry, and biology, citing specific comments from the report. He mentioned that these departments in all three institutions were rated from good to superb.

Mr. Harms moved that the Board approve the staff recommendations as presented and that in addition, the faculties concerned be informed that the Board was aware that they were doing a great job, that the recognition is deserved, and it is hoped that help is on the way.

President Perry concurred in the addition to the staff recommendations and said the commendation was long overdue.

Mr. Ater said a short summary similar to that presented by Mr. Harms should be available to members of the Legislature and the Executive Department. Mr. Ater suggested that a shortened version, with selected quotations, be forwarded to them.

Mrs. Feves said the Committee had already made that request.

Mr. Harms said there had been good newspaper reports in several papers on the review of these programs. However, there was one inference that perhaps there had been some lack of state support by the universities and the State System. He said if that condition has existed in the past, the
faculties should be aware that it would not continue in the future. In addition, Mr. Harms noted that the faculties were competitive but at the expense of equipment replacement. This points up the necessity for some additional state support for equipment replacement as requested in the 1979-1981 budget.

Mr. Perry called attention to the statement concerning the matter of duplication in light of recent concerns expressed by the Educational Coordinating Commission.

Mrs. Carpenter said it had been indicated that Oregon State University had done an incredible job of teaching 2,500 freshman chemistry students. In doing so, however, teaching assistants were often overworked and unable to advance their own studies as rapidly as they should. Efforts to alleviate this problem are under way. It was also stated that faculty members have contributed from their own salaries to bring very special teaching assistants or doctoral candidates to the campus.

The Board approved the motion by Mr. Harms, with the following voting in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Thorp, Wyss, and Perry. Those voting no: None.

Board Response to State-wide Study on Continued Professional Development of School Personnel

(Considered by Committee on Instruction, Research, and Public Service Programs June 23, 1978; present--Carpenter, Feves, Anderson, Daniels Harms, and Wyss.)

The report of the profession-wide study group, "Getting More From Our Schools: Policy and Procedural Recommendations for the Continued Professional Development of School Personnel in Oregon," has been completed and is being presented to participating boards, agencies, organizations, and institutions for their reaction and response.

A preliminary report drafted by the Study Group was presented to the Board's Committee on Instruction, Research, and Public Service Programs at its December 16, 1977, meeting. A number of questions and issues were raised by the Committee. The salient points in the Committee discussion were reported to the full Board at its January 27, 1978, meeting.

The Study Group received numerous responses, formal and informal, concerning the draft report from participating agencies and organizations. Various suggestions and reactions were carefully considered by the group and the recommendations in the present report are the result of this review and refinement process. They represent a considerable change from the recommendations in the preliminary report. However, as they now stand, they are fully supported by the Study Group members.

Recommendations of the report are summarized in the Board's Office recommendations, below. The complete report of the Study Group, dated June 5, 1978, is on file in the Board's Office.

Board's Office Recommendations

The Study Group recommendations have significant implications for the various agencies and organizations involved with the public schools in their role of providing services and programs for the continued professional development of school personnel. We focus here on the implications for the role of the colleges and universities.

The plan of support for the continued professional development of school personnel in Oregon presented by the Study Group and the need to use effectively the resources of the colleges and universities in helping implement the plan, leads the Board's Office to make the following recommendations:
1. That the Board of Higher Education encourage the state agencies and colleges and universities to continue their efforts to strengthen advanced study certification programs for the continued professional development of school personnel through such avenues as the following: (a) assuring greater cooperation with local school districts in the design of these programs; (b) providing sufficient flexibility to allow for the program to be responsive to the needs and experience of the individuals involved; and (c) to the extent appropriate and feasible, offering programs at local and regional sites as well as on campus.

The Study Committee strongly supports the idea that to continue practicing in the profession, certificated school personnel should continue to demonstrate their ability to perform the functions expected of them; that the state should continue to maintain a certification structure that periodically requires evidence of these achievements and capabilities to be assembled and reviewed, and that permits only those persons to continue working in school settings whose certificates are continued on the basis of this evidence.

The main purpose of advanced study programs for the continued professional development of school personnel traditionally has been to help such personnel to keep up with recognized developments in their areas of specialization and to assist them in becoming true "professionals," bringing a broad background of knowledge and understanding and a keen perception of the problems and issues of society into the classroom.

This purpose is still valid. However, advanced study programs have been widely criticized, e.g., for being "irrelevant," "too concerned with theory," "too campus-bound."

Suggestions for the improvement of advanced certification programs represent the directions in which the colleges and divisions of education are already moving. The establishment of consortia involving school districts, intermediate education districts, and teacher education institutions; the increased emphasis on field application in advanced as well as preservice programs; and some extension and strengthening of off-campus offerings, are an indication of progress being made in giving a new vitality to advanced study programs.

The need for more off-campus advanced study offerings is not only a matter of providing greater accessibility to courses and programs, but also for making such offerings more relevant to what is happening in the schools.

However, colleges and universities have been limited in the extent to which they can offer programs off-campus. Being oriented toward campus instruction, it has been difficult for the institutions to participate in educational experiences offered off-campus at the district level.

Recent Board-approved modifications in State System policies with respect to off-campus instruction will greatly improve this situation. The modified policies provide for funding off-campus enrollments in the same manner as for on-campus enrollments. If approved by the 1979 Legislature, off-campus enrollments could be counted toward funding entitlements for the institutions and in projecting enrollments for the institutions in succeeding years. These policies will greatly facilitate efforts of the colleges and divisions of education in extending and strengthening their off-campus programs and in making the programs less "campus-bound."
2. That the Board of Higher Education acknowledge the important role the colleges and universities can and should play as one of the sources of assistance to school districts and district consortia in providing local district inservice educational programs for school personnel.

To assure more effective staff development programs in local districts, the study report emphasizes that ways must be found to help districts to be aware of the full range of resources available to them, and to help them gain access to these resources as needed.

Colleges and universities constitute one of the major resources for providing off-campus assistance to schools in their staff development efforts. This assistance usually takes the form of on-site workshops, special programs, or consultative services provided by college and university personnel. Such services, particularly if they are non-credit, are usually contracted for by the districts. It might be that in a particular program or activity, primarily designed to meet the inservice needs of the district (e.g., training in a particular method for the teaching of reading), the participants would be given the option of enrolling in the program for college credit. In such instances, the district(s) would either contract for the program, or if enough individuals are enrolled, the activity could be offered as an off-campus course for credit under the financial arrangements for off-campus offerings alluded to previously.

Obviously, there are limits to the extent to which institutions of higher education can be involved in school district inservice programs. However, the Study Committee is urging all the agencies involved with the public schools, including the colleges and universities, to extend and strengthen their inservice services to the districts.

3. That the Board of Higher Education encourage the colleges and universities to assist the Oregon Board of Education in setting up demonstration projects and conducting studies that will yield information concerning the nature and design of effective and cost-efficient local staff development programs.

The Study Group report stresses the need for more evidence of the effectiveness of school staff development programs and the ingredients that make them effective. Comparative studies are needed of the costs and benefits of alternative designs, systems of support, and methods of providing for local staff development programs.

It is proposed to set up several demonstration staff development projects illustrating various kinds of cooperative arrangements among school districts, intermediate education districts, institutions of higher education, and the State Department of Education, for providing services and programs and testing their cost and effectiveness.

The State Department of Education has proposed $225,000 in its budget for 1978-79 in support of these demonstration projects.

4. That the Board of Higher Education, in cooperation with the Board of Education, and the Educational Coordinating Commission, establish a task force with the needed professional and fiscal expertise to carry out a study of alternative approaches to funding programs of continued professional development for public school personnel, the study to include: (a) present funding practices, (b) alternative funding practices, and (c) guidelines for the funding of continued professional development for school personnel.

The Study Group engaged in considerable discussion about the funding of continued professional development programs and activities for school personnel, but did not arrive at a finished set of guidelines for
such funding. There was agreement that funding guidelines should be based on and reflect the purpose and the type of the activity being pursued. Does the activity primarily meet district needs? state needs? federal requirements? or a combination of needs? Is the activity initiated primarily by the individual, e.g., seeking a certificate preparing for a new type of position, professional advancement?

Also a distinction must be made as to whether the activity is "in-service" (i.e., carried on in the local district) or whether the activity is part of an advanced study program taken for credit.

The Study Committee made a study of present funding of continued professional development activities in Oregon. However, more adequate and comprehensive data are needed, including more information about funding practices in other states. Various alternatives and models for funding continued professional development programs need examination. This additional information and analysis would then form the basis for the formulation of guidelines for funding continued professional development programs.

This task is to be undertaken by a specially designated group consisting of individuals with the necessary background and expertise to undertake this complex and difficult assignment.

5. That the Board of Higher Education act as one of several cooperating agencies (e.g., Oregon Board of Education, Oregon Educational Coordinating Commission, and Teacher Standards and Practices Commission) to establish an Inter-Agency Council, consisting of one representative from each of the participating bodies to perform such functions as the following:
   (a) help coordinate services offered by the various institutions and agencies for the continued professional development of school personnel.
   (b) facilitate communication among institutions and agencies involved in the provision of continued professional development programs.
   (c) serve in an advisory role to those agencies and institutions.
   (d) informally monitor progress made in the statewide effort to facilitate and strengthen continued professional development programs for school personnel.

The Study Committee felt that it was important that there be continued opportunity for the various institutions and agencies to communicate and interact concerning the problems and issues surrounding the development and implementation of effective continued professional development programs. The Study Committee feels that the proposed Inter-Agency Council should facilitate such exchange and interaction.

Committee Discussion and Recommendation

Dr. Rempel reviewed the Study Group report. He noted several significant differences between the present report and the earlier draft report reviewed by the Committee in December.

Recommendations in the present report are directed toward helping districts improve their staff development programs rather than imposing new requirements.

The report continues to use the term continued professional development (CPD) for all activities designed to promote professional growth subsequent to entry into the profession, but more clearly distinguishes between the two categories of CPD activities, namely (1) in-service studies (usually non-credit) designed to satisfy specific staff development needs of a district; and (2) advanced studies, usually offered for credit by institutions of higher education.
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The report places more emphasis than did the earlier report on development of information on (1) the nature and design of effective and cost-efficient local staff development programs, and (2) on alternative approaches to funding continued professional development.

Dr. Schalock noted the Study Group calls for establishment of an inter-agency council to provide a continuing forum similar to the Study Group. He said agencies and organizations reviewing the report are being asked to take specific action concerning this recommendation and, if they indicate a willingness to appoint a representative to the council, to agree to pay the expenses involved in that person's attending meetings of the council and to contribute $100 per year toward the operation of the council.

Dr. Schalock said he would also like to report that the State Department of Education has received a grant from the Teacher Corps to join with New York, West Virginia, and Michigan in a project in the area of continuing professional development similar to what is being proposed for Oregon. This grant will provide funds and a ready-made vehicle to continue some of the work to be undertaken by the proposed council during the next year.

Dean Gilberts said he felt one of the most significant benefits from the work of the Study Group is that a beginning has been made in getting an organizational structure which will provide Oregon with an overall framework for utilizing various resources in a more effective manner than has been possible on a catch-as-catch-can basis. He said the proposals of the Study Group, if implemented, would improve not only the general quality of staff development programs in the public schools but the advanced degree programs and inservice education offerings of higher education as well. He said he was convinced the plan could be made to work. A very important facilitating first step has already been taken, he said, by the decision of the Board to seek authorization of the Legislature for state funding for on-site credit instruction. It is also going to be necessary, if the State System schools are going to be involved with the school districts in contractual kinds of activities, for some system to be devised to provide continuity of funding of a resource base which will provide the institutions with capability to plan and deliver these services. This might be some kind of on-going contractual financial arrangement so that the institution has the continuity of financing necessary to prepare programs and staff for them. There is no way these services can be provided on a strictly year-to-year basis he said.

Dean Gilberts illustrated the problem by saying suppose the Eugene Public School District decides it needs to improve its reading instruction program over the next three to five years. This is an appropriate illustration he said because the district just completed a major study of its reading program and identified some rather serious weaknesses relating to administrative competencies and skills, teacher competencies and skills, and curricular design. The likelihood that the Eugene Public Schools could by itself put together the instructional resources necessary to provide training programs to correct these deficiencies is very limited, he said. The University of Oregon College of Education staff, too, is barely holding its own in terms of direct instructional requirements. But if the University had some kind of contractual commitment from the Eugene Public Schools and a one-or two-year lead time, it could begin bringing people in from the public schools in advanced training programs who in turn would participate in program and staff development activities. This has a multiple payoff, he continued, (1) the College gets funds to support people in advanced training programs, (2) we are involved as an institution in the business of improvement of instruction which, presumably, is one of the purposes of the College, and (3) the public schools are helped with their problem. However, Dean Gilbert said, unless he can be assured that there will be continuity of funding for the project over a two- or three-year period, he cannot sensibly staff or design the kind of programs which will be of assistance.
Dr. Sampson said nationally among teacher educators there was a strong feeling that society cannot rely only on the inservice education, which tends to be field-based and directed to the day-to-day needs teachers feel, for the continued professional development of teaching personnel. At some point the teacher should step back and look at the whole range of teaching activities, he said, because without a sound foundation in theory, results of inservice education are apt to be pretty flimsy and inconsistent.

He said one of the problems to be addressed by the proposed council will be the development of more interinstitutional collaboration. He said Eastern Oregon and Southern Oregon State Colleges do not have the comprehensive staffing found in the three universities and Oregon College of Education and there is no way these smaller institutions by themselves can provide all the services needed by the regions they serve most directly. Dr. Sampson noted that the Study Group proposal has been reviewed very carefully by the Oregon Association of Colleges for Teacher Education, with membership of all 14 institutions in the state preparing teachers, and has the full endorsement and solid commitment of this group.

Dean Petrie said Portland State University's experience with a Teacher Corps-financed project with the Portland Public Schools has demonstrated that participation of an institution in inservice education must be funded over a period of time and cannot be done on a course by course approach. Unless these kinds of financial arrangements can be developed, he said, the districts and the institutions will lose the expertise they have developed under federally funded projects.

Mr. Wyss recalled that in the December discussion of the Study Group's draft recommendations, concern had been expressed about whether leadership in the development of continuing professional development programs would be from higher education or from clientele groups. He said there was considerable evidence that school districts and teachers in the past have not always found higher education sensitive to their needs. He said he had the uncomfortable feeling that whatever leadership was being provided by higher education might be coming from the wrong place.

Dr. Rempel said advanced study programs, which offer credits toward advanced certification and degrees, would continue to be the responsibility of institutions of higher education. The Study Group recommendations are directed toward strengthening these programs by providing more extensive involvement in the field.

Inservice district activities are now funded by the districts in the amount of approximately $15 million per year, Dr. Rempel continued. The concern here is that these activities are now pretty much left to the initiative of individual districts. The proposals of the Study Group are directed toward providing a framework within which the various agencies and organizations in the state can cooperate in making these activities more effective. At present, he said, there are no guidelines as to how continuing professional education activities should be funded, and districts often have little idea of the resources which are available or how to tap these resources in the planning and delivery of programs.

Mr. Wyss noted that there might be as much as $40 million now being spent in the state on continuing professional development activities, some of it duplicative, some of it which could be more wisely spent, some which might be saved. If this is true, he continued, the council appears to be a rather specific bureaucracy. Where is the leadership for the council to come from, he asked. Is it going to be the stepchild of higher education? If this is the case, he said, he personally felt the work of the council would be somewhat sabotaged. Moreover, he said, he did not see use of higher education dollars to fund this coordinative activity.

Dr. Rempel responded that the Study Group wanted very much to avoid setting up another layer of bureaucracy, but rather envisioned a body which would act as a stimulant, coordinator, catalytic agent, and forum for
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exchange of information, but which in no sense would have any regulatory power. The Group proposes that the council have a very small budget, provided by the $100 per year contribution from member bodies, and that it rely on the participating regulatory agencies to rotate provision of staff services. The State Department of Education has volunteered to provide staff services the first year.

Dr. Romney said it had been his observation that members of the teaching profession and the school boards, who are the beneficiaries of in-service education, have wanted an increasing role in defining their interests and needs. He said he would guess that representatives of these groups would have a very strong voice in the council in defining the kinds of in-service activities they want, and would become even more active than they have been in the past in discussing with the teacher education institutions the kinds of programs offered as part of the formal certification requirements set down by the Teacher Standards and Practices Commission. Dr. Romney said the proposed council is an extension of what has been developing in teacher education in recent years in a series of consortia involving teacher education institutions and public schools.

Mrs. Carpenter said she saw the recommendations of the Study Group as a development of enormous importance to the State of Oregon, which will provide a more professional basis for decisions than do restrictive requirements. The proposed council represents a really remarkable kind of development, she concluded, a development which should be cherished.

Chancellor Lieuallen said he would like some clarification of two points raised in the discussions, (1) who is going to take the initiative in formation of the proposed council, and (2) is there any implication in the recommendations that some request will be made to the Legislature for funds for higher education's participation in in-service education over and above the funds that would come to it in support of credit work offered off-campus and by contractual arrangements with the school districts.

Dr. Rempel said that if there is agreement among the agencies that the council is a desirable body, the Study Group will take the initiative in asking the agencies to designate their representatives, and will call the first meeting. Insofar as a request to the Legislature is concerned, the group is not prepared in any way to make any recommendations whatsoever concerning any form of state funding.

Dr. Egge said he felt the funding question could best be answered by saying that it is imperative that Oregon demonstrate it can do a more effective job with the sources of funding for continuing professional development which already exist as identified by the Chancellor, before any request is made to the Legislature for additional operational monies.

Chancellor Lieuallen said then that if the Board of Higher Education approves the Study Group proposals, it does so without any commitment whatsoever to seek additional funds and that the funding contemplated is through the two devices just spoken to, namely the funding coming to the institutions for off-campus credit instruction and contractual arrangements with the school districts. He referred to the $100 annual contribution per agency for operating expenses of the council and asked what was an agency.

Dr. Rempel said the proposal is that the council consist of one representative from state colleges and universities, one representative from private colleges and one representative from the intermediate education districts, and universities, one representative each from the Chancellor's Office, the State Department of Education, the Educational Coordinating Commission, the Teacher Standards and Practices Commission, the Oregon Education Association, the School Boards Association, the Oregon Federation of Teachers, and the Confederation of School Administrators.
Dr. Egge commented in respect to Mr. Wyss's questions concerning leadership that those involved in the study were not interested at this stage in having a "lead dog," but would rather come down the road together. There are two functions to be performed in the proposed continued professional development system, he continued. One is needs identification, addressing the needs of individuals, school districts, regional needs, state needs, and the second is delivery. All of the groups and agencies identified in the study are going to have to be involved, he said. Some of this is already being done on a regional basis, he said, so there is one model of a vehicle available, but it needs to be nurtured.

Dr. Egge said he wished to express to the Board the appreciation of those in the Study Group for the initiative and leadership demonstrated by Dr. Vern Rempel, Dr. Del Schalock, and Dr. Bill Sampson in moving the study forward. He said the time was right for such an undertaking, and those involved were ready to participate, but the initiative had come from the deans and directors of teacher education in the state and Higher Education. He added that the State Board of Education and the Superintendent of Public Instruction have reviewed the work of the Study Group, are fully supportive of the recommendations, and would like to see the work move ahead.

Mr. Wyss commented that it appeared the Study Group had developed a plan without teeth. He noted also that the council would have to operate with a budget of only about $1,000 a year. Dr. Egge said this was true, but the document is a far stronger document than earlier more restrictive drafts in that it does reflect consensus. He said there would probably be times when the council would wish it had teeth, but some of its member organizations have teeth and the powers of these groups can be brought to bear where appropriate. Moreover, standing behind the council are the $15 million biennial budget of the Department of Education, the power of the Board of Education, and the over $1 million a year that is known to be directly involved in inservice education.

Mrs. Carpenter said she felt the Study Group had developed an extraordinarily mature approach to the problems of continuing professional development and the Board of Higher Education would undoubtedly wish to keep informed about the progress of the work. She said this might well be an appropriate item for discussion by the two boards at a joint meeting.

Mrs. Feves moved approval of the staff recommendation. Mr. Wyss noted that the Committee discussion had brought out information concerning funding of the council which was not included in the staff recommendation. He said he appreciated this information.

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

Board Discussion and Action

Mrs. Carpenter said the report sets forth a plan for cooperation in the continued professional development of teachers. All of the groups concerned have been working together for more than a year and have found the arrangement sufficiently advantageous to continue.

It was noted that the proposed funding would be very limited but this was viewed as being desirable. Major funding to oversee the development of models for the improvement of inservice teacher education may be forthcoming from a new federal grant to the State Department of Education.

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

$26,155,000
Advance Refunding Bonds

July 28, 1978

Staff Recommendation to the Board

Mr. Ross Hall, Controller, stated that on June 23, 1978, at an adjourned session of the Board meeting of May 26, 1978, the Board adopted resolutions authorizing the sale of the following three advance refunding bond issues:

- $16,665,000 Facilities Advance Refunding Bonds, Series 1978 A, Article XI-G
- $14,180,000 Building Advance Refunding Bonds, Series 1978 B, Article XI-F(1)
- $12,160,000 Community College and Education Center Advance Refunding Bonds, Series 1978 C, Article XI-G

Mr. Hall said that due to the deterioration in the bond market since June 23, 1978, some issues included in the previous resolutions no longer qualified for advance refunding and also that it was no longer planned to refund any of the XI-G Community College bonds. It was recommended that the Board adopt new resolutions to rescind the previously-adopted resolutions and to change the total amount and the issues designated for advance refunding. Mr. Hall distributed the advance refunding summary which appears below.

Advance Refunding Summary

<table>
<thead>
<tr>
<th>Series XI-F(1) Building Bonds</th>
<th>Original Proposal</th>
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<tr>
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<tr>
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* Savings Ratio

The following new resolutions were presented to the Board and adopted as indicated:

$13,405,000 FACILITIES ADVANCE REFUNDING BONDS, SERIES 1978 A

RESOLUTION

WHEREAS, THE STATE BOARD OF HIGHER EDUCATION finds that bond market conditions have changed since June 23, 1978; and,
WHEREAS, certain Article XI-G general obligation Facilities Bond issues which were designated for advance refunding on June 23, 1978, no longer meet the State Treasurer's criteria for advance refunding; and

WHEREAS, significant savings in debt service may still be obtained by advance refunding its Article XI-G general obligation Facilities Bonds, Series 1970, which are dated January 15, 1970 (the "1970 Bonds"); and its Article XI-G general obligation Facilities Bonds, Series 1975 F, which are dated September 15, 1975 (the "1975 F Bonds"); (collectively the "Refunded Bonds"); and

WHEREAS, $12,400,000 in aggregate principal amount of the Refunded Bonds remain outstanding; and

WHEREAS, ORS 288.620 requires an advance refunding plan for the Refunded Bonds to be submitted to the office of the Treasurer of the State of Oregon; now, therefore,

BE IT RESOLVED BY THE STATE BOARD OF HIGHER EDUCATION OF THE STATE OF OREGON:


Section 2. Advance Refunding Plan. The financial consultant, Foster and Marshall Inc., shall submit an advance refunding plan for the Refunded Bonds to the State Treasurer on behalf of the Board.

Section 3. The Bonds. For the aforesaid purposes, the Board, with the approval of the State Treasurer of the State of Oregon, shall issue approximately Thirteen Million Four Hundred Five Thousand Dollars ($13,405,000) of general obligation advance refunding bonds, to be known as Facilities Advance Refunding Bonds, Series 1978 A (the "Bonds"). The Bonds will be dated July 15, 1978, will be in denominations of $5,000 each (except bond number one, which may be a smaller denomination), will be numbered consecutively, will bear interest payable semi-annually on January 15 and July 15 commencing January 15, 1979, and will mature serially in numerical order on the 15th day of January as follows, subject to adjustment as explained below:

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<td>590,000</td>
<td>2005</td>
<td>90,000</td>
</tr>
<tr>
<td>1992</td>
<td>620,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Board reserves the right to add to or subtract from any maturity or amounts sufficient to accomplish the refunding. The final maturity schedule will be computed so as to result in approximately equal adjustments to each maturity.

Section 4. Redemption. The Board reserves the right, at its option, to redeem all Bonds maturing after January 15, 1989, in inverse numerical order at par plus accrued interest on January 15, 1989, and on any interest payment date.
thereafter, upon notice given by the Treasurer of the State of Oregon at least thirty (30) days prior to the date fixed for redemption. Notice shall be given by publication in one issue of a newspaper or financial journal of general circulation printed and published within the City and State of New York, and in one issue of a newspaper printed and published within the City of Salem. Interest on the Bonds called for payment shall cease upon the date designated in the notice.

Section 5. Execution of Bonds. Each Bond shall be executed with the facsimile signatures of the Governor and the Secretary of State of the State of Oregon, and with the manual signature of the Treasurer of the State of Oregon. The Bonds shall bear the seal of the State of Oregon. The coupons shall bear the facsimile signatures of the Governor, the Secretary of State, and the Treasurer.

Section 6. Use of Proceeds. The proceeds of the sale of the Bonds shall be applied as follows:

(a) As provided in the Escrow Deposit Agreement to be executed by the Board as of July 15, 1978, there will be deposited in the Escrow Deposit Fund an amount necessary to purchase government obligations, the maturing principal and interest of which will be sufficient to pay the principal of and interest on the outstanding Refunded Bonds as they mature or are called for redemption in accordance with this resolution.

(b) The balance of the Bond proceeds shall be used to pay issuance costs and related expenses for the Bonds. Any proceeds remaining after payment of these costs and expenses shall be deposited in the sinking fund established pursuant to law for the Bonds.

The proceeds of the Bonds shall be used and invested in such fashion that the Bonds shall not become "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and the regulations issued thereunder.

Section 7. Bond Form. The Bonds and interest coupons shall be in substantially the following form:

<table>
<thead>
<tr>
<th>Number</th>
<th>UNITED STATES OF AMERICA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>STATE OF OREGON</td>
</tr>
<tr>
<td></td>
<td>STATE BOARD OF HIGHER EDUCATION</td>
</tr>
<tr>
<td></td>
<td>FACILITIES ADVANCE REFUNDING BOND</td>
</tr>
<tr>
<td></td>
<td>SERIES 1978 A</td>
</tr>
<tr>
<td>$5,000</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

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

The bonds of the issue of which this bond forms a part maturing after January 15, 1989, may be redeemed at the option of the State of Oregon, on January 15, 1989, and on any interest-paying day or days thereafter, at plus interest accrued to the date fixed for redemption, in inverse numerical order, in whole or in part, upon notice given by the Treasurer of the State of Oregon at least thirty (30) days prior to the redemption date. Notice
shall be given by publication in one issue of a newspaper or financial
journal of general circulation printed and published within the City and
State of New York, and one issue of a newspaper of general circulation
published within the City of Salem, Oregon. From the date of redemption
designated in any such notice, interest on the bonds so called for redemp-
tion shall cease.

This bond is one of an issue of Facilities Advance Refunding Bonds aggregat-
gating ___ Dollars in principal amount, and is issued to
refund and refinance an aggregate of $12,400,000 of Facilities Bonds which
were issued on January 15, 1970, and September 15, 1975.

This bond is issued by the State of Oregon in conformance to its Constitu-
tion and under and by virtue of and in all respects in full and strict com-
pliance with its laws, and in particular Article XI-G of the Oregon Consti-
tution, ORS Chapter 351, and ORS 288.605 to 288.695 (the Advance Refinancing

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

IN TESTIMONY WHEREOF, the STATE OF OREGON has caused this bond to be ex-
cuted with the facsimile signatures of the Governor and the Secretary of
State and with the manual signature of the State Treasurer, and to be
sealed with the seal of the State of Oregon, and has caused the annexed
interest coupons to be executed with the facsimile signatures of these
officers, all as of the 15th day of July, 1978.

Governor
(SEAL)

Secretary of State

State Treasurer

FORM OF COUPON

(For coupons maturing from January 15,
1979, to and including January 15, 1989)

No. ____ On the fifteenth day of ____________, 19___,
$____ DOLLARS
THE STATE OF OREGON will pay the bearer

at the Fiscal Agency of the State of Oregon, in the City and
State of New York, in any coin or currency which, at the time
of payment, is legal tender for the payment of public and
private debts within the United States of America, for
interest then due on the State of Oregon, State Board of
Higher Education Facilities Advance Refunding Bond, Series
1978 A, No. ________.

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

(For coupons maturing on and after July 15, 1989)
On the fifteenth day of July, 1978, unless the bond hereinafter designated shall have been called for previous redemption and due provision made for the payment thereof, THE STATE OF OREGON will pay the bearer $__________ at the Fiscal Agency of the State of Oregon, in the City and State of New York, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America, for interest then due on the State of Oregon, State Board of Higher Education Facilities Advance Refunding Bond, Series 1978 A, No. ________.

(facsimile) (facsimile) (facsimile)

State Treasurer Secretary of State Governor

The foregoing bond and coupon forms hereby are approved as to legal form this ________ day of July, 1978.

JAMES A. REDDEN, Attorney General of the State of Oregon

Section 8. Sale of Bonds. The Bonds shall be sold on or about August 9, 1978, at a price of not less than ninety-eight percent (98%) of their par value. The Notice of Bond Sale shall be published on July 28, 1978, in the Daily Bond P and The Daily Journal of Commerce.

Section 9. Official Statement. The financial consultant is authorized to make an amended preliminary Official Statement available to prospective bidders. When advised by staff that the final Official Statement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained in the Official Statement not misleading in light of the circumstances with which they were made, the Vice Chancellor for Administration of the State Board of Higher Education or the Secretary may certify the accuracy of the Official Statement on behalf of the Board.

Section 10. Escrow Deposit Agreement. The Vice Chancellor for Administration or the Secretary is authorized to execute the Escrow Deposit Agreement when advised by Bond Counsel that the Escrow Deposit Agreement and attached schedules are correct and in proper form for execution.

Section 11. Additional Documents. The Vice Chancellor for Administration or the Secretary is authorized to execute any and all additional documents which may reasonably be required to issue, sell and deliver the bonds.

Section 12. Redemption of Refunded Bonds. The 1970 Bonds are hereby designated for redemption on January 15, 1985. The 1975 F Bonds are hereby designated for redemption on March 15, 1990. The escrow agent shall cause notices of redemption to be given in the manner provided by law, and in accordance with the instructions contained in the Escrow Deposit Agreement. This designation shall be deemed revoked if the sale of the Bonds is not closed prior to September 1, 1978.

Section 13. Temporary Bond. The Board may issue and deliver a temporary bond. The temporary bond shall be registered in the name of the purchaser, shall bear a principal amount equal to the final, adjusted principal amount of the Bond, shall bear interest for each principal maturity at the rate specified by the
successful bidder for the coupon Bonds maturing in those years, shall be executed with the manual signatures of the Governor, Secretary of State and Treasurer of the State of Oregon, shall be otherwise similar in form to the coupon Bonds, and shall be exchangeable for definitive coupon Bonds as provided in the notice of sale.

Board Discussion and Action

Upon motion by Mr. Ater, the Board approved the recommendation and duly adopted the above resolution as presented, with the following voting in favor: Directors Ater, Carpenter, Feves, Hams, Ingalls, Moore, Thorp, Wyss, and Perry. Mr. Anderson and Mr. Batiste were absent. Those voting no: None.

The President of the Board thereupon declared the resolution duly adopted by a unanimous vote.

$12,750,000 BUILDING ADVANCE REFUNDING BONDS, SERIES 1978 B

RESOLUTION

WHEREAS, THE STATE BOARD OF HIGHER EDUCATION finds that bond market conditions have changed since June 23, 1978; and,

WHEREAS, certain Article XI-F(1) general obligation Building Bond issues which were designated for advance refunding on June 23, 1978, no longer meet the State Treasurer's criteria for advance refunding; and

WHEREAS, significant savings in debt service may still be obtained by advance refunding its Article XI-F(1) general obligation Building Bonds, Series 1970 A, which are dated January 15, 1970 (the "1970 A Bonds"); its Article XI-F(1) general obligation Building Bonds, Series 1975 A, which are dated April 15, 1975 (the "1975 A Bonds"); and its Article XI-F(1) general obligation Building Bonds, Series 1975 C, which are dated July 15, 1975 (the "1975 C Bonds"); (collectively the "Refunded Bonds"); and

WHEREAS, $13,035,000 in aggregate principal amount of the Refunded Bonds remain outstanding; and

WHEREAS, ORS 288.620 requires an advance refunding plan for the Refunded Bonds to be submitted to the office of the Treasurer of the State of Oregon; now, therefore,

BE IT RESOLVED BY THE STATE BOARD OF HIGHER EDUCATION OF THE STATE OF OREGON:


Section 2. Advance Refunding Plan. The financial consultant, Foster and Marshall Inc., shall submit an advance refunding plan for the Refunded Bonds to the State Treasurer on behalf of the Board.

Section 3. The Bonds. For the aforesaid purposes, the Board, with the approval of the State Treasurer of the State of Oregon, shall issue approximately TWELVE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS ($12,750,000) of general obligation advance refunding bonds, to be known as Building Advance Refunding Bonds, Series 1978 B (the "Bonds"). The Bonds will be dated August 15, 1978, will be in denominations of $5,000 each (except bond number one, which may be a smaller denomination), will be numbered consecutively, will bear interest payable semi-annually on January 15 and July 15 commencing January 15, 1979, and will mature serially in numerical order on the 15th day of January as follows, subject to adjustment as explained below:
<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Amount</th>
<th>Maturity Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982</td>
<td>$385,000</td>
<td>1994</td>
<td>$700,000</td>
</tr>
<tr>
<td>1983</td>
<td>395,000</td>
<td>1995</td>
<td>750,000</td>
</tr>
<tr>
<td>1984</td>
<td>420,000</td>
<td>1996</td>
<td>785,000</td>
</tr>
<tr>
<td>1985</td>
<td>445,000</td>
<td>1997</td>
<td>540,000</td>
</tr>
<tr>
<td>1986</td>
<td>460,000</td>
<td>1998</td>
<td>565,000</td>
</tr>
<tr>
<td>1987</td>
<td>485,000</td>
<td>1999</td>
<td>605,000</td>
</tr>
<tr>
<td>1988</td>
<td>515,000</td>
<td>2000</td>
<td>630,000</td>
</tr>
<tr>
<td>1989</td>
<td>540,000</td>
<td>2001</td>
<td>370,000</td>
</tr>
<tr>
<td>1990</td>
<td>570,000</td>
<td>2002</td>
<td>385,000</td>
</tr>
<tr>
<td>1991</td>
<td>600,000</td>
<td>2003</td>
<td>405,000</td>
</tr>
<tr>
<td>1992</td>
<td>640,000</td>
<td>2004</td>
<td>435,000</td>
</tr>
<tr>
<td>1993</td>
<td>675,000</td>
<td>2005</td>
<td>450,000</td>
</tr>
</tbody>
</table>

The Board reserves the right to add to or subtract from any maturity or maturities amounts sufficient to accomplish the refunding. The final maturity schedule will be computed so as to result in approximately equal adjustments to each maturity.

Section 4. Redemption. The Board reserves the right, at its option, to redeem all Bonds maturing after January 15, 1990, in inverse numerical order at par plus accrued interest on January 15, 1990, and on any interest payment date thereafter, upon notice given by the Treasurer of the State of Oregon at least thirty (30) days prior to the date fixed for redemption. Notice shall be given by publication in one issue of a newspaper or financial journal of general circulation printed and published within the City and State of New York, and in one issue of a newspaper printed and published within the City of Salem. Interest upon the Bonds called for payment shall cease upon the date designated in the notice.

Section 5. Execution of Bonds. Each Bond shall be executed with the facsimile signatures of the Governor and the Secretary of State of the State of Oregon, and with the manual signature of the Treasurer of the State of Oregon. The Bonds shall bear the seal of the State of Oregon. The coupons shall bear the facsimile signatures of the Governor, the Secretary of State, and the Treasurer.

Section 6. Use of Proceeds. The proceeds of the sale of the Bonds shall be applied as follows:

(a) As provided in the Escrow Deposit Agreement to be executed by the Board as of August 15, 1978, there will be deposited in the Escrow Deposit Fund an amount necessary to purchase government obligations, the maturing principal and interest of which will be sufficient to pay the principal of and interest on the outstanding Refunded Bonds as they mature or are called for redemption in accordance with this resolution.

(b) The balance of the Bond proceeds shall be used to pay issuance costs and related expenses for the Bonds. Any proceeds remaining after payment of these costs and expenses shall be deposited in the sinking fund established pursuant to law for the Bonds.

The proceeds of the Bonds shall be used and invested in such fashion that the Bonds shall not become "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and the regulations issued thereunder.

Section 7. Bond Form. The Bonds and interest coupons shall be in substantially the following form:
KNOW ALL MEN BY THESE PRESENTS, that the STATE OF OREGON acknowledges itself to owe and for value received hereby promises to pay to bearer the principal sum of $5,000 on the fifteenth day of January, 1979, with interest on said sum from the date hereof until paid, at the rate of 8% per annum, payable semiannually on the fifteenth day of January and the fifteenth day of July in each year, as evidenced by, and upon the presentation and surrender of, the interest coupons hereto annexed as they severally become due. Both the principal of and the interest on this bond are payable at the Fiscal Agency of the State of Oregon, in the City and State of New York, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America.

The bonds of the issue of which this bond forms a part maturing after January 15, 1990, may be redeemed at the option of the State of Oregon, on January 15, 1990, and on any interest-paying day or days thereafter, at par plus interest accrued to the date fixed for redemption, in inverse numerical order, in whole or in part, upon notice given by the Treasurer of the State of Oregon at least thirty (30) days prior to the redemption date. Notice shall be given by publication in one issue of a newspaper or financial journal of general circulation printed and published within the City and State of New York, and one issue of a newspaper of general circulation published within the City of Salem, Oregon. From the date of redemption designated in any such notice, interest on the bonds so called for redemption shall cease.

This bond is one of an issue of Building Advance Refunding Bonds aggregating $13,035,000 in principal amount, and is issued to refund and refinance an aggregate of $13,035,000 of Building Bonds which were issued on January 15, 1970, April 15, 1975, and July 15, 1975.

This bond is issued by the State of Oregon in conformance to its Constitution and under and by virtue of and in all respects in full and strict compliance with its laws, and in particular Article XI-F(1) of the Oregon Constitution, ORS Chapter 351, and ORS 288.605 to 288.695 (the Advance Refinancing and Refunding Bond Act of 1977).

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

IN TESTIMONY WHEREOF, the STATE OF OREGON has caused this bond to be executed with the facsimile signatures of the Governor and the Secretary of State and with the manual signature of the State Treasurer, and to be sealed with the seal of the State of Oregon, and has caused the annexed interest coupons to be executed with the facsimile signatures of those officers, all as of the 15th day of August, 1978.

Governor  
(SEAL)

Secretary of State

State Treasurer
FORM OF COUPON

(For coupons maturing from January 15, 1979, to and including January 15, 1990)

No. ______ On the fifteenth day of ______, 19___, THE STATE OF OREGON will pay the bearer $ ______

at the Fiscal Agency of the State of Oregon, in the City and State of New York, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America, for interest then due on the State of Oregon, State Board of Higher Education Building Advance Refunding Bond, Series 1978 B, No. ______.

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

(For coupons maturing on and after July 15, 1990)

No. ______ On the fifteenth day of ______, 19___, unless the bond hereinafter designated shall have been called for previous redemption and due provision made for the payment thereof, THE STATE OF OREGON will pay the bearer $ ______

at the Fiscal Agency of the State of Oregon, in the City and State of New York, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America, for interest then due on the State of Oregon, State Board of Higher Education Building Advance Refunding Bond, Series 1978 B, No. ______.

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

The foregoing bond and coupon forms hereby are approved as to legal form this ______ day of ______, 1978.

JAMES A. REDDEN, Attorney General of the State of Oregon

Section 8. Sale of Bonds. The Bonds shall be sold on or about August 9, 1978, at a price of not less than ninety-eight percent (98%) of their par value. The Notice of Bond Sale shall be published on July 28, 1978, in The Daily Bond Buyer and The Daily Journal of Commerce.

Section 9. Official Statement. The financial consultant is authorized to make an amended preliminary Official Statement available to prospective bidders. When advised by staff that the final Official Statement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained in the Official Statement not misleading in light of the circumstances with which they were made, the Vice Chancellor for Administration of the State Board of Higher Education or the Secretary may certify the accuracy of the Official Statement on behalf of the Board.

Section 10. Escrow Deposit Agreement. The Vice Chancellor for Administration or the Secretary is authorized to execute the Escrow Deposit Agreement when
advised by Bond Counsel that the Escrow Deposit Agreement and attached schedules are correct and in proper form for execution.

Section 11. Additional Documents. The Vice Chancellor for Administration or the Secretary is authorized to execute any and all additional documents which may reasonably be required to issue, sell and deliver the bonds.

Section 12. Redemption of Refunded Bonds. The 1970 A Bonds are hereby designated for redemption on January 15, 1980. The 1975 A Bonds are hereby designated for redemption on April 15, 1990. The 1975 C Bonds are hereby designated for redemption on January 15, 1990. The escrow agent shall cause notices of redemption to be given in the manner provided by law, and in accordance with the instructions contained in the Escrow Deposit Agreement. This designation shall be deemed revoked if the sale of the Bonds is not closed prior to September 1, 1978.

Section 13. Temporary Bond. The Board may issue and deliver a temporary bond. The temporary bond shall be registered in the name of the purchaser, shall be in a principal amount equal to the final, adjusted principal amount of the Bonds, shall bear interest for each principal maturity at the rate specified by the successful bidder for the coupon Bonds maturing in those years, shall be executed with the manual signatures of the Governor, Secretary of State and Treasurer of the State of Oregon, shall be otherwise similar in form to the coupon Bonds, and shall be exchangeable for definitive coupon Bonds as provided in the notice of sale.

Board Discussion and Action

Upon motion by Mr. Ater, the Board approved the recommendation and duly adopted the above resolution as presented, with the following voting in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Thorp, Wyss, and Perry. Mr. Anderson and Mr. Batiste were absent. Those voting no: None.

The President of the Board thereupon declared the resolution duly adopted by a unanimous vote.

RESOLUTION

WHEREAS, THE STATE BOARD OF HIGHER EDUCATION finds that bond market conditions have changed since June 23, 1978; and,

WHEREAS, the Board's Article XI-G general obligation Community College and Education Center Bonds, Series 1970 B, which are dated April 15, 1970; and its Article XI-G general obligation Community College and Education Center Bonds, Series 1975 E, which are dated July 15, 1975, which were designated for advance refunding on June 28, 1978, no longer meet the State Treasurer's criteria for advance refunding; now, therefore,

BE IT RESOLVED BY THE STATE BOARD OF HIGHER EDUCATION OF THE STATE OF OREGON that the resolution adopted by the State Board of Higher Education on June 23, 1978, providing for the issuance of Community College and Education Center Advance Refunding Bonds, Series 1978 C, is hereby rescinded, nullified and declared void.

Board Discussion and Action

Upon motion by Mr. Ater, the Board approved the recommendation and duly adopted the above resolution as presented, with the following voting in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Thorp, Wyss, and Perry. Mr. Anderson and Mr. Batiste were absent. Those voting no: None.

The President of the Board thereupon declared the resolution duly adopted by a unanimous vote.
The Chancellor reported that during the discussions at the meeting of the
subcommittee of the Emergency Board, it had become evident that the
primary concern was with the long-range policy of ownership of homes
for the Chancellor and the presidents. The acquisition of the residence
for the new president of the University of Oregon Health Sciences Center
was of immediate concern. There seemed to be no difficulty, at least
on a short-term basis of renting facilities. The Chancellor said he had
explored, therefore, other possibilities to provide housing for President
Laster who had been assured there would be housing available when he
arrives on the first of September. The Chancellor said he had discussed
with the president of the University of Oregon Health Sciences Foundation
the possibility of transferring the option to purchase the Malarkey residence
from the Board to the Foundation. This would enable the Foundation to
purchase the home and rent it to the Board for the period of time required
for President Laster to get settled and locate a home that he would like to
acquire. Such a proposal would fulfill the commitment to the new president
and also would be fully consistent with the long-range policy to be pro­
posed for the elimination of the ownership of residences for the Chancellor
and the presidents.

The Chancellor recommended that the Board authorize the President and
Secretary of the Board to sign over the option to the Health Sciences
Center, with the understanding that there would be further discussions
with the staff in trying to develop a program that would permit the acquisition
of the home and the rental to the Board during this period of adjustment
for President Laster.

Upon motion by Mr. Ater, the Board approved the recommendations of the
Chancellor. The following voted in favor: Directors Ater, Carpenter,
Feves, Harma, Ingalls, Moore, Thorp, Wyss, and Perry. Those voting no:
None.

Vice Chancellor Romney reported that the staff of the Oregon Educational
Coordinating Commission had submitted to the Commission a preliminary
draft of the analysis of the graduate education reports that were submitted
by the Board to the Commission on April 28, 1978.

The staff report consisted, among other things, of a series of optional
action with respect to several areas of graduate education referred to in the
reports and in the Budget Note. On July 20, the Coordinating Commission
met to discuss the staff report, particularly the options, to give the staff
of the Commission some indication of the preferences of the Commission at
that time with respect to the alternative options which had been identified
by its staff. The Chancellor also made a report at that time in which he
indicated which of the several options appeared to him to be the most
desirable in terms of graduate education in the state. After an extended
discussion of the various options, the Commission asked that the preliminary
report be revised to reflect the preferred options of the Commission. It
was anticipated that the report would be prepared and submitted to the
Commission on August 4 for formal action by the Commission at that time.
The approved report would then be forwarded to the Emergency Board in
response to the Budget Note.

Dr. Romney then distributed for the information of the Board a summation
of the options and what was understood from the discussion to be the
preferences of the Commission members at the time of the July meeting.

(Considered by Committee on Finance, Administration, and Physical Plant,
June 23, 1978; present--Ingalls, Ater, Batiste, and Moore.)

It was recommended that the Chancellor's tentative recommendations for the
priority listings of capital construction requests for 1979-1981 be approved
and forwarded to the Executive Department together with the institutional

-644-
listings of requests for the following two biennia, 1981-1983 and 1983-1985, in fulfillment of the requirement for information relating to the capital construction and land acquisition program of the State Board of Higher Education for the next six-year period. The amounts of these requests, as adjusted to reflect modifications made subsequent to the Finance Committee meeting on June 23, 1978, in the cost estimates for a few items listed by the institutions for the second and third biennia, may be summarized as follows:

<table>
<thead>
<tr>
<th></th>
<th>Educational &amp; General Plant</th>
<th>Auxiliary Enterprises</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State Funds</td>
<td>Gifts/Grants</td>
<td></td>
</tr>
<tr>
<td>1979-1981</td>
<td>$59,529,319</td>
<td>$12,057,955</td>
<td>$16,280,000*</td>
</tr>
<tr>
<td>1981-1983</td>
<td>69,095,000</td>
<td>2,020,000</td>
<td>48,445,000*</td>
</tr>
<tr>
<td>1983-1985</td>
<td>73,630,000</td>
<td>585,000</td>
<td>21,355,000</td>
</tr>
<tr>
<td>Totals</td>
<td>$202,254,319</td>
<td>$14,662,955</td>
<td>$86,080,000</td>
</tr>
</tbody>
</table>

*Including estimated gifts and grants of $1,205,000 in 1979-1981 and $20,735,000 in 1981-1983 for auxiliary enterprise projects.

Discussion and Recommendation by the Committee

In presenting the report, Mr. Hunderup indicated that the integration of the capital construction requests from the institutions and divisions into a coordinated State System priority listing was one of the most difficult assignments performed in the Office of Facilities Planning. He said the Chancellor is obligated to bring to the Committee and the Board a system-wide priority list which then goes forward to the Executive Department. The analysis of the Executive Department is coordinated with the Educational Coordinating Commission in preparing the Governor's budget recommendations to the Legislature.

Mr. Hunderup said that in recent biennia the Board's priorities generally have been respected by the Executive Department but not always. Some projects that are relatively high in the priority list may be dropped from consideration by the Governor's staff and others of low priority may be included in the Governor's budget recommendations. State-wide implications beyond those of higher education may affect the recommendations.

In making these difficult decisions, Mr. Hunderup said, it has been necessary at times to request modifications in the amounts for institutional requests by phasing large projects into smaller components. In other instances, the amount projected would not accommodate the program requirements for a project and the cost estimate would be increased with the consent of the institution.

Mr. Hunderup then reviewed some of the factors which are considered in preparing the unified priority list for the Education and General Plant projects and for the auxiliary enterprise projects. He distributed and discussed the following list:

Factors Influencing Prioritization of Capital Construction Requests
(Not Listed in Order of Importance)

1. Requirements mandated by federal, state or local jurisdictional agencies

2. Present or projected capacities (or deficiencies in capacities) to accommodate programs. Among other items, consideration would be given to the following:
   a. Enrollments
   b. Utilization of classrooms and laboratories
c. Office areas

d. Stack and reader station capacities within libraries

e. Areas per FTE student

f. Building planning standards

3. Obsolescence of existing facilities

4. Economic considerations (cost-benefit relationships)

5. Historic or architectural significance of structure

6. Funding resources (other than state General Fund appropriations and/or Article XI-G bonds)

7. Conformance to long-range development plan and to goals, missions and objectives of institution or division

8. Potential alternative solutions examined and rejected (such as to lease or purchase existing space)

9. Energy considerations

10. Health and safety considerations other than those mandated by outside agencies

11. Public service implications

12. Land acquisition requirements

13. Status of programming and/or design

14. Relationship, if any, to other capital construction requests

15. Institutional preferences/priority rankings

Mr. Hunderup said prime consideration is given to the rankings of the projects by the institutions. There is no attempt to equalize the allocations among the institutions and, therefore, on some occasions several projects for one institution may outrank the highest priority for another institution. The priority listing is determined on a system-wide basis in terms of the greatest need.

Mr. Batiste referred to the matter of conformance with long-range development plans and to the goals, missions, and objectives of the institution or division. He said there should be some objective standards for measuring the use of resources in achieving goals that would be comparable to similar institutions in similar locations.

Mr. Hunderup responded that evaluation of the requests from each institution for capital construction includes consideration of each project in terms of implementing the goals and objectives of the institution.

In response to a question concerning the meaning of the priorities, Mr. Hunderup explained that the priority rank is determined on the basis of need rather than on the basis of timing. It would be possible, for example, for the construction of a lower-ranked (but approved) project to be started prior to the contracting for the project assigned Priority No. 1. He indicated
further that planning for projects of highest priority would be accelerated so that construction could begin as soon as Legislative authorization is obtained in order to minimize the effects of price escalation.

Mr. Ingalls asked for an estimate of the extent to which the priority list might be approved and funded by the Legislature. Mr. Hunderup said previous levels of support have been at approximately $25 million and said it was his hope that the Legislature would at least fund at that level plus the factor of escalation. He commented that the Board had endorsed a substantially larger program to reflect the critical need for improvement of physical facilities.

Mr. Hunderup said that bonding capacity under Article XI-F(1) appears to be adequate to cover projects proposed. Since some of the outstanding bonds are being retired at the expiration of the 30 years, it is unlikely that an increase in the student building fee will be required.

Mr. Hunderup also distributed background data comparing the Board’s requests with the Governor’s recommendations for 1977-1979 and a tabulation of the state appropriation by institution for each biennium beginning with 1969-1971 for both General Fund and XI-G sources. Mr. Hunderup said the recommendations to the Committee for 1979-1981 projects were presented on the basis of decisions by the Board’s staff and were not determined by consensus with the institutions.

In commenting on the capital construction priorities, President Blumel said he was deeply disturbed and highly perplexed by the recommendations. He said Portland State University has had in the last decade one capital construction project which would create new facilities and there were critical needs at the institution. He said he could not understand the application of the criteria in assigning priorities because, in his opinion, Portland State University met those criteria and yet a relatively low priority had been assigned to the projects for that institution.

In discussing further the potential allocation of state funds by the Legislature, Mr. Hunderup said there was no way to measure the order of magnitude of the capital construction program which might be approved other than to indicate the levels for previous biennia. He acknowledged there were critical needs at all institutions and urged all possible support from the Board and others in seeking to obtain Legislative appropriations for the projects requested. It was indicated that the presidents of the institutions usually also have an opportunity to testify with respect to capital construction projects for the institution, but in making presentations to the Ways and Means Committee, the Governor’s budget recommendations must be followed unless members of the Committee provide an opportunity to respond to questions about other projects not included in the Governor’s recommendations.

In response to a question concerning the application of the criteria in setting the priorities, Mr. Hunderup said there was no set formula. The priorities result from consideration of all factors working in combination, plus a personal judgment on the basis of the knowledge of the facility needs of the entire State System.

The Committee then discussed priorities 1 and 2 for the correction of safety deficiencies and for accessibility for the handicapped. It was suggested that perhaps a portion of each of these priorities could be deferred to a subsequent biennium in order to provide additional funding for other urgently needed projects. It was pointed out that a commitment had been made to present a three-phase program for the correction of safety deficiencies and it might be more appropriate for the Ways and Means Committee to determine whether any deferral should be made in these priorities.

Mr. Ingalls suggested that hereafter when the Board makes visitations to the various institutions, the agenda should include an opportunity to review the areas that will be submitted in the future for capital improvement.
President Leinwand proposed that Maaske Hall be rededicated from the auxiliary enterprise student housing function to educational and general use. It was indicated that operating budget support for the space would not be available until the Legislature acknowledges the rededication of the space. However, approval of the capital construction project would automatically carry with it the obligation to meet the operating budget support. It was agreed that in the event the capital construction request for Maaske Hall were not approved, an effort would be made through the operating budget to obtain acknowledgement of the rededication of Maaske Hall so that operating costs of that facility would be provided.

Mr. Ater said it was very disturbing to see the library additions hopelessly low in the priorities when the present library facilities are not adequate. He said there were some very critical needs in the State System which must be communicated to the Board's constituency and to the Legislature.

The Committee recommended that the Board approve the staff recommendations as presented, including the additional proposal of the Committee with respect to Maaske Hall.

Board Discussion and Action

Mr. Ingalls commended Mr. Hunderup for his efforts in the very difficult task of coordinating the requests from all of the institutions into a priority list. He noted that the Finance Committee had discussed the requests in considerable detail with the staff and the presidents. Mr. Ingalls said the final decisions recommended for approval had not been accepted unanimously by the presidents, which was understandable, but the list represents the best judgment of the staff and the Committee in view of the needs of the entire State System.

Mr. Hunderup also called the Board's attention to minor modifications made since the Committee meeting in the total amounts for the second and third biennia.

In response to a question, Mr. Hunderup also indicated that the replacement for the stadium at Oregon College of Education would be identified separately when a planned development for that facility is available and the status of the restoration fund involvement is known. An amendment will be made to the capital construction program for the project at that time, probably prior to the Legislative session. There will be no other adjustments to cost estimates as program planning is accomplished on individual projects.

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

Staff Report to the Committee

At the May 26, 1978, meeting, the Board reviewed and approved the tentative listings, by institution, of capital construction requests for 1979-1981 which had been recommended by the Board's staff and supplemented as a result of discussions with the Committee on Finance, Administration, and Physical Plant at its April 28, 1978, meeting. It was indicated that the staff would escalate the cost estimates to reflect the price levels expected at the projected bid dates and present recommendations to the Committee for the System-wide priority rankings of the projects for 1979-1981 for further review and recommendation to the Board for action at the July meeting. These listings, one for the educational and general plant and another for the auxiliary enterprises, are attached, along with supporting documentation.

As noted in the previous discussions on April 28 and May 26, the recommendations exclude a great many projects which institutional officials had requested and which are supportable on the basis of various criteria of need. Because of fiscal constraints, many items have been deferred for
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Many for March 28, 1974, the distribution for applicable space utilization objectives, building planning standards, the most escalation The comments about the consideration in subsequent biennia. The only major adjustment that has been made subsequent to the Board review on May 26, other than the price escalation factor mentioned above, is the addition of a proposed Crop Science Building Phase II at Oregon State University to the listing of projects recommended previously for the educational and general plant. Further comments about the Crop Science Building are made in a later section of this Report.

The recommendations for the priority listings of the capital outlay requests for 1979-1981 have been prepared consistent with the policies which the Board has approved previously for its capital construction program, including applicable space utilization objectives, building planning standards, the most current enrollment projections and the FTE enrollment limitations adopted on March 28, 1974, the distribution of costs between state tax funds (or offsets) and resources available for auxiliary enterprises, etc., as well as compliance with State codes and regulations requiring provisions for the health and safety of employees, State and Federal laws and regulations requiring accessibility for the handicapped, and energy-conservative facility designs and retrofits. The listings are accompanied by narrative descriptions and budgets (on Form 105 BF 16 prescribed by the Executive Department) for individual projects indicating separately (1) those portions of the requests which relate to the educational and general plant, to be financed from General Fund appropriations, Article XI-G bond proceeds, gifts and grants, and (2) the requests which constitute additional facilities, improvements and land acquisitions for auxiliary enterprises to be financed from self-liquidating bond borrowings under the authority of Article XI-F(1) of the Oregon Constitution, balances from auxiliary enterprise operations, commingled student building fees and gifts and grants.

Many of the requests in high priority on both listings can be identified in four major groups. Additional comments about some of these items may be helpful in supplementing the descriptions contained within the project narratives:

(1) The proposed priority listings begin with the requirements for compliance with mandated programs of safety for employees and accessibility for the handicapped.

In highest priority is the third of the three-phase safety deficiency correction program which was formulated at the request of the Executive Department and the Ways and Means Committee during the 1974 Special Legislative Session, basically in response to the Oregon Safe Employment Act (ORS Chapter 654), in cooperation with representatives of the Workers' Compensation Board, the State Fire Marshal's Office and the Building Codes Division of the Department of Commerce as well as local jurisdictions that relate to enforcement of safety and health codes and regulations. Most of the work within Phase I and much of the work within Phase II of the safety deficiency correction program authorized by the 1975 and 1977 Legislatures, with expenditure limitations of $5,920,000 and $4,330,000, respectively, has been completed, but some is still in progress. Although the 1977 Legislature deferred a portion of the Phase II request, it is expected that Phase III will complete the correction of the deficiencies identified within the original program, except in isolated cases where sizable modifications have been warranted and agreed upon by the parties involved.

The major portion of the Phase III Safety program at Oregon State University relates to the chemistry building, Gilbert Hall. An associated project, Gilbert Hall Remodel, is listed separately as Priority No. 3. These units of work, as well as the Gilbert Hall Addition which was authorized by the 1977 Legislature, were conceived originally as a single project, reflecting the most economical solution to satisfying space deficiencies in chemistry, particularly the undergraduate instructional laboratories, and to correct serious safety hazards within the existing structure. Inasmuch as the remodeling of Gilbert Hall
could not be undertaken until the new laboratories were constructed, the remodeling portion of the project request, including the amounts for the correction of safety deficiencies, was deferred by the 1977 Legislature with the understanding that it would be ranked high in the Board's Capital Construction Program requests for 1979-1981.

While various institutions within the Department of Higher Education gradually have been improving program accessibility for the handicapped over a period of years, recent State and Federal legislation has been enacted and the Department of Health, Education, and Welfare has issued regulations which require that all programs be accessible on or before June 3, 1980. The parameters of compliance are outlined. Consequently, the project entitled Accessibility for Handicapped and listed in second priority was formulated with the intent of identifying a reasonable level, or balance, of structural modifications and/or accommodation by other means. Not all spaces will be made accessible.

Some instructional programs require very specialized spaces and do not function well without them. Because the space formerly occupied by the library at Oregon Institute of Technology is now being incorporated into the student union, as part of the addition and remodeling project authorized in 1977, the library function has been moved, on a temporary or interim basis, to the basement of the Physical Education Building. This space does not function well, is far from adequate in size, and is not suitable for long-term use as a library. The expansion of curricular offerings and the addition of baccalaureate degree programs at the institution has intensified the need for additional library stacks and reader stations, the latter being virtually eliminated in the recent move.

Similarly, the Drama Laboratory (Theater) at Southern Oregon State College is proposed as an instructional facility for existing degree programs on that campus which currently lack suitable and safe facilities. Because of the attraction of the Ashland Shakespearean Festival in the area, with its related programs, and because of the full scheduling of all existing support facilities, it is imperative that the institution be authorized to proceed with the construction of its own drama laboratory as soon as possible. The Board has approved the schematic design, prepared with the assistance of the project architects, and has acknowledged on several prior occasions the need to assign a relatively high priority ranking for its construction. It was next in line, just below the cut-off point, in the 1977-1979 listing for the educational and general plant.

Another special purpose project in this group is the proposed Performing Arts Center at Oregon State University. Institutional officials anticipate that the total cost of this major addition to the campus in Corvallis will be financed from gift funds now being solicited with the assistance of the OSU Foundation, Inc.

Space deficiencies, obsolescence, and the lack of centralization hamper the full and efficient functioning of many instructional and service programs.

The first phase of the proposed Crop Science Building at Oregon State University would begin to draw together a department that is involved in resident instruction, agricultural research and extension activities. Currently, the department is housed in five buildings on the campus which, in general, were not designed for the activities, or are totally obsolete, thus compounding the inefficiencies resulting from dispersion. (It should be noted that the administration of the institution does not concur in the phasing of the Crop Science Building, as recommended by the Board's staff, but has urged that the entire unit, at an estimated total cost of $6,285,000 be assigned a single priority position following the Gilbert Hall Remodel project.)
The School of Architecture & Allied Arts Addition and Alterations project proposes to draw together some of the functions housed in various facilities around the University of Oregon campus. It would assist in the integration of the School's programs, increase the number of instructional spaces suitable for seminars, create space for a project resource center and project reviews, as well as provide an adequate visual resources center and a student-faculty services center.

Three projects for the University of Oregon Health Sciences Center are proposed to overcome similar deficiencies, obsolescence and dispersion. For instance, planning funds are requested for the proposed University Hospital South Addition and Remodel project which would enable the transfer of patient care from older parts of the University Hospital North, the former Multnomah County Hospital. These portions of the building cannot be brought up to contemporary standards for patient care except at excessive cost. Pre- and postpartum infant care would be centralized in the proposed new addition in close proximity with other elements of infant care now located in University Hospital South.

The Clinical Lab/Outpatient Clinic Remodel and Improvement project proposes to meet current laboratory standards and provide services consistent with contemporary medical care. The present facilities need improvements to permit the institution to achieve a competitive health care position, attract patients and maximize hospital and clinic revenues. The financing of this project is expected to be provided from self-liquidating bonds.

Instructional and research programs of the School of Nursing and the School of Medicine are currently dispersed throughout several buildings with many of the individual academic departments dispersed and lacking sufficient or suitable space. The request for planning funds, identified as Priority No. 19 in the listing for the educational and general plant, proposes to identify solutions to these severe problems.

The Portland State University Professional Schools Building Phase II, for Business Administration, and the proposed additions to the libraries at Portland State, the University of Oregon and Oregon College of Education can be included within this major group also.

(4) The fourth group of proposed projects relates to utility systems and other energy conservation items. Some of the projects, such as the Oregon Institute of Technology Utility Improvements and the Southern Oregon State College Utility Improvements (Chilling), address the problem of insufficient capacities of existing systems. The University of Oregon Health Sciences Center Utility Improvements (Steam Phase II) and (Water and Electric Systems Phase II), as well as the Oregon State University Utility Improvements (Electrical System) would continue or complete system improvements begun in previous phases. Projects such as the University of Oregon Utility Improvements (Steam Service), the Oregon College of Education Energy Conservation Retrofit and the University of Oregon Health Sciences Center Basic Science Building Alterations (Hood Isolation for Energy Conservation) propose to make improvements which would promote more efficient use of energy in answer to problems of availability and rising costs of energy. In addition, some elements of existing utility systems need rehabilitation, such as selected portions of steam and condensate piping and insulation at the University of Oregon and the proposed Surface Drainage Improvements at Eastern Oregon State College. The latter project is combined with the Physical Education Fields Relocation on the campus in La Grande because of the interrelationship of both units of work.
Auxiliary enterprise projects, such as the Oregon State University Memorial Union Remodel Phase III and the Portland State University Smith Memorial Center Remodel Phase II, would continue improvements begun in preceding biennia. Other major items in this listing relate to recreational facilities, parking additions and improvements, another dormitory unit at the Marine Science Center in Newport, etc. The costs of utility improvements and several other projects would be shared on a prorated basis between auxiliary enterprises and the educational and general plant resources.

There does not appear to be a need to seek an increase in the current statutory limitation of $90,500,000 for self-liquidating bond borrowings under the provisions of Article XI-F(1) of the Oregon Constitution, or to modify the maximum amount of the student building fee ($12.50 per student per term).

As in prior biennial planning, it has been necessary for the staff to concentrate major emphasis and study upon the requests for the next two-year period. Substantial efforts have been made in analyzing the items proposed for 1979-1981, but in the absence of preliminary architectural or engineering planning for a number of the projects, it is not possible to be precise in describing the work to be accomplished or to evaluate adequately the indicated expenditure requirements. Some adjustments likely will be required prior to the legislative action, and others may be necessary even later with the concurrence of the Board and the Emergency Board. The program outlined in the attached materials reflects the best estimate available at this time of the highest priority needs for capital outlay in 1979-1981. It complements, but does not duplicate, the program improvement requests in the biennial operating budget for increased support of rehabilitation, remodeling and other minor capital improvements. If the additional resources do not become available in the operating budget, revisions in the capital construction program requests may be required to accommodate the most critical needs for such alterations and deferred maintenance items.

Consistent with the statutory requirement that the Executive Department provide the Legislature with projections of capital needs for at least a six-year period, institutional requests for construction projects during 1981-1983 and 1983-1985 have been summarized and are attached also, accompanied by estimates of land acquisition requirements.

The estimated expenditure requirements for capital outlay in 1979-1981 and later biennia have been adjusted from the January 1978 price level, which was reflected in the tabulations presented to the Committee in April and to the Board at the May meeting, to reflect a somewhat steady escalation of construction costs and the prospect of continued inflation. Based upon various indices of the industry and upon the advice of architectural and engineering consultants, a factor of five percent semiannually, not compounded, has been used in the projection of cost estimates for projects proposed for the next biennium. (The estimated expenditure requirements for projects identified for the following two biennia have been shown at the price level expected at June 30, 1981, recognizing that an opportunity will be available two years from now to make such further adjustments as may be required before specific legislative authorization is requested for any of them.)

For the convenience of the Committee and other members of the Board, there is being provided a two-page summary of the capital construction program for the current biennium (1977-1979), including the financing plan and an indication of the current status of planning or construction. Copies of the space utilization studies for the Fall Term 1977 have been distributed to the institutions, the Executive Department, the Legislative Fiscal Office and the Educational Coordinating Commission in accordance with long-standing practice. If members of the Board wish to review them, they will be furnished upon request.
### Board's Priorities

<table>
<thead>
<tr>
<th>Ed. &amp; Aux.</th>
<th>Gen. Ent.</th>
<th>Institution &amp; Project Title</th>
<th>Expenditure Limitations</th>
<th>Total Estimated Project Costs</th>
<th>Current Status</th>
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<td>Safety Deficiency Correction Program</td>
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<td></td>
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<td>Phase II:</td>
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<tr>
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* = Total cost includes land acquisition
** = Total cost includes land acquisition
### Tontative Financing Plan

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<th>Educational &amp; General Plant</th>
<th>Aux. Ent.</th>
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<tr>
<td>State Funds</td>
<td>Gifts/Grants</td>
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<td>Ent.</td>
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Meeting #447

July 28, 1978
### Oregon State Board of Higher Education
### Tentative Financing Plan for the 1977-1979 Capital Construction Program

#### Board's Priorities

<table>
<thead>
<tr>
<th>Institution &amp; Project Title</th>
<th>Expenditure Limitations</th>
<th>Total Estimated Project Costs</th>
<th>Current Status</th>
<th>Educational &amp; General Plant</th>
<th>Aux. Ent.</th>
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<td><strong>$22,275,000</strong></td>
<td><strong>$17,250,000</strong></td>
<td><strong>$1,725,000</strong></td>
<td><strong>$4,940,000</strong></td>
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* Excludes interfund transfer of $100,000 required for rededication of library area from educational and general use to auxiliary enterprises; includes an increase of $200,000 in expenditure limitation approved by State Emergency Board on February 24, 1978.
+ Includes $225,000 of estimated gift funds.
+ Excludes portion of cost estimate included within Safety Deficiency Correction Program, Phase II (Priority No. 1).
+ The 1977 legislature authorized the Emergency Board to allocate an additional $2,500,000 "to provide funds necessary to finance the state matching requirement for the veterinary medical facility in the event it is necessary to preserve the project." The federal government has provided notice of intent to award a grant of $5,551,000 for this project, thus making total resources of $8,551,000 available for planning, construction and equipment.
++ Increase of $35,000 in expenditure limitation, by transfer of a portion of bid savings on SOSC Utility and Energy Conservation Improvements (Heating Plant Interconnection and Metering), subject to approval of State Emergency Board on June 16, 1978.
+++ Remainder of bid savings on SOSC Utility and Energy Conservation Improvements project.
### Chancellor's Tentative Recommendations for Priority Listing to Be Financed from State Funds and/or Gifts and Grants

*Cost Estimates in Thousands of Dollars*

<table>
<thead>
<tr>
<th>Priority</th>
<th>Institution</th>
<th>Project Title</th>
<th>General Fund &amp; XI-G Bonds</th>
<th>Gifts and Grants</th>
<th>Total</th>
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Totals | $59,529.3 | $12,058 | $71,587.3 |

* Partial cost; remainder of project cost to be financed from resources for auxiliary enterprises.
### Chancellor's Tentative Recommendations for Priority List:

#### Capital Construction and Land Acquisition during 1979-1981

/for Balances Available for Auxiliary Enterprises

(Cost Estimates in Thousands of Dollars)

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<th>Priority</th>
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<th>Self-Liquidating Projects</th>
<th>Other Auxiliary Enterprise Projects</th>
<th>Total</th>
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<td>-</td>
<td>-</td>
<td>-</td>
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<td>405 *</td>
<td>120 *</td>
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<td>EOSC</td>
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<td>65 *</td>
<td>65 *</td>
<td>65 *</td>
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<tr>
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<td>205 *</td>
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<td>95 *</td>
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<td>65 *</td>
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OREGON STATE BOARD OF HIGHER EDUCATION

Summary (By Institution) of Chancellor's Tentative Recommendations
For Capital Construction and Land Acquisition during 1979-1981
(Cost Estimates in Thousands of Dollars)

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<th>Auxiliary Enterprises</th>
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* Includes $1,205,000 from gifts and grants

### Educational and General Plant Projects

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**SOUTHERN OREGON STATE COLLEGE**

- Art Department Facilities: $2,420
- Siskiyou Commons Rededication, Addition and Remodel (Administrative Services): $2,210
- Physical Education Activity Area Improvements: $175
- Energy Conservation Improvements (planning only): $70
- Physical Education and Recreation Facilities (Handball Courts Addition): $110
- Grandstand: $170
- Energy Conservation Improvements: $1,945
- Physical Plant Building: $3,570
- Totals - Southern Oregon State College: $4,875

**UNIVERSITY OF OREGON**

- College of Education Addition and Alterations Phase II: $3,170
- Hendricks Hall Alterations Phase II: $545
- Franklin Boulevard Crossing: $305
- Utility Improvements (Electrical Phase II): $430
- Physical Education and Recreation Improvements: $1,955
- Marine Biology Station Improvements Phase II (Charleston): $1,25
- Theater - Broadcasting Addition and Alterations: $2,455
- Computing Center Addition: $2,930
- Science Buildings Additions: $4,230
- School of Architecture and Allied Arts Addition Phase II: $1,850
- Campus Bikeway, Open Space and Signing System: $45
- College of Education Addition Phase III: $3,170
- Utility Improvements (Electrical Phase III): $275
- Science Teaching Building: $4,400
- Marine Biology Station Improvements Phase III (Charleston): $425
- Straub Hall Alterations (Mechanical System Revisions): $520
- Central Utility Plant Improvements: $165
- Physical Education and Recreation Improvements: $2,650
- Deady Hall Renovation (Interior Restoration): $1,375

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 Totals - University of Oregon $18,040 $21,585

UNIVERSITY OF OREGON HEALTH SCIENCES CENTER

| 1 | School of Nursing and School of Medicine Construction and Remodel | $15,105 | $ - |
| 2 | Directional Control | 240 | - |
| 3 | Safety Deficiencies Correction | 1,290 | - |

 UNIVERSITY OF OREGON HEALTH SCIENCES CENTER

| 1 | Hospital Dental Service Alterations | - | 425 |
| 2 | School of Dentistry Independent Learning Center and Roof Enclosure | - | 1,615 |
| 3 | Library/Auditorium Remodel | - | 1,855 |
| 4 | Utility Improvements Phase III | - | 1,145 * |
| 5 | Physical Plant Building, including Warehouse and Motor Pool | - | 5,235 |
| 6 | Child Development and Rehabilitation Center (Mechanical System Revisions) | - | 375 |
| 7 | Medical Research Building Alterations (Animal Quarters Ventilation Improvements) | - | 460 |
| 8 | Crippled Children's Division Clinic Centralization | - | 615 |
| 9 | Gaines Hall Demolition and Replacement | - | 2,780 |

 Totals - University of Oregon Health Sciences Center $16,635 $14,505

PORTLAND STATE UNIVERSITY

| 1 | Professional Schools Building Phase III | $ 4,770 | $ - |
| 2 | Neuberger Hall Remodel | 2,030 | - |
| 3 | Science Building III | 710 | - |

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### Portland State University (Continued)

| 2 | Maintenance and Warehouse Building | $ - | $ 350 |
| 3 | Division of Continuing Education Building Addition | $ - | $ 2,045 |

**Totals - Portland State University**

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**OREGON INSTITUTE OF TECHNOLOGY**

| 1 | Physical Education Building Remodel (Swimming Pool) | $ 280 | $ - |
| 2 | Physical Education and Recreational Facilities (Track & Athletic Field) | $ 390 | $ - |
| 3 | Campus Entrance Road | $ 170 | $ - |
| 4 | Cornett Hall Remodel | $ 145 | $ - |
| 5 | Physical Plant Building Addition | $ 475 | $ - |

**Semon Hall Alterations (Connecting Corridors & Sprinkler System)**

| 2 | Physical Education and Recreational Facilities (Tennis Courts) | $ - | $ 135 |
| 3 | Semon Hall II Alterations (Basement Completion) | $ - | $ 285 |
| 4 | Snell Hall Addition | $ - | $ 985 |
| 5 | Campus Improvements (Landsaping, Outside Lighting & Stairs) | $ - | $ 315 |

**Totals - Oregon Institute of Technology**

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**OREGON EDUCATIONAL AND PUBLIC BROADCASTING SERVICE**

| 1 | KOAC-TV Transmission System Relocation | $ 130 | $ - |
| 1 | KVDO-TV Transmitter, Tower and Studio Relocation | $ - | $ 195 |

**Totals - Oregon Educational and Public Broadcasting Service**

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**Subtotals - New Construction Projects and Major Alterations to Existing Facilities**

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**GRAND TOTALS**: $69,095 $73,630

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

@ Excludes estimated gift and grant funds (thousands of dollars): See page B-10

*Excludes estimated gift and grant funds (thousands of dollars):*

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**Note:** These listings exclude various rehabilitation, remodeling and other capital improvement projects for which funding is expected to be requested as part of the biennial operating budgets.
OREGON STATE BOARD OF HIGHER EDUCATION
(Cost Estimates in Thousands of Dollars)

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**Auxiliary Enterprise Projects**

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**Institutional Requests**

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**University Hospital South Addition**

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<td><strong>Totals - University of Oregon Health Sciences Center</strong></td>
<td>$17,225</td>
<td>$ 4,520</td>
</tr>
</tbody>
</table>

**PORTLAND STATE UNIVERSITY**

None

**OREGON INSTITUTE OF TECHNOLOGY**

1. Physical Education Building Remodel (Swimming Pool) | $ 135 * | $ - |
2. Physical Education and Recreation Facilities (Track & Athletic Field) | 190 * | - |
1. Physical Education and Recreation Facilities (Tennis Courts) | - | 70 * |
2. Parking Improvements | - | 235 |
| **Totals - Oregon Institute of Technology** | $325 | $305 |

Subtotals | $27,460 | $21,105 |

Land Acquisition | 250 * | 250 * |

**GRAND TOTALS** | $27,710 | $21,355 |

* Partial cost; remainder to be financed from state appropriations and offsets (reflected in listing of educational and general plant items)
1 Excludes estimated gift and grant funds (non-federal) in 1981-1983 (thousands of dollars):
   OSU Gill Coliseum Addition (Wrestling) | $ 260 |
   UO Basketball Pavilion | 20,475 |
   **Total** | $20,735 |
# Includes potential gift and grant funds of unknown amount for proposed expansion of University Hospital South
Mr. Ingalls moved that the staff be requested to take note in the narrative description submitted as part of the budget of tuition planning and revenue planning for 1979-1981 of the Oregon Educational Coordinating Commission's recommendation with respect to graduate tuition.

The Board approved the motion, with the following voting in favor: Directors Ater, Carpenter, Feves, Harms, Ingalls, Moore, Thorp, Wyss, and Perry. Those voting no: None.

President Perry announced the following meetings of the Board and its Committees:

Next Meeting Dates
Special Board meetings by telephone conference call--August 8, 1978, at 5:00 P.M. (P.D.T.) and August 9, 1978, at 9:30 A.M. (P.D.T.).

Board Committee Meetings on August 25, 1978, at Portland State University rather than at the University of Oregon Health Sciences Center as previously announced.

Three bids were received on May 18, 1978, for additional work at the baseball field at Southern Oregon State College. The bids for the outfield fencing installation ranged from a low of $4,699 to a high of $5,097. Inasmuch as the low bid was within the estimate for the work and the funding resources available, a contract award was made and the following tentative budget was approved for the project:

Direct construction costs:
- Quality Fence Company, Central Point: $4,699
- Construction supervision and miscellaneous costs: $1,000
- Contingencies: $400

Total: $6,099

The work of this contract completes the fencing of the baseball field by installing about 660 lineal feet of 8-foot high chain link fencing around the outfield extremities of the field.

Funds for the project are being provided from self-liquidating bond borrowings issued under the provisions of Article XI-F(1) of the Oregon Constitution and/or from other balances available for auxiliary enterprises as part of the total expenditure limitation of $455,000 authorized by Chapter 592, Oregon Laws 1973 for Recreational Facilities at Southern Oregon State College.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - SOSC Recreational Facilities (Baseball Outfield Fencing)

Board's priority - Part of No. 6 in 1973-1975 (Auxiliary Enterprises)

Legislative authorization - Chapter 592, Oregon Laws 1973

Total project costs (Outfield fencing portion only) $6,099

Total direct construction costs (Outfield fencing portion only) $4,699

Scheduled completion - July 1978
Meeting #447
July 28, 1978

Tentative financing plan:
Bond borrowings under provisions of Article XI-F(1)
of the Oregon Constitution and/or balances
available for auxiliary enterprises $6,099

Board Discussion and Action
The Board received the report as presented.

Staff Report to the Board

Report of Bids
Award for Recreation Facilities
(Tennis Courts), SOSC

Upon the recommendation of institutional officials, the final drawings and
specifications which had been prepared with the assistance of Marquess &
Associates, Inc., Engineers, Medford, for the construction of six tennis
courts on the campus at Southern Oregon State College were accepted on
behalf of the Board. Two bids were received for the work on June 1, 1978,
with the low bid being $165,760 and the other $168,600. Inasmuch as the
low bid exceeded the funds available, even with the omission of the pro-
posed smaller courts for paddle tennis which had been bid as alternates,
it was necessary to negotiate a change order with the bidder to make certain
reductions in the work so that construction could proceed this summer.
This negotiation was done with the knowledge and written approval of the
second bidder.

With the execution of the change order simultaneously with the contract
award, the following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td>$139,755</td>
</tr>
<tr>
<td>J. B. Steel, Inc., Medford</td>
<td></td>
</tr>
<tr>
<td>(net of change order reductions)</td>
<td></td>
</tr>
<tr>
<td>Professional services fees</td>
<td>13,860</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>14,398</td>
</tr>
<tr>
<td>Contingencies</td>
<td>6,987</td>
</tr>
<tr>
<td>Total</td>
<td>$175,000</td>
</tr>
</tbody>
</table>

The work of the contract includes the construction of six regulation-size
tennis courts on a site south of the Physical Education Building, McNeal
Hall, with fencing, lighting and minimum landscaping. The asphaltic con-
crete slab is to be finished with an acrylic color surfacing. The items
omitted included the reduction of areas of asphaltic concrete for the future
paddle tennis courts and certain walkways, various modifications to the
proposed irrigation system and to landscaped areas, as well as changes in
electrical service and lighting.

Expenditures for this work are being 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 as authorized
by Chapter 560, Oregon Laws 1977.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - SOSC Recreation Facilities (Tennis Courts)

Engineer - 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

-669-
Meeting #447

Scheduled 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

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials, the revised final drawings and specifications which had been prepared with the assistance of Balzhiser, Longwood, Smith, Paul & Anderson, Architects, Eugene, for the remodeling of the basement arena area within the Stevenson Union building at Southern Oregon State College for multi-purpose recreation were accepted on behalf of the Board. One bid was received for the work on April 6, 1978. It exceeded the funds available, but inasmuch as only one bid had been received previously (from the same bidder), and the project was vital to the income-producing needs of the Stevenson Union, a change order was negotiated for reductions in the work and was executed simultaneously with a contract award. Under the change order reductions, major portions of the mechanical and plumbing systems originally specified were deleted. Most of them could be installed at a later time, if necessary. Meanwhile, the provisions for heating, cooling and ventilating would meet code requirements but would not provide the same degree of comfort in certain circumstances as may be desired.

The following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
</tr>
<tr>
<td>Batzer Construction, Inc., Medford</td>
<td>$67,955</td>
</tr>
<tr>
<td>(net of Change Order No. 1 reductions)</td>
<td></td>
</tr>
<tr>
<td>Professional services fees</td>
<td>$8,600</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>$1,405</td>
</tr>
<tr>
<td>Contingencies</td>
<td>$2,040</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$80,000</strong></td>
</tr>
</tbody>
</table>

The work of the contract includes remodeling to convert this basement area of about 6,100 square feet into a multi-purpose recreation space for the use of large group meetings, dances, conferences, films, coffeehouse, displays, exhibits, fairs, etc. Floor coverings, lighting improvements, painting, a beverage counter, a booth for film and sound projection and a new ramped entrance are included.

Funds required for this work are being provided from self-liquidating bond borrowings and/or balances available for auxiliary enterprises. They are chargeable against the expenditure limitation of $475,000 approved for Recreational Facilities at Southern Oregon State College within Chapter 592, Oregon Laws 1973, as amended by the State Emergency Board on August 9, 1977.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - SOSC Recreational Facilities (Stevenson Union Basement Arena Area Remodel)

Architects - Balzhiser, Longwood, Smith, Paul & Anderson, Eugene

Board's priority - Part of No. 6 in 1973-1975 (Auxiliary Enterprises)
Legislative authorization - Chapter 592, Oregon Laws 1973 (expenditure limitation increased by the State Emergency Board on August 9, 1977)

Estimated total project costs (out of revised expenditure limitation of $475,000) $ 80,000
Estimated direct construction costs $ 67,955
Estimated area - 6,100 square feet
Scheduled completion - September 1978

Tentative financing plan: Proceeds from the sale of bonds under the provisions of Article XI-F(1) of the Oregon Constitution and/or balances available for auxiliary enterprises $ 80,000

Board Discussion and Action

The Board received the report as presented.

Report of Bids and Contract Award for Safety Deficiency Corrections, Phase II (Nash and Dryden Halls Backflow Preventers), OSU

Upon the recommendation of institutional officials, the final drawings and specifications which had been prepared with the assistance of C. W. Timmer Associates, Inc., project engineers, Beaverton, for the installation of backflow preventers in the water service lines serving Nash Hall and Dryden Hall on the campus of Oregon State University were accepted on behalf of the Board. Three bids were received for the work on May 9, 1978, ranging from a low of $26,652 to a high of $30,295. Inasmuch as the low bid was within the resources available for the project, a contract award was made and the following tentative budget was approved for it:

Direct construction costs:
Beaver Plumbing & Heating, Inc., Corvallis $ 26,652
Professional services fees (net of fees of $625 charged to Phase I work) 1,774
Construction supervision and miscellaneous costs 600
Contingencies 1,049

Total $ 30,075

The work of the contract includes the installation of a water booster pump and a backflow preventer at Nash Hall and a backflow preventer, only, at Dryden Hall within the water lines serving these two buildings.

Funds required for this work are being provided from the budget allocation for safety deficiency corrections, Phase II, at Oregon State University as part of the program authorized by Chapter 560, Oregon Laws 1977. A portion of the design was financed from resources provided within the 1975-1977 authorization for Phase I of the safety corrections program; however, the earlier appropriation was not sufficient to fund the contract requirements so the work was deferred to Phase II.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - OSU Safety Deficiency Corrections, Phase II (Nash and Dryden Halls Backflow Preventers)

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

Board's priority - Part of No. 1 in 1977-1979 (Educational and General Plant)
Meeting #447

July 28, 1978

Legislative authorization - Chapter 560, Oregon Laws 1977

Estimated total project costs (for this portion only) $30,075
Estimated total direct construction costs (for this portion only) $26,652

Scheduled completion - September 1978

Tentative financing plan:
- General Fund appropriation $15,037
- Article XI-G bond proceeds $15,038
- Total $30,075

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials, the final drawings and specifications which had been prepared with the assistance of C. W. Timmer Associates, Inc., project engineers, Beaverton, for the installation of emergency lighting and motor disconnects throughout Nash Hall on the campus at Oregon State University were accepted on behalf of the Board. Only one bid was received for the work on May 9, 1978. Inasmuch as the bid was within the resources available for the project, a contract award was made and the following tentative budget was approved for it:

<table>
<thead>
<tr>
<th>Direct construction costs:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Linaco Electric Co., Albany</td>
<td>$19,443</td>
</tr>
<tr>
<td>Professional services fees (net of fees of $1,521 charged to Phase I work)</td>
<td>778</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>208</td>
</tr>
<tr>
<td>Contingencies</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$20,929</strong></td>
</tr>
</tbody>
</table>

The work of the contract includes improvements to the emergency lighting and exit lights in the corridors on all floors of the building as well as the addition of disconnect switches to the motors of critical equipment throughout the building.

Funds required for this work are being provided from the budget allocation for safety deficiency corrections, Phase II, at Oregon State University as part of the program authorized by Chapter 560, Oregon Laws 1977. A portion of the design was financed from resources provided within the 1975-1979 authorization for Phase I of the safety corrections program; however, the earlier appropriation was not sufficient to fund the contract requirements so the work was deferred to Phase II.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - OSU Safety Deficiency Corrections, Phase II (Nash Hall Emergency Lighting and Motor Disconnect Improvements)

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

Board's priority - Part of No. 1 in 1977-1979 (Educational and General Plant)

Legislative authorization - Chapter 560, Oregon Laws 1977

Estimated total project costs (for this portion only) $20,929
Estimated total direct construction costs (for this portion only) $19,443
Meeting #447

July 28, 1978

Scheduled completion - September 1978

Tentative financing plan:

- General Fund appropriation: $10,465
- Article XI-G bond proceeds: 10,464

Total: $20,929

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials, the revised final drawings and specifications which had been prepared with the assistance of Balzhiser, Longwood, Smith, Paul & Anderson, Architects, Eugene, for an addition and minor remodeling to the Dixon Recreation Center at Oregon State University were accepted on behalf of the Board. Two bids were received for the work on April 4, 1978, one in the amount of $45,020.75 and the other for $47,818 when adjusted for a deductive alternate which was exercised at the time of the award. With the deduction of the amount of this alternate for deleting the wood sun screens at the west windows, the project cost was within the funds available. Accordingly, a contract award was made and the following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
</tr>
<tr>
<td>Ton Koopman, Salem</td>
<td>$45,020.75</td>
</tr>
<tr>
<td>Professional services fees</td>
<td>3,500.00</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>500.00</td>
</tr>
<tr>
<td>Contingencies</td>
<td>974.25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$49,995.00</strong></td>
</tr>
</tbody>
</table>

The work of the contract includes a 700-square foot addition on an existing concrete deck slab for offices. Alterations to existing adjacent areas and to mechanical and electrical systems necessitated by the addition are included. The addition is of reinforced brick masonry and concrete having steel beams and a metal roof deck with metal stud partitions.

Expenditures for this work are being funded from resources available to the institution from student incidental fees applicable to recreational activities and the operation of other auxiliary enterprises.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - OSU Dixon Recreation Center Addition and Remodel

Architects - Balzhiser, Longwood, Smith, Paul & Anderson, Eugene

Board's priority - Not applicable

Legislative authorization - Not applicable

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated total project costs</td>
<td>$49,995.00</td>
</tr>
<tr>
<td>Estimated total direct construction costs</td>
<td>$42,020.75</td>
</tr>
<tr>
<td>Total area of addition - 700 square feet</td>
<td></td>
</tr>
<tr>
<td>Scheduled completion - August 1978</td>
<td></td>
</tr>
</tbody>
</table>
Meeting #447

July 28, 1978

Tentative financing plan:
Student incidental fees $49,995

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Report of Inspection and Acceptance for Safety Deficiency Corrections, Phase I, (Dearborn Hall, Dryden Hall, Farm Crops Building, Gilbert Hall and Forest Research Laboratory Improvements), OSU

Tentative financing plan:
Student incidental fees $49,995

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials and C. W. Timmer Associates, Inc., Engineers, Beaverton, the work of the prime contractor for safety deficiency corrections work within Dearborn Hall, Dryden Hall, Farm Crops Building, Gilbert Hall and the Forest Research Laboratory on the campus at Oregon State University was accepted on behalf of the Board on June 6, 1978.

A revised semifinal project budget is shown below in comparison with the budget reported to the Board on March 25, 1977:

<table>
<thead>
<tr>
<th>Revised Budget 6/6/78</th>
<th>Original Budget 3/25/77</th>
<th>Increase or Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B &amp; C Contractors of Oregon, Bend</td>
<td>$109,732</td>
<td>$119,376</td>
</tr>
<tr>
<td>Professional services fees</td>
<td>9,976</td>
<td>10,744</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>7,537</td>
<td>6,911</td>
</tr>
<tr>
<td>Contingencies</td>
<td>-0-</td>
<td>5,969</td>
</tr>
<tr>
<td>Total</td>
<td>$127,145</td>
<td>$143,000</td>
</tr>
</tbody>
</table>

(1) Includes a reduction from quantities at unit prices stipulated in the bid for items of fixtures and equipment not installed. This credit was taken within one approved change order.

The work of the contract included the installation of handrails for various buildings, the addition of emergency showers and eyewash systems within Gilbert Hall and the Forest Research Laboratory, the installation of fume hoods and accessories and the addition of a new flammable storage building at the Forest Research Laboratory.

The expenditure requirements of $127,145 were charged against the budget allocation of $1,650,000 for safety deficiency corrections, Phase I, at Oregon State University, funded as part of the program authorized by Chapter 48, Oregon Laws 1975.

RECAPITULATION UPON INSPECTION AND ACCEPTANCE

Project - OSU Safety Deficiency Corrections, Phase I (Dearborn Hall, Dryden Hall, Farm Crops Building, Gilbert Hall and Forest Research Laboratory Improvements)

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

Board's priority - Part of No. 1 in 1975-1977 (Educational and General Plant)

Legislative authorization - Chapter 48, Oregon Laws 1975

Total project costs $127,145

Total direct construction costs $109,732
Meeting #447
July 28, 1978

Tentative financing plan:
General Fund appropriation $63,573
Article XI-G bond proceeds $63,572
Total $127,145

Board Discussion and Action
The Board received the report as presented.

Report of Bids and Contract
Award for Safety Deficiency Corrections, Phase II (Esslinger Hall), UO

Staff Report to the Board
Upon the recommendation of institutional officials, the final drawings and specifications which had been prepared with the assistance of Keith Kruchek/Consulting Engineers, Inc., Portland, for the automatic fire sprinkler systems within Esslinger Hall and Leighton Pool on the campus at the University of Oregon were accepted on behalf of the Board. Only one bid was received for the work on June 7, 1978 and it was in the amount of $186,387. Inasmuch as the bid was less than the pre-bid estimate of the engineer and the resources were available for the project, a contract award was made and the following tentative budget was approved for the project:

Direct construction costs:
EMK Contractors, Inc., Eugene $186,387
Professional services fees 23,000
Construction supervision and miscellaneous costs 8,430
Contingencies 11,183
Total $229,000

The work of the contract includes improvements to the automatic fire sprinkler system throughout the building in lieu of providing code-complying construction changes. It also includes the addition of an annunciator panel for supervision of the alarm system.

Expenditure requirements for this project are being charged against the expenditure limitation of $4,330,000 provided within Chapter 560, Oregon Laws 1977 for Phase II of the Safety Deficiency Correction Program.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD
Project - UO Safety Deficiency Corrections, Phase II (Esslinger Hall)
Engineer - Keith Kruchek/Consulting Engineer, Inc., Portland
Board's priority - Part of No. 1 in 1977-1979 (Educational and General Plant)
Legislative authorization - Chapter 560, Oregon Laws 1977
Total project costs (for this portion only) $229,000
Total direct construction costs (for this portion only) $186,387
Scheduled completion - November 1978

Tentative financing plan:
General Fund appropriation $114,500
Article XI-G bond proceeds $114,500
Total $229,000

Board Discussion and Action
The Board received the report as presented.
Upon the recommendation of institutional officials and the SRG Partnership, P.C., project architects, the work of the prime contractor for the second phase of safety deficiency corrections work within Gerlinger Hall on the campus at the University of Oregon was accepted on behalf of the Board on June 13, 1978. The work was inspected by the Vice Chancellor for Facilities Planning and several officials of the institution, including staff members from the School of Health, Physical Education and Recreation.

A revised semifinal project budget is shown below in comparison with the budget reported to the Board on January 27, 1978:

<table>
<thead>
<tr>
<th>Description</th>
<th>Revised Budget 6/13/78</th>
<th>Original Budget 1/27/78</th>
<th>Increase or Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John T. Moody &amp; Sons Construction Co., Junction City</td>
<td>$557,063</td>
<td>$543,000</td>
<td>$14,063 (1)</td>
</tr>
<tr>
<td>Demolition (Physical Plant)</td>
<td>$15,639</td>
<td>$15,639</td>
<td>0-</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$572,702</td>
<td>$558,639</td>
<td>$14,063</td>
</tr>
<tr>
<td>Professional services fees</td>
<td>59,670</td>
<td>55,864</td>
<td>3,806</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>71,127</td>
<td>46,471</td>
<td>24,656</td>
</tr>
<tr>
<td>Reserved for Artwork</td>
<td>5,586</td>
<td>5,586</td>
<td>0-</td>
</tr>
<tr>
<td>Contingencies</td>
<td>0-</td>
<td>43,440</td>
<td>(43,440)</td>
</tr>
<tr>
<td>Totals</td>
<td>$710,000</td>
<td>$710,000</td>
<td>0-</td>
</tr>
</tbody>
</table>

(1) Includes the relocation of a plumbing vent; removing and capping off an existing steam line and waste line; removal of an existing footing at the elevator shaft; addition of grounded duplex electrical outlets at certain items of equipment; addition of a key-controlled light switch for four fixtures in the east end of the gymnasium; repair of failing ornamental plaster on beams in the Alumni Lounge; addition of sprinkler heads to the system as required by the Fire Marshal; installation of a new raceway to electrical panel on first floor; revision to steel lintel supports at door No. 140; installation of a new access door in ceiling in room No. 304; addition of magnetic starters at mechanical equipment; revisions to various light switches; raising of guardrail height at existing stairways; deletion of finish on new wood siding in gymnasium and gallery and other minor modifications included within six approved change orders. (Exception: an item of $45 in change order No. 3 for the installation of owner-furnished insulation in the walls of rooms Nos. 305 and 307 has been excluded because it did not relate to the correction of safety deficiencies and was funded separately.)

The work of the contract included the addition of a new stairway in the southeast quadrant to improve exiting from all three levels, the installation of a complete new fire sprinkler system throughout the building; the installation of a new fire alarm and early detection system, improvement of heating, ventilating, plumbing, and electrical systems, and related modifications in anticipation of the future installation of an elevator.

Expenditure requirements for the project were charged against the expenditure limitation of $4,330,000 provided within Chapter 560, Oregon Laws 1977 for Phase II of the Safety Deficiency Correction Program.

-676-
**RECAPITULATION UON INSPECTION AND ACCEPTANCE**

**Project -** UO Safety Deficiency Corrections, Phase II (Gerlinger Hall)

**Architects -** SRG Partnership, P.C., Portland

**Board’s priority -** Part of No. 1 in 1977-1979 (Educational and General Plant)

**Legislative authorization -** Chapter 580, Oregon Laws 1977

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total project costs (for this portion only)</td>
<td>$710,000</td>
</tr>
<tr>
<td>Total direct construction costs (including demolition)</td>
<td>$572,702</td>
</tr>
<tr>
<td>Gross area of existing building - 63,394 square feet</td>
<td></td>
</tr>
</tbody>
</table>

**Tentative financing plan:**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund appropriation</td>
<td>$355,000</td>
</tr>
<tr>
<td>Article XI-G bond proceeds</td>
<td>355,000</td>
</tr>
<tr>
<td>Total</td>
<td>$710,000</td>
</tr>
</tbody>
</table>

**Board Discussion and Action**

The Board received the report as presented.

**Staff Report to the Board**

Upon the recommendation of institutional officials, the final drawings and specifications which had been prepared with the assistance of SRG Partnership, P.C., Architects, Portland, for the demolition work within the interior of the fifth floor of the Campus Services Building at the University of Oregon Health Sciences Center were accepted on behalf of the Board. Three bids were received for the work on May 25, 1978, ranging from a low bid of $25,177 to a high of $35,115. Inasmuch as the low bid was within the estimate for the work and resources were available, a contract award was made and the following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction cost</td>
<td></td>
</tr>
<tr>
<td>Cloyd R. Watt Construction Co., Portland</td>
<td>$25,177</td>
</tr>
<tr>
<td>Professional services fees (for design work to date)</td>
<td>4,000</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>3,000</td>
</tr>
<tr>
<td>Contingencies</td>
<td>2,517</td>
</tr>
<tr>
<td>Total</td>
<td>$34,694</td>
</tr>
</tbody>
</table>

This demolition work is part of a larger project to remodel the fifth floor of the Campus Services Building for the proposed hospital computer service facilities. The initial contract includes the construction of a debris chute (which is to be left in place during the proposed remodelling) and the removal of all interior finishes, partitions, doors, plumbing, ductwork, etc., in designated areas and locations. Preparing the space in advance of bidding the major physical alterations for the computer service was done to expedite the architects’ planning and to permit prospective bidders to view the bare conditions prior to the time they prepare their bids, thus minimizing any cost loading factors for uncertainties.

On March 24, 1978, the Board approved expenditures not to exceed $40,000 for the demolition work. It was noted that funds required for it, including related planning costs, would be advanced from the hospital operating funds pending approval by the Board and the State Emergency Board of a financing plan for the complete alterations project. The State Emergency Board approved the funding for the demolition project on April 7, 1978.
RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - UOHSC Campus Services Building Fifth Floor Interior Demolition

Architect - SRG Partnership, P.C., Portland

Board's priority - not applicable

Legislative authorization - Emergency Board action on April 7, 1978

Estimated total project costs (this portion only) $34,694

Estimated total direct construction costs (this portion only) $25,177

Scheduled completion - September 1978

Tentative financing plan:
Hospital operating budget resources
(patent fee income) $34,694

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

Upon the recommendation of institutional officials and Campbell-Yost-Grube & Partners, Architects, Portland, the work of the prime contractor for remodeling within two former automotive parking levels of the Science II Building at Portland State University into laboratories was accepted on behalf of the Board as of December 14, 1977. Three other separate contracts were accepted at this time or earlier. The work was inspected on behalf of the Board by the Vice Chancellor for Facilities Planning. Because of difficulties in resolving certain problems, including those relating to some of the biohazard cabinets, however, the report was deferred until the budget adjustment described in footnote (3) below was made on June 12, 1978.

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

<table>
<thead>
<tr>
<th></th>
<th>Revised Budget 6/12/78</th>
<th>Original Budget 3/23/76</th>
<th>Increase or Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. E. Klock &amp; Son Construction Company, Inc., Tigard, (General Remodeling)</td>
<td>$2,857,089</td>
<td>$2,727,000</td>
<td>$130,089 (1)</td>
</tr>
<tr>
<td>the GERMFREE laboratories, inc., Miami, Fla. (Biological Safety Hoods)</td>
<td>24,544</td>
<td>40,000*</td>
<td>(15,456)(2)</td>
</tr>
<tr>
<td>C. E. Klock &amp; Son Construction Company, Inc., Tigard (Controlled Environmental Rooms)</td>
<td>44,997</td>
<td>48,000*</td>
<td>(3,003)</td>
</tr>
<tr>
<td>Milwaukee Machinery Co., Tigard (Bridge Crane)</td>
<td>40,300</td>
<td>34,000*</td>
<td>6,300</td>
</tr>
<tr>
<td>Total direct construction costs</td>
<td>$2,966,930</td>
<td>$2,849,000</td>
<td>$117,930</td>
</tr>
</tbody>
</table>

130,089
(1)
(15,456)(2)
(3,003)
### Revised Budget vs. Original Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>Revised Budget 6/12/78</th>
<th>Original Budget 3/23/76</th>
<th>Increase or Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional services fees</td>
<td>287,903</td>
<td>286,403</td>
<td>1,500</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>94,958</td>
<td>54,240</td>
<td>40,718</td>
</tr>
<tr>
<td>Furnishings and equipment</td>
<td>85,209</td>
<td>55,000*</td>
<td>30,209</td>
</tr>
<tr>
<td>Contingencies</td>
<td>-0-</td>
<td>136,350</td>
<td>(136,350)</td>
</tr>
<tr>
<td>Rededication of parking areas</td>
<td>120,000</td>
<td>120,000</td>
<td>-0-</td>
</tr>
<tr>
<td>Bond discount</td>
<td>-0-</td>
<td>54,007</td>
<td>(54,007)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,555,000</strong></td>
<td><strong>$3,555,000</strong></td>
<td><strong>$0</strong></td>
</tr>
</tbody>
</table>

*Budgeted within total of $177,000 for furnishings and equipment*

1. Includes door, door frame and hardware modifications; revisions in chiller tie-in riser; addition of supports for existing chilled water and return lines; changes in concrete reinforcing; additions to the quantity of laboratory cabinets; extensions to existing distilled water line; addition of eleven eyewash fountains; modifications to laboratory benches and cabinets; extra concrete cutting and modifications to entrance steps; addition of valves in heating supply lines; revisions to existing waste lines and ventilation ducts; changes in specifications for two sterilizers; changes in certain valve sizes; revisions in specifications for resilient floor covering and for carpeting; addition of a catch basin in the lawn area at Tenth Avenue; addition of electrical services for a washer and a dryer; modifications to glass acid-waste lines; addition of a floor drain; relocation of emergency shower; changes in specifications for drain line ejector; revisions and extensions to the lower level floor trench; modifications in specifications for hydraulic piping; adjustment to number of biological fume hoods to agree with number provided in separate contract; revision of floor levels affecting thickness of leveling slab and deletion of additives in these slabs; addition of shelving to metal storage units; modifications to sprinkler piping; relocation of existing chilled water expansion tank; revisions to transfer grilles; modifications to ceiling suspension system; addition of shelving and plug-in strips in controlled environment rooms; revisions to steam line runs; addition of wood surfaces to be painted; deletion of fan motor enclosures; addition of a deionized water system; modification of stainless steel ducts at four sound traps and other minor modifications all included within 44 approved change orders. (Exception: Change Order No. 28 is not included in the net increase of $130,089 inasmuch as it covered the controlled environmental rooms which were bid separately. C. E. Klock & Son Construction Company, Inc. submitted the lowest bid of $44,997, so a change order was written to add the work to the original prime contract rather than to draw up a separate contract.)

2. The original contract for the biohazard safety cabinets was modified to reduce the original order from nine fume hoods to four hoods with the expectation that the cabinets deleted would be re-bid to conform to more stringent design requirements established by the Public Health Laboratories. Revised drawings and specifications were prepared by the project architects with the assistance of Earl L. Walls Associates, and bids for such work are now being requested.

3. Initially, the bond discount was budgeted within the estimated total expenditures of $3,555,000. Because of additional costs resulting from delays in completing the construction, including but not limited to the modifications applicable to the biohazard safety cabinets (fume hoods) for the Public Health Laboratories, it was necessary to provide the full amount of $3,555,000 into the plant fund accounts. It is expected that some revisions in the lease agreements with the Depart-
The remodeling included offices and laboratories for the Department of Environmental Quality, for the Health Division of the Department of Human Resources and for the Department of Applied Sciences and Engineering at Portland State University. Two levels of space are provided for each agency with fenestrated office space for each on the upper level. The Department of Environmental Quality is sited in the west side of the structure and the Health Division in the east side. The structural testing facilities for Portland State University's Department of Applied Science and Engineering utilize the south end of the former two parking levels with access by means of a new ramped driveway to the west.

RECAPITULATION UPON INSPECTION AND ACCEPTANCE

Project - PSU Science II Remodeling for DEQ, Health Division, and Applied Science & Engineering Laboratories

Architects - Campbell-Yost-Grube & Partners, Portland

Board's priority - No. 5 in 1975-1977 for Educational and General Plant (for PSU Applied Science & Engineering Laboratory only)

Legislative authorization - Chapter 331, Oregon Laws 1975

Total project costs, including $120,000 for rededication of parking areas to PSU's educational and general use $3,555,000

Direct construction costs, including built-in equipment $2,986,930

Estimated gross areas (remodeling and new construction): Department of Environmental Quality 27,027 square feet Health Division 24,417 square feet Portland State University 14,770 square feet Total 66,214 square feet

#Excludes 1,290 square feet of existing upper floor level removed for additional ceiling height required for crane operating in structural laboratory

Estimated direct construction costs per square foot: Average - $44.81

Tentative financing plan:

General Fund appropriation within Section 1 of Chapter 331, Oregon Laws 1975 $127,500

Article XI-G bond proceeds 127,500

Building use credits Subtotal for PSU Applied Science and Engineering Laboratory (per expenditure limitation in Section 2(3)(b) of Chapter 331, Oregon Laws 1975 $325,000

Self-liquidating bonds issued under the provisions of Article XI-F(1) of the Oregon Constitution per expenditure limitation within Section 16 of Chapter 331, Oregon Laws 1975, for remodeling for Department of Environmental Quality and Health Division 3,230,000**

Total $3,555,000

**The debt service on these bonds will be met from rentals under a 20-year lease agreement with the two agencies involved.
Board Discussion and Action

The Board received the report as presented.

Report of Bids and Contract Award for Student Housing in Portland (Residential Buildings Exterior Renovations, Painting II), PSU

Upon the recommendation of institutional officials, the final drawings and specifications which had been prepared with the assistance of Allen L. Greene, Architect, Portland, for exterior renovations (Painting II) for five residential buildings at Portland State University were accepted on behalf of the Board.

Two bids were received for the work on May 25, 1978, one in the amount of $42,110 and the other for $56,280. Inasmuch as funds were available for the work, a contract award was made to the low bidder and the following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Direct construction costs:</th>
<th>$42,110</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwest Painting and Decorating, Ltd., Portland</td>
<td>$42,110</td>
</tr>
<tr>
<td>Professional services fees</td>
<td>3,790</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>1,500</td>
</tr>
<tr>
<td>Contingencies</td>
<td>2,100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$49,500</strong></td>
</tr>
</tbody>
</table>

The work of the contract includes patching of stucco, painting of wood, stucco and metal, and the waterproofing of masonry on five residential buildings, i.e., Montgomery Building, Parkway Apartments, Stratford Apartments, St. Helens Apartments and Maryanne Apartments.

Expenditure requirements for this project are being met from proceeds of self-liquidating bonds issued under the provisions of Article XI-F(1) of the Oregon Constitution. Authorization for the expenditure of $500,000 for the rehabilitation of the nine residential buildings at Portland State University was granted by the Board and the State Emergency Board as a portion of the total capital outlay authorization of $10,000,000 for student housing in Portland granted by the 1973 Legislature.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - PSU Student Housing in Portland (Residential Buildings Exterior Renovations, Painting II)

Architect - Allen L. Greene, Portland

Board's priority - not applicable

Legislative authorization - Chapter 592, Oregon Laws 1973

| Total project costs (this portion only) | $49,500 |
| Total direct construction costs (this portion only) | $42,110 |
| Scheduled completion - August 1978 | |
| Tentative financing plan: Article XI-F(1) bond borrowings | $49,500 |

Board Discussion and Action

The Board received the report as presented.
Staff Report to the Board

Upon the recommendation of institutional officials, the final drawings and specifications which had been prepared with the assistance of Allen L. Greene, Architect, Portland, for exterior renovations (Roofing II) for nine residential buildings at Portland State University were accepted on behalf of the Board. Two bids were received for the work on June 1, 1978, one in the amount of $91,725 and the other for $109,076. Inasmuch as funds were available for the work, a contract award was made to the low bidder and the following tentative budget was approved for the project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct construction costs</td>
<td></td>
</tr>
<tr>
<td>Snyder Roofing &amp; Sheet Metal, Inc., Tigard</td>
<td>$91,725</td>
</tr>
<tr>
<td>Professional services fees</td>
<td>$8,255</td>
</tr>
<tr>
<td>Construction supervision and miscellaneous costs</td>
<td>$1,500</td>
</tr>
<tr>
<td>Contingencies</td>
<td>$4,520</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$106,000</strong></td>
</tr>
</tbody>
</table>

The work of the contract includes patching, repairing, coating and reroofing a variety of roofs on all nine residential buildings. The repair and replacement of some clay tile roofing is included also, as well as the installation of new sheet metal flashing and the painting of existing and new sheet metal.

Expenditure requirements for this project are being met from proceeds of self-liquidating bonds issued under the provisions of Article XI-F(1) of the Oregon Constitution. Authorization for the expenditure of $500,000 for the rehabilitation of the nine residential buildings at Portland State University was granted by the Board and the State Emergency Board as a portion of the total capital outlay authorization of $10,000,000 for student housing in Portland granted by the 1973 Legislature.

RECAPITULATION UPON RECEIPT OF BIDS AND CONTRACT AWARD

Project - PSU Student Housing in Portland (Residential Buildings Exterior Renovations, Roofing II)

Architect - Allen L. Greene, Portland

Board's priority - not applicable

Legislative authorization - Chapter 592, Oregon Laws 1973

Total project costs (this portion only) $106,000

Total direct construction costs (this portion only) $91,725

Scheduled completion - September 1978

Tentative financing plan:
Article XI-F(1) bond borrowings $106,000

Board Discussion and Action

The Board received the report as presented.

Report on Interinstitutional Sharing of Resources and Programs (Considered by Committee on Instruction, Research, and Public Service Programs, June 23, 1978; present--Carpenter, Feves, Daniels, and Wyss.)

A report entitled "Interinstitutional Sharing of Resources and Programs - Institutional Responses to the Board's Encouragement" was considered by the Committee June 23, 1978. No action was required. The complete report is on file in the Board's Office. Salient points made in the report are summarized below.
It is the Board's policy to encourage regional and interinstitutional sharing of graduate resources and programs as a means of offering Oregon residents improved access to graduate programs without unnecessary duplication of programs and resources.

Responsive to the Board's encouragement, state system institutions are developing an increasing number of jointly offered programs, interinstitutionally and regionally. Illustrative of these cooperative efforts of two or more state system institutions to join together in offering access to graduate programs are the following:

1. **Master's Program in Counseling.** A joint program in counseling leading to the master's degree to be offered jointly by Oregon State University and Oregon College of Education was approved by the Board of Higher Education in March 1978.

2. **Doctoral Program in Community College Education.** A tri-university program leading to the EdD degree in community college education proposed for offering by Oregon State University, University of Oregon, and Portland State University is being presented to the Board's Committee on Instruction, Research, and Public Service Programs at its June 23, 1978 meeting, and to the Board at its July meeting.

3. **Doctoral Program in Public School Administration.** A joint program leading to the doctoral degree in public school administration and supervision, utilizing the resources of the University of Oregon and Portland State University is also being considered by the Board's Committee on Instruction, Research, and Public Service Programs at the June 23, 1978 meeting and by the Board at its July meeting.

4. **Master's Program in Public Health Administration.** The University of Oregon Health Sciences Center and Portland State University have been working jointly with the University of Washington Health Sciences Center in developing plans through which the joint efforts of the three institutions will make available in the Portland metropolitan area access to the fully-accredited University of Washington Master of Public Health degree program. A report of the plans therefor is being presented to the Board's Committee on Instruction, Research, and Public Service Programs at its June 23, 1978 meeting.

5. **MPA and MBA Options.** Portland State University and the University of Oregon Health Sciences Center (Department of Health Administration and Services) are jointly developing:
   a. A health administration track leading to the Master of Public Administration (MPA) degree at Portland State University.
   b. A health care financial management track leading to the Master of Business Administration (MBA) degree at Portland State University.

6. **Masters Program in Correctional Administration.** An arrangement has been developed between Oregon College of Education and Eastern Oregon State College through which the OCE MA/MS in Correctional Administration is made more accessible to EOSC students. A brief description of these arrangements is presented in the complete report on file in the Board's Office.

Traditionally, institutions offering master's degree programs consisting of 45 credit hours will permit students to transfer toward degree requirements but 15 credit hours of work taken at another institution.
In the case of the MA/MS in Correctional Administration, however, Oregon College of Education and Eastern Oregon State College have developed arrangements which allow Eastern Oregon State College students (1) to complete 15 credit hours of course work at Eastern Oregon State College, and an additional 9 credit hours of thesis/field study or on-site management field experience under the supervision of Eastern Oregon State College faculty (a total of 24 credit hours), and (2) to take the remaining 21 credit hours of the professional core on the Oregon College of Education campus on a schedule convenient to students who can be on the Oregon College of Education campus only part-time. Nine of the required 21 credit hours are offered by Oregon College of Education on Tuesday afternoons from 12:30 p.m. to 10:00 p.m. each term, including summer term. A motivated student could take up to 9 credit hours of work per term at Oregon College of Education by enrolling in these Tuesday afternoon and evening courses.

Board Discussion and Action

The Board received the report as presented.

Staff Report to the Board

The following reply to our letter of May 2, 1978, requesting the Oregon Investment Council to instruct the managers of endowment funds to sell investments in firms doing business in Southern Africa was received from the Chairman of the Council:

"Dear Chancellor Lieuallen:

At its June 21 meeting, the Oregon Investment Council considered your letter of May 2, 1978. In that letter, you quote the State Board of Higher Education's Motion of November 18, 1977, in which it instructs its money managers (1) 'to sell all of the endowment investments in the 27 companies' identified as having substantial activity in South Africa; and (2) not to acquire investments in any company having certain described business connections with South Africa. You request that the Council interpret the Motion 'as the Board's recommendation that the Council issue the instructions specified in the Motion.'

"As you know, the Attorney General has recently written two opinions on this subject. In Opinion No. 7617 (May 2, 1978), he ruled that the 'final decision as to what stocks to buy or sell will reside with the investment managers' (p. 16), and that they

'...must consider both safety of the investment and probable return. Other considerations, such as political or moral judgments, are not relevant and should not deflect investment managers from their legal duty.'

(p. 15; footnote reference omitted) (Emphasis added).

"In a subsequent opinion, No. 7639 (June 19, 1978), he ruled that the money managers alone could exercise voting rights on stock and that in doing so, their sole objective 'is to make the investments "as productive as possible" consistent with safety of capital. ORS 293.721; 293.726.'

"In view of these two opinions, the Council unanimously resolved that it is unable to respond positively to your letter and directed me to apprise you of that fact."
"Accordingly, I respectfully advise that the Oregon Investment Council is unable to comply with the instructions or even accept as a recommendation the matters set forth in your letter of May 2, 1978.

Very truly yours,

Roger S. Meier
Chairman, Oregon Investment Council"

CONDITION OF BOARD'S SPECIAL AND PLANT REHABILITATION RESERVES
As of July 28, 1978, for Fiscal Year Ending June 30, 1979

Staff Report to the Board

I. Board's Reserve for Plant Rehabilitation

Unexpended balance carried forward from FY 1977-78
FY 1978-79 Allocation

Total balance at beginning of FY 1978-79

Less: Amounts approved by the Chancellor:
   For Britt Center reroofing at SOSC
   For Pierce Library roof repairs at EOSC
   Agenda item for alterations to proposed leased facilities for library storage, OSSHE

Estimated Balance as of July 28, 1978

ADJOURNMENT

The meeting was adjourned at 1:50 P.M.

Wilma L. Foster, Secretary
Oregon State Board of Higher Education