MINUTES OF SPECIAL MEETING OF THE
STATE BOARD OF HIGHER EDUCATION
OCTOBER 10, 1988

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

October 10, 1988

Meeting #569

At the call of the President of the Board, a special meeting of State Board of Higher Education was held in Room 338, Smith Center, Portland State University, Portland, Oregon

ROLL CALL

The meeting was called to order at 2:45 p.m., October 10, 1988, the President of the Board, Mr. Richard F. Hensley. On roll call, the following answered present:

Mr. Robert R. Adams
Mr. Mark S. Dodson
Mr. John W. Alltucker
Mr. Gary L. Johnston
Mr. Robert Bailey
Mr. Rob Miller
Miss Kasey K. Brooks
Mr. George E. Richardson, Jr.
Mr. Thomas H. Bruggere
Mr. Richard F. Hensley

Absent: Mrs. Schnitzer has resigned from the Board, and her successor has not yet been appointed and confirmed.

OTHERS PRESENT

Centralized Activities—Chancellor W. T. Lemman; Secretary Wilma Foster; W. C. Neland, Executive Vice Chancellor; Larry Pierce, Vice Chancellor for Academic Affairs; Kay Juran, Interim Vice Chancellor for Public Affairs; Jim Sellers, Director of Communications.

Portland State University—President Natale A. Sicuro; Roger Edgington, Vice President for Finance and Administration; and approximately 50 faculty members and students.

Others—Media representatives, primarily from the Portland area, were present.

Evaluation of President N. A. Sicuro, PSU

Mr. Hensley indicated the purpose of the meeting was to discuss the evaluation of Dr. Natale A. Sicuro as President of Portland State University. He stated the Board would not meet in Executive Session but would remain in the special meeting. He indicated the start of the meeting had been delayed because of the time required to complete a document of importance both to the Board and Dr. Sicuro.

Mr. Hensley then read the following letter of resignation from President Sicuro:

The Special Review Committee for the Oregon Board of Higher Education has concluded that the differences between the President and the faculty at Portland State University are such that re-establishing a satisfactory working relationship is problematical.
I have concluded that it is in the best interest of Portland State University to resign as President.

I therefore submit my resignation as President of Portland State University, effective December 31, 1988, subject to a mutually agreeable statement by the Board of Higher Education and a mutually agreeable memorandum of understanding.

October 10, 1988 /s/ Natale A. Sicuro

Mr. Hensley then requested the Chancellor to review the memorandum of understanding.

Prior to reviewing the memorandum of understanding, the Chancellor explained that the Board had an Executive Management Policy which applied to presidents and chancellors, among others. The policy includes a provision that those officers who leave the service of an institution in a circumstance other than termination for cause are entitled to continue their employment or their salary for a period of time based upon their period of service. In the first year of service, that period is a three-months' period; in the second, six months; and in the third year and thereafter, those persons are entitled to twelve-months' salary. This is common practice in both the public and private sector, and is applicable in this case.

The Chancellor then read the following Memorandum of Understanding:

MEMORANDUM OF UNDERSTANDING

I. This agreement is dated October 10, 1988

II. This agreement is between the Oregon State Board of Higher Education, hereinafter known as Board, and Natale A. Sicuro, currently President of Portland State University, hereinafter described as President Sicuro.

III. President Sicuro is submitting his letter of resignation to the Board on this date, effective December 31, 1988, and subject to the conditions of this agreement.

IV. President Sicuro's salary shall continue at its present rate, with the increase already contemplated to be effective January 1, 1989, until October 9, 1989. During that period of time he will continue to be an employee of the Oregon State Department of Higher Education.

V. Commencing January 1, 1989, President Sicuro's duties shall be assigned by the Chancellor. Otherwise he shall be on leave of absence. Vacation shall accrue as provided by the appropriate rules of the Board.
VI. President Sicuro shall continue to hold the title of President of Portland State University until December 31, 1988; however, effective immediately, the authority, duties and responsibilities of the office of President of Portland State University will be reassigned.

VII. President Sicuro shall be entitled to continue to occupy, pursuant to existing terms and conditions, Portland State University Presidential housing until December 31, 1988.

VIII. President Sicuro shall be entitled to appropriate professional travel until December 31, 1988.

IX. President Sicuro shall be entitled to secretarial support until December 31, 1988, and until that date shall be entitled to use the existing Presidential office space at Portland State University.

X. On or after October 10, 1989, the Board shall consider designating President Sicuro as Distinguished Service Professor within the Oregon State System of Higher Education.

XI. As of October 10, 1989, President Sicuro may return to Portland State University as Professor of Education with indefinite tenure. Duties shall be assigned by the President of Portland State University and the Dean of the School of Education. The salary and other employment conditions shall be set by the President, but in no event shall the salary be less than the highest salary paid a full Professor of Education in the School of Education.

XII. If President Sicuro returns to Portland State University as Professor of Education with indefinite tenure as of October 10, 1989, his prior service shall be counted, and he shall be eligible to be considered for sabbatical leave.

XIII. If President Sicuro does not return to Portland State University on October 10, 1989, his failure to do so shall be treated as his resignation from employment within the Oregon State System of Higher Education.

XIV. This agreement shall be effective upon signature by President Sicuro on behalf of himself and by W. T. Lemman, Chancellor of the Oregon State System of Higher Education, acting at the direction of the Board.

In presenting the memorandum, the Chancellor noted that President Sicuro's Notice of Appointment already contains his appointment as a Professor of Education with indefinite tenure.
Mr. Hensley then read the following statement of the Board of Higher Education:

STATEMENT OF THE BOARD OF HIGHER EDUCATION

With deep regret over the present situation at Portland State University, the Board accepts the resignation of Dr. Natale A. Sicuro as president of PSU, effective December 31, 1988.

In its evaluation of the performance of Dr. Sicuro, the review panel found no evidence of misuse of university or foundation funds or of any other wrongdoing. The Chancellor and Board concur in this finding. Nor does the Board believe that controversy at Portland State University reflects on the qualifications or performance of Dr. Sicuro as an educator. The Board recognizes Dr. Sicuro's eight years of outstanding service and accomplishments at Southern Oregon State College and believes he is a person of integrity and moral conviction. The resignation is based on our mutual recognition of the differences between Dr. Sicuro and the university faculty.

In accepting Dr. Sicuro's resignation, the Board agrees to terms common in the public and private sectors and which also are in accord with the Board's executive management policy.

Mr. Hensley moved that the Board approve the statement of the Board and the memorandum of understanding and accept the resignation of President Sicuro. The motion was seconded.

In response to a question from Mr. Dodson, the Chancellor stated that all of the provisions in the Memorandum of Understanding were consistent with the Board's Executive Management Policy.

Mr. Adams inquired whether it would be appropriate to include the administration and student body in the second paragraph where there was a reference to a recognition of the differences between President Sicuro and the faculty. It was indicated the administration was considered part of the faculty and automatically was included. The intent was to follow the statement presented by the review panel.

Mr. Bruggere asked whether anything in the Memorandum of Understanding would be considered unusual in terms of any previous situations of a similar nature. Mr. Hensley responded that it was his understanding that it was consistent with previous performance and past practices. The proposal was reviewed with the Chancellor and staff, President Sicuro, and the Board's legal counsel.
Mr. Richardson requested further explanation of Item X of the Memorandum of Understanding which pertains to the designation of Dr. Sicuro as a Distinguished Service Professor. The Chancellor said if President Sicuro were employed as a teaching faculty member in the fall or winter quarter of 1989 or thereafter, he could request and the Board would agree at that time to consider designating him as a Distinguished Service Professor. The Board would not be committed to do anything other than consider the matter.

The Board approved the motion by Mr. Hensley, with the following voting in favor: Directors Adams, Alltucker, Bailey, Brooks, Bruggere, Dodson, Johnston, Miller, Richardson, and Hensley. Those voting no: None.

The Chancellor said Item VI of the Memorandum of Understanding specified that the duties of the president would be assigned elsewhere. He recommended that (in accordance with the authority of the Board, where the sole authority exists to establish and change the functions, terms, and conditions of employment or R. assignment of officers of administration within the institution) the Board establish at Portland State University, effective on October 11, 1988, the position of Executive Vice President. He further recommended that concurrent with the establishment of the position all of the duties and responsibilities of the president held by virtue of statute, Administrative Rule, Internal Management Directive, or Board policy be assigned to that position.

The Chancellor further recommended that Mr. Roger Edgington, Vice President for Business and Finance at Portland State University, be named as Executive Vice President, effective October 11, 1988. He said it would be his intention to bring to the Board at its October 21 meeting a recommendation for a longer-term appointment to that position until such time as a new president is appointed and on the job. He stated the longer-term appointment might or might not be Mr. Edgington, depending upon his consultations with the Board and appropriate persons at Portland State University prior to the October meeting. He said it would be his further expectation that on January 1, 1989, after President Sicuro's resignation as president had taken effect, the position of Executive Vice President would be abolished and those duties and responsibilities would be returned to the position of president and whoever was in the position of Executive Vice President would become the Interim President of Portland State University.

In response to a request for further clarification, the Chancellor explained that there would be an Executive Vice President starting on October 11. On October 21, he would make a recommendation for an interim president, but that person's title would be Executive Vice President from October 21 until December 31, 1988, and Interim President from January 1, 1989, until the new president was appointed and on duty.
The Board approved the Chancellor's recommendations, with the following voting in favor: Directors Adams, Alltucker, Bailey, Brooks, Bruggere, Dodson, Johnston, Miller, Richardson, and Hensley. Those voting no: None.

Mr. Hensley said the review had been a trying ordeal in some ways to the Sicuro family but he believed it had been a fair process. He especially thanked the five individuals who served on the review panel. The panel heard 40 hours of testimony in which they heard from 165 different individuals. The reviewed 300 letters and petitions containing some 425 signatures. They interviewed the Attorney General's and Secretary of State's auditors and did a very thorough job.

The Secretary distributed forms for recording bond bids in connection with the conference telephone call the following day. She also distributed reservation forms for the visitation and Board meeting in Klamath Falls on October 20 and 21.

ADJOURNMENT

The special Board meeting was adjourned at 3:25 p.m.

Richard F. Hensley, President

Wilma L. Foster, Secretary