MINUTES OF THE
REGULAR MEETING OF THE
STATE BOARD OF HIGHER EDUCATION

June 18, 1999

CALL TO ORDER

ROLL CALL

EXECUTIVE SESSION

MINUTES APPROVED

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Katie Van Patten
Esther Puentes/Geri Richmond
Visit

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Dinner
Legislative Session
New Staff and Retirements
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OREGON STATE BOARD OF HIGHER EDUCATION
MINUTES OF REGULAR MEETING
EASTERN OREGON UNIVERSITY
HOKE CENTER—MAIN LOBBY
LA GRANDE, OREGON

CALL TO ORDER
The meeting of the State Board of Higher Education was called to order at 10 a.m. by President Imeson.

ROLL CALL
On roll call, the following answered present:

Ms. Diane Christopher  Mr. Don VanLuvanee
Mr. David Koch  Mr. Jim Willis
Ms. Gail McAllister  Ms. Phyllis Wustenberg
Mr. Tom Imeson

Absent: Dr. Herb Aschkenasy (business conflict)

Mr. Lussier and Ms. Van Patten were not present at roll call, but participated in the Executive Session, and were in attendance for the remainder of the meeting.

EXECUTIVE SESSION
The Board, after agreeing to the reasons for an Executive Session as described in ORS 192.660(1)(d), for the purpose of deliberations with its labor negotiator, dismissed themselves between 10:05 and 10:40 a.m.

MINUTES APPROVED
The Board dispensed with the reading of the April 16, 1999, Board meeting minutes. Mr. VanLuvanee moved and Mr. Willis seconded the motion to approve the minutes as submitted. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

PRESIDENT’S REPORT
Diane Vines
President Imeson acknowledged the presence of Board Secretary Vines, whose recent illness forced her to be out of the office for nearly a month. “We’re happy to see you back and on the road to recovery,” he said.
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Katie Van Patten

Announcing that it was Ms. Van Patten's final Board meeting, Mr. Imeson expressed his gratitude for her more than two years of service and wished her the best of luck in her future endeavors.

Esther Puentes/Geri Richmond

Mr. Imeson reported that Ms. Puentes resigned from the Board in May and announced that Dr. Geri Richmond, a professor of chemistry at UO, was nominated by the Governor to serve as Ms. Puentes' replacement. (Pending confirmation by the Senate, Dr. Richmond sat in the audience, rather than at the Board's table.)

EOU Visit

Since Mr. Imeson was unable to attend the campus visitation, Ms. Christopher reviewed the day's activities. Ms. Christopher shared that Board members were briefed by President Creighton on Eastern's strategic plan. Other highlights included a status report on EOU's distance education program and a presentation on a proposed renovation of the science building, Badgley Hall. She reported that the town hall format was, once again, a popular forum for exchange between Board members and the campus community. "It's a great way to hear questions and for us to learn," she said. The day ended with a dinner on the stage of the McKenzie Theatre that included an interactive evening with some cast members from a recent production of Guys and Dolls. "It was just wonderful," said Ms. Christopher.

CHANCELLOR'S REPORT

Dinner

Echoing Ms. Christopher's comments on the dinner, Chancellor Cox expressed his gratitude to President and Mrs. Creighton for a memorable evening.

Legislative Session

The Chancellor indicated that lawmakers in Salem were deeply engrossed in meetings in an attempt to bring resolution to the impasse that has locked up the budget process. He said that he hoped for greater clarity within the next 10-14 days.

New Staff and Retirements

Dr. Cox introduced Mr. Ben Rawlins, new OUS director of Legal Services. He replaced Ms. Melinda Grier, who accepted a position as general counsel at UO.

Announcing recent retirements at OIT, the Chancellor said that both Provost Stanaway and Ms. Nancy Cox, executive secretary to the president, would be leaving in the near future. President Dow noted that Ms. Cox has the distinction of having served with every president since OIT opened its doors. "Please convey our congratulations. That is quite an accomplishment," said the Chancellor.
Mr. Gary Christensen, director of OUS school relations, retires effective June 30 shared the Chancellor. "His will be a large set of shoes to fill," Chancellor Cox observed, noting that Mr. Christensen served in the System office for more than 27 years.

IFS Report

Following is an excerpt of IFS President John Cooper's remarks:

"At our recent meeting in Salem, we received a presentation by Ms. Marilyn Lanier, OUS associate vice chancellor for Finance and Administration and Mr. Loren Stubbart, OUS associate budget director. It was a detailed report providing us with specific numbers on how state funds will be distributed under the new budget model, along with appropriate rationales. IFS members are eager to know what degree of autonomy institutions will have over their budgets and thus, by implication, over their programs, staff, and faculty salaries. To what extent do we remain a system? To what extent will institutions be freed from old geographical limitations and concerns about program duplication? At what organizational level will these questions be settled?

"As you know, the faculties have willingly embraced the new model, even though its organizational implications are far from clear. We are aware of the value to the Governor and the legislature in terms such as 'competition' and 'entrepreneurial' and we genuinely value the opportunity to propose new programs without the traditional slow process of approval and the ability to see the connection between program and cost. On the other hand, we are conscious that much of our recent political strength has come from institutions presenting a united front to the political leadership. If for no other reason than that, we see the value remaining a system.

"Ms. Dawn Billings from the Department of Education spoke to us about progress in applying the CIM, CAM, and PASS standards. It was a very encouraging presentation. Clearly, if the goals of all these standards are met, we can expect a reversal in what seems to us a downward trend in student performance.

"Mr. Mark Nelson, lobbyist for the Association of Oregon Faculties, gave his view of the current political situation for
higher education. He alerted us to SB 722, which would have the effect of reducing PERS benefits to state employees hired after January 1, 2000. This legislation could have unfortunate implications for our ability to hire new faculty. According to the most recent report in *Academe*, Oregon remains in the lower twentieth percentile when looking at faculty salaries. We edge up slightly when total compensation is considered. When hiring new faculty, we have always been able to refer to a relatively generous retirement plan. If SB 722 is implemented, our competitive disadvantage in the academic marketplace will worsen.

“Finally—almost halfway through my term as president of IFS, I discovered that I could not find a current copy of the IFS Constitution, nor could anyone else. Therefore, we have organized a Constitutional Committee to present a corrected version to the Senate for adoption by the end of this year.”

Chancellor Cox indicated that significant progress had been made in amending some language in SB 722 and that more would be known in the near future.

**AMENDMENTS TO BOARD BYLAWS**

**Staff Report to the Board**

At its meeting on May 12, 1999, the System Strategic Planning Committee heard a staff presentation on minor amendments to the Board Bylaws. To ensure consistency with the proposed modification to *Article III, Section 5(A)* discussed by the Committee, staff also recommends that *Article II, Section 5* be amended similarly. *Article III, Section 5(B)* pertains to the timeline for distribution of materials to a standing Committee. Following are the recommended amendments (Bracketed text represents deletions; new language is in bold text):

**Article II, Section 5**

The Executive Committee shall consist of five members including the Board president, vice president(s) and other committee members elected by the Board to serve as members of the committee. The Executive Committee shall take final action for the Board in such matters as may be specifically referred to it by the Board, the **Board president**, or the **Chancellor** with power to act. Between Board meetings,
the Executive Committee shall act for the Board in minor matters and any matter where a timely response is required prior to the next Board meeting, subject to Board approval at its first subsequent meeting.

**Article III, Section 5(A)**
Material to be presented at any regular Board meeting may be presented directly to the Board or may be considered by the appropriate Board Committee at a meeting before the official Board meeting. Items may be referred to the appropriate Board Committee either through referral of a specific issue by the Board, the Board president, the Chancellor, or by a determination of the staff that Committee consideration should precede Board discussion. The docket prepared by the secretary for the Board meeting shall be mailed to each Board member at least one week in advance of the Board meeting.

**Article III, Section 5(B)**
All material to be presented to standing Committees for consideration shall be delivered to the secretary at least [three weeks] **ten days** before the Committee meeting, except in cases of necessity, so that the secretary may have the Committee agenda, together with an abstract of supporting material, prepared and forwarded to each Board member at least one week before the Committee meeting.

**Recommendation to the Board**

Staff recommended that the Board approve the proposed amendments to the Board Bylaws, Article II, Section 5 and Article III, Sections 5(A)(B).

**Board Discussion and Action**

Mr. Koch moved and Ms. McAllister seconded the motion to approve the amendments as submitted. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.
Staff Report to the Board

At its April 16, 1999, executive session, the Board received legal advice and conferred with legal counsel regarding the effect of Tanner v. OHSU. The proposed administrative rule amendment would modify the Board’s current policy on resident fee rates consistent with the Oregon Court of Appeals decision in Tanner in December 1998. Because of the need to bring the Board’s rule into conformity with Oregon law, the proposed amendment will be adopted as a temporary rule. Permanent rulemaking procedures will be undertaken so that a permanent rule will be in place prior to the expiration of the temporary rule.

Recommendation to the Board

Staff recommended the Board amend OAR 580-010-0086, Enrollment of Spouse and Dependent Children, by temporary rule as follows (new language is in bold text):

580-010-0086 (1) The spouse and dependent children of regular Department staff members with a full-time equivalent of at least .50 may enroll as students at resident fee rates in Department institutions. Effective January 1, 1999, for purposes of this rule, “spouse” includes the domestic partner of an employee of the same sex. The Chancellor or designee shall establish criteria to determine domestic partner eligibility.

(2) The spouse and dependent children of Department visiting instructors from other countries or other states with a full-time equivalent of at least .50 may enroll in Department institutions at resident fee rates during the terms that the parent, guardian or spouse is serving a Department institution as a visiting instructor.

Board Discussion and Action

Following a brief summary by Ms. Melinda Grier, former OUS director of Legal Services, Mr. Irsmson asked to confirm that the temporary rule would be retroactive to January 1. Ms. Grier explained that since the Tanner opinion was issued in December 1998, compliance by the System the first term thereafter was desirable.
Ms. Wustenberg asked for a definition of domestic partner. Ms. Grier explained that since there was none by the court, staff would need to develop the language. She reiterated that the temporary rule was to comply with the Tanner ruling. Opportunity for discussion on the permanent rule would occur upon its submission.

"Did the court decision include opposite sex domestic partners?" asked Mr. Lussier. Ms. Grier replied that it did not, the reason being that opposite sex partners have the choice to marry, whereas same sex partners do not have that opportunity.

Mr. VanLuvanee moved and Mr. Willis seconded the motion to approve the amendments as submitted. On roll call vote, the following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

GRIEVANCE OF THOMAS COPE, OSU

Executive Summary

This was a grievance brought for the Board's review under the grievance and appeal procedure in the Board's administrative rule, OAR 580-021-0050 and -0055. Mr. Cope, a former instructor in the English Language Institute at Oregon State University, filed a formal grievance related to the non-renewal of his fixed-term contract, alleging retaliation and discrimination. Mr. Cope's non-renewal occurred as a part of a staff reduction in the English Language Institute. Based on the findings and recommendation of the Faculty Senate Grievance Committee (FSGC), which heard Mr. Cope's grievance, President Risser denied the grievance.

Board President Imeson designated Dr. Lorraine Davis, senior vice provost for Academic Affairs at the University of Oregon, to review this matter on behalf of the Board and to make a report to the Board. That report and Mr. Cope's appeal to the Board were distributed to Board members separately.

Recommendation to the Board

Dr. Davis recommends that Mr. Cope's appeal be denied.
Board Discussion and Action

Dr. Davis briefly highlighted the specifics of Mr. Cope's grievance and the processes leading to her review of the case. She explained that her role, and subsequently the Board's role, was to determine if a procedural error that prejudiced the grievant was committed by the institution during the grievance process, if the decision by the president was not supported by substantial evidence, or if the decision was in conflict with applicable rules and law.

Continuing, Dr. Davis observed that, while she did not find the grievant's claims were substantiated, there were flaws in the overall merit process that should be addressed.

Reading a prepared statement to the Board via conference phone, Mr. Cope provided a history leading to his non-renewal of contract. Asking the Board to reverse President Risser's decision, Mr. Cope suggested that a more detailed investigation take place, and that the evaluation process needed clarification.

At the conclusion of Mr. Cope's statement, Mr. Koch asked to clarify the Board's standard of review. Ms. Grier explained that it was an appellate review that looked for prejudicial procedural errors or lack of substantial evidence. The Board could also reverse a decision by the institution president if it felt the original decision was in conflict with rule or law. The Board's review does not allow it to substitute its own judgment on the original personnel action.

Ms. Wustenberg asked Dr. Davis if Mr. Cope presented new information in his statements that were not included in the material considered by the Grievance Committee or President Risser. While not reviewing his testimony word for word, Dr. Davis said that she felt no new information arose.

Mr. Lussier moved and Ms. Christopher seconded the motion to deny the appeal. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

Before proceeding, Mr. Koch expressed concern over the lack of clarification of process followed in determining non-renewal.
GRIEVANCE OF GARY FALLOW, OSU

Executive Summary

This was a grievance brought for the Board's review under the grievance and appeal procedure in the Board's administrative rule, OAR 580-021-0050 and -0055. Mr. Fallow, a former instructor in the English Language Institute at Oregon State University, filed a formal grievance related to the non-renewal of his fixed-term contract, alleging age, gender and marital status discrimination, as well as claiming favoritism based on marital relationships within the English Language Institute. Mr. Fallow's non-renewal resulted from a staff reduction in the English Language Institute. Based on the findings and recommendation of the Faculty Senate Grievance Committee (FSGC), which heard Mr. Fallow's grievance, President Risser denied the grievance.

Board President Imeson designated Dr. Lorraine Davis, senior vice provost for Academic Affairs at the University of Oregon, to review this matter on behalf of the Board and to make a report to the Board. That report and Mr. Fallow's appeal to the Board were distributed to Board members separately.

Recommendation to the Board

Dr. Davis recommends that Mr. Fallow's appeal be denied.

Board Discussion and Action

Noting Mr. Fallow's appeal was based on the same circumstance of non-renewal as Mr. Cope's grievance, Dr. Davis indicated that Mr. Fallow's claims stemmed from what he deemed to be procedural errors. She reiterated that the perceived flaws in the merit section of the criteria warranted some review, but did not contribute to any prejudice to the grievant in the procedure itself.

Ms. Grier read a statement prepared by Mr. Fallow, who could not attend the meeting. He indicated that he filed his grievance on the basis of misapplied procedure. At the conclusion of the statement, Mr. VanLuvanee asked if there was any kind of statement on how determinations are made when it becomes necessary to reduce a workforce. Ms. Grier said that would be under the institution's purview. OSU Provost Arnold explained that processes are in place, but are different based on employee categories and departments.
Mr. VanLuvanee questioned again about actual guidelines. "It's just not clear to me what the criteria are, which seem to me to be the root of these grievances," observed Mr. VanLuvanee. Dr. Arnold said that, in this case of staff reduction, the criteria established were seniority, performance evaluations, and need for the program. He reminded Board members of the importance to distinguish that, in this case, it was not a termination during a contract period, but rather a non-renewal of a fixed-term appointment, which is determined annually.

Mr. Willis asked if others were affected by the non-renewal who did not grieve. Dr. Davis said that she was unsure about non-renewal, but indicated several others in the department had their FTE reduced, some drastically.

Mr. Willis moved and Ms. McAllister seconded the motion to deny the appeal. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

President Imeson expressed his appreciation to Dr. Davis for her work on the two grievances on behalf of the Board.

**Executive Summary**

This was a grievance brought for the Board’s review under the grievance and appeal procedure in the Board’s administrative rule, OAR 580-021-0050 and -0055. Ms. Pinkham was employed as a part-time lecturer at Southern Oregon University. She was dissatisfied with her rank and compensation, and during fall term 1998 wrote to the department chair setting out some requirements for her continued employment which, if not met, she would consider acceptance of her resignation at the end of fall term. Southern did not accept the conditions she proposed and accepted her resignation. Ms. Pinkham filed a grievance regarding the terms and conditions of her employment and Southern’s unwillingness to allow her to revoke her resignation. Because she was not employed as regular faculty, Ms. Pinkham was not subject to the same grievance procedure as other faculty and was not covered by the collective bargaining agreement. Board President Imeson designated UO General Counsel Ms. Melinda Grier (former director of OUS Legal Services), to review this
on behalf of the Board and to make a report and recommendation to the Board. That report and Ms. Pinkham's appeal to the Board were distributed to Board members separately.

**Recommendation to the Board**

Ms. Grier recommended that Ms. Pinkham's appeal be denied. Staff also apologized for the delay in review of this matter. Further, staff commended Ms. Pinkham's attorney for his thoughtful and courteous manner in bringing Ms. Pinkham's arguments before the Board.

**Board Discussion and Action**

Ms. Grier introduced Mr. Dennis McCaffrey, Ms. Pinkham's attorney and the grievant, Ms. Linda Pinkham.

Ms. Pinkham alleged four procedural errors: 1) she was not informed of a complaint process in a timely fashion; 2) she was not allowed to rescind her resignation; 3) SOU, by arguing that her resignation eliminated her standing to grieve, caused a procedural error that prejudiced her; and 4) because she was not considered regular faculty, her grievance was not reviewed using the same procedure available to regular faculty.

Ms. Grier determined that no violations in procedure were made by Southern. Ms. Grier did, however, offer recommendations that might prevent confusion in the future about classification. These suggestions included clearly stating on notices of appointment when a position is adjunct or temporary and better articulating a grievance procedure for those employees.

Speaking on behalf of Ms. Pinkham, Mr. McCaffrey reviewed the sequence of events leading to the grievance procedure. Mr. McCaffrey questioned why, despite her work at the University, she was not considered faculty and, therefore, ineligible to file a grievance under faculty guidelines. He stressed the importance of Ms. Pinkham's classification as it related to the grievance, and concluded his statement by urging the Board to award her the rank of instructor, grant differential pay and benefits between the ranks of lecturer and instructor during her time at Southern, and to employ her as a faculty member at the institution.
Mr. Imeson thanked both Ms. Pinkham and Mr. McCaffrey for traveling to the meeting.

Ms. Wustenberg asked if there was a contract signed by Ms. Pinkham. Mr. McCaffrey confirmed there was, but indicated that she protested the terms for three years.

In defining the unique facets of rank within academia, Ms. Grier shared that there are often people who have the same workload and assignments, but may have different titles. "It has to do with the nature of their position, their time in the organization, their relationship to the organization, some level of review, and perhaps what was offered to them," pointed out Ms. Grier. She asked President Reno to step forward and offer his perceptions.

Not denying any of Ms. Pinkham's talents or stated qualifications, President Reno indicated that due to tight fiscal times, the institution was and still is forced to look for ways to keep programs or parts of programs operating. This trend led Southern (and possibly other institutions) to rely more heavily on adjunct, temporary, part-time employees. "I believe it's very important for everyone to understand the difference between job description or the duties of a description and rank requirements. The facts are that Ms. Pinkham freely signed a contract to do certain work for the University at the level of lecturer," said President Reno.

Mr. Lussier asked if her treatment and level of pay was consistent with her rank. Dr. Reno replied they were.

Asking for greater clarification on the grievance process itself, Mr. Koch asked about formal processes for those not considered faculty. Ms. Grier replied that procedures did exist, but had not been adopted as an administrative rule.

Ms. Grier indicated that prior to the filing of the grievance, the department received permission to create and advertise for a permanent position. However, its minimum degree qualifications surpassed Ms. Pinkham's background. Chancellor Cox asked if a search had taken place to replace Ms. Pinkham. President Reno said there had not.
"I am troubled by the perpetuation of a policy that allows for a disparity in how employees are paid, even though in some cases, their qualifications and duties seem to be the same," remarked Mr. Koch. He also said that he wasn't convinced in this case that there was not prejudice in the process concerning Ms. Pinkham.

Ms. McAllister moved and Mr. Willis seconded the motion to deny the appeal. The following voted in favor: Directors Christopher, Lussier, McAllister, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: Directors Koch and VanLuvianee.

Executive Summary

Oregon University System institutions are required by their formal mission statements to serve three overall purposes: provide education, conduct research, and render public service. In furtherance of its public service mission, Southern Oregon University has operated Jefferson Public Radio (JPR) for 30 years. Its primary studio and offices are located on the SOU campus in Ashland. Additional operations are located in Medford and Roseburg, Oregon, and Redding, California. The entire JPR network now encompasses a 12-county region in southern Oregon and northern California and includes 46 station frequencies, the largest public radio network of stations and translators in the nation.

SOU proposes the purchase of the Cascade Theatre building in Redding, California, in order to relocate the Redding broadcast studios and staff of JPR, currently renting space in an obsolete facility located elsewhere in Redding. Under the current proposal, if the Board approves the request, the JPR Foundation, which has signed a contingent purchase agreement, would then assign its interest to the Board. The Board would, in turn, purchase the building on behalf of SOU. The Board, through SOU, would lease it to the JPR Foundation, which would be responsible for renovating the building, managing the building, and making payments to SOU in an amount sufficient to repay the debt service and provide building repair reserve contribution. Bond proceeds from a prior sale would be available to SOU for the acquisition of the building and renovation of office spaces.

The building under review is a former cinema, built in 1935, with a 14,508-square-foot auditorium and 3,816 square feet of office space.
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After renovation of the office space is completed (stage one), 1,292 square feet of the space would be leased to the JPR station and the balance, or 2,524 square feet of office space, would be leased to other tenants. In the stage two renovation, the auditorium would be converted to a community performing arts center as well as for use in radio programming. The hall would be rented out for a variety of special events, including activities sponsored by JPR.

The JPR network is supported by the JPR Foundation, founded in 1975 under the auspices of the SOU Foundation and, in 1997, separately incorporated. A purchase contract for the building has been executed by the JPR Foundation, with certain contingencies, including assignment of the purchase agreement to the Board upon the Board’s approval of the proposed acquisition and associated financing through the issuance of the Article XI-F(1) bonds.

The building would be purchased for approximately $550,000 utilizing Article XI-F(1) bond proceeds. Renovations to the office space in the amount of $250,000 would also be funded from Article XI-F(1) bonds for a total request of $800,000 in bond issuance. In addition, a fundraising campaign of $1.5-$1.7 million is planned by the JPR Foundation to pay for renovations to the auditorium and to cover cash flow for building operations and debt service expenses incurred during the renovation period.

Upon purchase, the Board would lease the entire building to the JPR Foundation for the period of the bonds (30 years). The JPR Foundation would, in turn, lease space to tenants, including JPR. The foundation would be responsible for the renovation of the facility (including the auditorium), the management of the facility, including maintenance of appropriate repair reserves, and the repayment of the debt service on the bonds. These costs would be passed on through its rental rate structure to all tenants on a pro-rata basis. As backstop to the debt service, the JPR Foundation will pledge its unrestricted revenues as assets, should they be required. In addition, SOU has pledged the JPR’s radio station’s licenses.

Because of the unusual nature of this proposal—the acquisition of a facility that is substantially larger than required for JPR studio operations, its location in another state, and use of Article XI-F(1) bonds that are backed by the full faith and credit of the state of Oregon—an extensive due diligence effort has been conducted. As
part of that due diligence, an informational document describing the proposal was mailed to the Board on June 5, 1999, in order to provide additional time to consider the matter. A copy of that document is on file in the Board Secretary’s office.

The due diligence has now been carried out on this project, including a review of its fit with SOU’s mission; engineering review of the structure; environmental review; bond funding feasibility; and a review of efforts being made by local civic organizations in Redding to assist with the fundraising campaign to restore the auditorium. In addition, the financial structure of the proposal has been reviewed by Chancellor’s Office staff and by the bond counsel. The terms of the purchase agreement have been reviewed by the Department of Justice for legal sufficiency.

Staff Report to the Board

Southern Oregon University operates the JPR network of public radio stations, publishing, computer, and other public information activities as part of its public service mission. The JPR network also serves as an academic venue for SOU students enrolled in broadcast journalism courses, whereby they may gain skills and experience in radio programming, broadcasting and editing.

In support of its mission, JPR operates 46 radio stations and translators in a 12-county region of southern Oregon and northern California, the largest public radio network of stations and translators in the nation. It maintains studios and staff on the SOU campus in Ashland, Medford, Roseburg, and Redding, California. JPR also operates JEFFNET, southern Oregon’s first Internet service; publishes a monthly regional news magazine with a readership of 10,000; presents hundreds of concerts, lectures, and events annually; and maintains a network of mountaintop communication sites for its own purposes and for rental to the region’s commercial radio and television stations.

JPR’s northern California stations have been in operation for about two decades, and serve Siskiyou, Shasta, and Del Norte counties. Due to its record of quality, JPR now operates more public radio facilities in California than any other public broadcasting entity. It has operated from studios in Redding since 1993.
JPR’s operations are funded by four sources: State General Fund (14 percent), JPR Foundation (69 percent), the Corporation for Public Broadcasting (15 percent) and lease income (two percent). The 1998 operating budget was $1,154,026.

As a result of its visibility throughout the region and its services to listeners, the JPR enterprise is highly valued by SOU as an important means of making the campus better known to the citizens throughout the listening population, which, not coincidentally, is Southern’s major focus area for student recruitment.

Statement of Need. JPR’s current Redding broadcast studio and offices are in a building that requires substantial repair. Two years ago, JPR began exploring a move from its current leased location to more appropriate space. A critical factor in site selection for the broadcast studio has to do with locating a parcel having the correct, unobstructed “line of sight” and bearing as the JPR radio transmitter on South Fork Mountain, which is connected to the studio via microwave. Unless these conditions are met, the microwave radio signal will not transmit properly. SOU was able to locate only a handful of Redding buildings that met this technical requirement; after several other evaluations, SOU determined that the Cascade Theatre facility was an appropriate candidate.

The characteristics of the Cascade Theatre facility—that it had formerly been a cinema facility, and that it had space for offices and retail—presented SOU with an opportunity for a more substantial project. SOU and the JPR Foundation now seek to create a performing arts center in this facility. The center will enable JPR to book concerts and other live events, similar to those it sponsors in Ashland and elsewhere, and thus extend JPR’s visibility over its broadcast area. The City of Redding and local civic groups expect the facility will further stimulate a reviving historic downtown area.

Description of the Property under Review. The property is located at 1721 Market Street, Redding, California, in the city’s historic downtown area, which is now receiving substantial investment of community development funds. The theatre was built in 1935 and has a distinctive art deco facade and decor. There are approximately 3,800 square feet of leasable office and retail space in addition to a
1,300-seat cinema auditorium. The JPR Foundation intends to renovate 1,292 square feet for the JPR studios and offices and another 2,514 square feet of office space for use as rental space.

Restoration of the auditorium for use as a contemporary multi-purpose performing arts center will require $1.5 million. The foundation will undertake a separate fundraising campaign for this purpose; therefore, those funds are not included in this project proposal. The auditorium renovation element is necessary to provide a productive asset and the rental revenue stream post-renovation is essential to making the project self-financing and self-supporting. However, the City of Redding has not imposed any restrictions on use of the auditorium prior to renovation and JPR may open it occasionally for the purpose of putting on a benefit or a related activity. There are no parking facilities associated with this facility, but there is ample public and private parking available close by.

If approved by the Board, SOU is projecting the following timeline for this transaction:

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
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<tbody>
<tr>
<td>June 30, 1999</td>
<td>Closing on the purchase</td>
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<tr>
<td>July 1999</td>
<td>Assignment of Purchase Agreement to the Board and negotiation of a management agreement between the Board and the JPR Foundation</td>
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<tr>
<td>July 1999</td>
<td>Completion of a lease between the Board and JPR Foundation</td>
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<tr>
<td>October 1999</td>
<td>Begin occupancy of office spaces by JPR</td>
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<tr>
<td>January 2000</td>
<td>Begin occupancy of office spaces by other tenants</td>
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<tr>
<td>July 2000</td>
<td>Begin renovation of auditorium</td>
</tr>
<tr>
<td>March 2001</td>
<td>Auditorium space available for rental</td>
</tr>
</tbody>
</table>
Due Diligence. Supplements A and B (on file in the Board’s office) provide a summary of items reviewed by the Chancellor’s Office staff, bond counsel, and legal counsel at the Department of Justice as part of the due diligence conducted on this proposed capital acquisition. In addition, a complete compendium of the due diligence materials is available to the Board for review during the June meeting and will remain on file in the Board’s office. The supplements include:

- a review of building systems and results of environmental assessment;
- tenant commitments secured by JPR to date;
- special provisions of the lease between the Board and JPR Foundation;
- statutory provisions for use of Article XI-F(1) bond proceeds;
- ability of the JPR Foundation to fund the construction period cash flow;
- viability of the ongoing net revenue stream;
- the ability of the JPR Foundation to backstop shortfall in rental revenues;
- value of the underlying asset; and
- additional debt service coverage in the event of default.

Alternatives to this Property. The search for an appropriate property was strongly influenced by technical considerations of microwave broadcast. JPR’s right to use the frequencies it currently utilizes, on the bearings that are licensed from its Redding studios, are critical. In addition, JPR’s current tenancy in a downtown Redding building is in serious jeopardy due to the recent foreclosure of the building.

In vacating JPR’s current location, it can only use its microwave frequencies in a building that lies on the same general bearing to South Fork Mountain (JPR’s transmission site). This severely limits its choice of locations. Moreover, the filing of an FCC application to move its studios off this bearing could re-open its microwave frequencies to competitive application. Thus, a successful JPR relocation site must satisfy the following criteria:

1. located on the same bearing to South Fork Mountain as JPR’s current studio;
2. multi-story building with a rooftop capable of supporting JPR’s transmission equipment; and
3. “line of sight” to South Fork Mountain that is not obstructed by any other structure.
JPR located six buildings that met this criteria. Three were unavailable or too costly to purchase. Two others were investigated thoroughly and an offer was made on one; however, it failed to meet due diligence analysis of its structural elements. The Cascade Theatre was found to be the only remaining candidate that met the full set of criteria.

While JPR could move to a site that would no longer be on the same microwave bearing, doing so would subject the station to high costs for engineering work and, as noted above, could trigger competition for a new FCC license.

An alternative involving the use of telephone circuits or high-speed data point-to-point to the JPR mountain transmitters is not possible at this time and likely to be prohibitively expensive if it should become an option.

Recommendation to the Board

Staff recommended the Board take the following actions with regard to the request by Southern Oregon University concerning the Cascade Property located at 1721 Market Street, Redding, California, as follows:

(a) approve the project as meeting the public service mission of Southern Oregon University and thus in furtherance of its educational goals in Oregon;

(b) accept the assignment of the JPR Foundation’s interest in the property, in accordance with the purchase and sale agreement dated April 28, 1998, to the Board of Higher Education;

(c) approve the expenditure of $800,000 in Article XI-F(1) bond proceeds to acquire the Cascade Theatre in Redding, California, and renovate 1,292 square feet for Jefferson Public Radio (JPR) and 2,524 square feet of office space to be rented to other tenants;

(d) approve the drafting of an agreement between the Board of Higher Education and the JPR Foundation that permits the
foundation to lease the property, manage its commercial tenancy, arrange for fundraising to renovate the auditorium, and repay the debt service on the $800,000 of bonds under customary and standard rules and procedures; and

(e) require a report by SOU on the progress of the fundraising activities and the renovation of the hall on the two-year anniversary of the signing of the lease noted above in part (d).

Board Discussion and Action

Vice Chancellor Anslow reviewed the proposed transaction, then asked President Reno and JPR Director Ron Kramer for their comments.

"The proposal enjoys the enthusiastic endorsement of Southern," said Dr. Reno. "It represents a kind of test case between the policymaking responsibilities of the Board and the individual judgments and activities of the campus that are consistent with the mission you have approved, as well as JPR's 30-year history of operation."

In describing JPR's history, Dr. Reno pointed out that its success is the public/private partnership concept. "JPR has taken risks in the past, but we are convinced of the financial viability of this project."

Building on Dr. Reno's comments on JPR's growth and success in the region, Mr. Kramer attributed them to both reading and serving the market well. Given that Redding is now the station's largest market share, Mr. Kramer said the opportunity to expand on its operations in the area, while joining the community in its aspirations, make the proposed transaction all the more positive.

"I think given the soundness and financial planning of this venture, I would applaud you on your willingness to try new things," observed Ms. Christopher. "I think it's a great idea."

Associate Vice Chancellor Lanier clarified the expenditure limitation and bonding authority goals for the acquisition. President Imeson asked for a scenario of what might possibly go wrong and what the implications would be.
Mr. Anslow responded that tremendous due diligence had been done on the proposed acquisition, citing that the office side of the building was in a comfortable position. One concern, he said, might be in the theatre renovation project. He explained that JPR needs to raise between $1.5-1.7 million in approximately 18 months, and the repayment of the bonds are dependent on rental activity in the theatre. What would be at issue is if the costs of renovation became greater than anticipated or if the time for renovation were extended.

Acknowledging the level of confidence in the project, Mr. Imeson asked who truly bears the risk if something were to go wrong. Vice Chancellor Anslow responded that it would be the Board as the owner of the facility and the party responsible for repaying the bonds to assure they are self-liquidating. “Many layers of coverage are in place to avoid such an incident,” he shared.

Mr. Kramer assured that the fundraising efforts were well underway and ironically to some degree, the institution has “soft pedaled” until Board approval was granted. “It’s difficult to describe to you the level of enthusiasm that exists for this project,” he pointed out. Continuing, he said, “Although the building has been vacant for 18 months, the City would allow us to open it tomorrow. It is our choice to do some remodeling and restoration work.”

Mr. Lussier moved and Ms. Christopher seconded the motion to approve the building acquisition as submitted. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

RENAME OF
PARKER
STADIUM TO
RESER
STADIUM, OSU

Summary

Oregon State University requests an exception to OAR 580-50-0025 regarding the naming of buildings after a living person. The OAR provides that an exception may be made if “the donor contributes a substantial share of the cost of construction or if other unusually meritorious reasons exist.”
Staff Report to the Board

Officials at Oregon State University requested to rename Parker Stadium, the primary football field at OSU, to Reser Stadium, for the Al and Pat Reser family.

The Reser family has long been associated with the University. Mr. and Mrs. Reser and four of their five children have graduated from OSU. In addition, Mr. Reser, currently president of Reser’s Fine Foods, is an honorary trustee of the OSU Foundation.

Over the years, the Reser family has been unusually generous to OSU’s intercollegiate athletic program, through personal contributions as well as corporate philanthropy. Among many such efforts, the Reser’s contributed the largest single gift the Athletic Department ever received. The proposal to rename the facility Reser Stadium reflects OSU’s appreciation for the family’s financial and personal support over many years.

Parker Stadium was originally named for Mr. Charlie Parker, a donor and fundraiser for the institution. The Parker family graciously consented to the naming of the large student entry plaza at the Stadium as Parker Plaza.

Staff Recommendation to the Board

Staff recommended that Parker Stadium be renamed as Reser Stadium in honor of the Al and Pat Reser family, strong supporters of Oregon State University.

Board Discussion and Action

Ms. Wustenberg moved and Ms. Christopher seconded the motion to approve the name change as proposed. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

B.S. IN SOCIAL SCIENCES: HUMAN SERVICES, SOU

Staff Report to the Board

Southern Oregon University proposed to offer an interdisciplinary degree program leading to a B.S. in Social Sciences: Human Services, effective immediately. This is designed as a degree-
completion program that meets the academic and professional needs of human services professionals in southern Oregon. Students will be required to complete 25 credits of psychology core courses, which include a six-credit practicum and a three-credit "Human Services Capstone," wherein students develop a credible social service program. Students will also complete 16 credits in sociology and 20 upper-division elective credits in a focused area (e.g., criminology, business, communication).

The ultimate goal of human services education is to produce a professional with a broad range of skills. The program stresses basic helping skills such as interviewing, observing and recording information, facilitating group interactions and activities, implementing treatment plans, collaborating within and between agencies, mobilizing and utilizing community resources, problem solving, and advocating for clients. Students who complete the program will:

- understand human development, group dynamics, organizational structure, community organization, and how social systems interact in contributing to human problems;
- understand major models of causation relevant to the promotion of healthy functioning and to treatment/rehabilitation;
- acquire the skills necessary to conduct competent problem analysis; select appropriate strategies, services, and/or intervention; and design and implement a plan of action; and
- develop communication, interpersonal relationship, and time-management skills.

This program is responsive to 1997 regional needs-assessment findings in the Medford area. (A similar assessment is currently under way in Grants Pass.) Both public and private social service agencies were contacted, and the assessment focused on two primary concerns: (1) Was there a need within the agency for employees to obtain a work-related bachelor's degree? and (2) What type of training or education would best serve the agency? All agencies stated that they had current employees who would benefit from such a program and that a human services program would be attractive to prospective employees. A majority of agencies were very explicit in their wishes that the new program be interdisciplinary in nature, and all agencies stressed the importance of coursework in the social sciences and other related areas such as communication,
criminology, and business. There is also a national need for this program. According to the 1998-99 Occupational Outlook Handbook, social and human services assistance ranks among the top ten fastest growing occupations.

The program was designed to dovetail with Rogue Community College's associate of applied science (A.A.S.) degree in human services. Core courses are offered in Medford during evening hours and on weekends to accommodate the needs of working professionals.

The only other closely related undergraduate program in OUS is the applied psychology baccalaureate offered at OIT (which is well subscribed). SOU anticipates 10-20 students per year in the program.

No special resources are required for implementation of this program. It will draw on existing faculty, Medford facilities, and equipment. Any additional costs (e.g., faculty reimbursement for travel) will be met through the regional access budget.

Members of the Academic Council positively reviewed this program at the April 1999 meeting.

**Staff Recommendation to the Board**

Staff recommended that the Board authorize Southern Oregon University to establish a program leading to the B.S. in Social Sciences: Human Services. The program would be effective immediately, and the OUS Office of Academic Affairs would conduct a follow-up review in the 2004-05 academic year.

**Board Discussion and Action**

Before proceeding with consent items, President Imeson remarked that, at a recent System Strategic Planning Committee meeting, members concurred that Board members should attempt to have questions on consent items answered prior to the Board meeting. He added that a consent item could always be moved to the action or report portion of the meeting if there were questions or concerns. "I really agree with the recommendation of the Committee," he said. "It's not a matter of having a discussion, it's a matter of flagging in advance."
Ms. Christopher moved and Mr. Willis seconded the motion to approve the program as submitted. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

B.A./B.S. IN
DANCE, WOU

Staff Report to the Board

Western Oregon University proposed to offer a baccalaureate degree program leading to a B.A./B.S. in Dance, effective fall 1999. This program will emphasize the integration of dance with music, visual arts, and theater programs within the creative art division. Curriculum will include technique classes in modern dance, ballet, jazz dance, tap dance, and ethnic dance forms. Students will also be required to take classes in dance history, composition, pedagogy, and kinesiology. Dance concerts will utilize computer-assisted technology, allowing students to gain experience in designing lights, sets, costumes, and sound. Through the process of learning, performing, and touring repertory pieces, students will gain practical experience with ensemble work, community outreach, and arts advocacy. Currently, WOU offers a minor in dance.

A survey of Oregon high schools in fall 1998, as well as steady enrollment in the minor, indicates sufficient interest to ensure a viable number of student majors. Five to eight majors are anticipated per year. The University of Oregon is the only other state institution that offers a degree in dance. The faculties of the two Universities have discussed WOU’s proposal and agree that it would not have an adverse effect on UO’s dance program. In fact, WOU hopes its dance graduates will be attracted to UO’s master’s degree program in dance.

WOU is strongly committed to supporting this program, which is considered an essential part of the University’s liberal arts core. During the past five years, the University has made significant investments in the dance program, including replacing the dance floor. The Dance Department currently has three full-time, highly qualified dance faculty members; if the baccalaureate program is approved, an additional 0.75 faculty FTE will be added. That will be the only additional cost incurred during the first four years of this program. Existing faculty are committed to integrating the few new required courses into their regular course loads.
Completion of this degree will enable students to move ahead in professional dance venues (performance, choreography), to teach dance at a private-studio level, or to continue their education by pursuing graduate work in dance. WOU believes that as the mid-Willamette Valley's population grows and diversifies, and as the performing arts spread out from the traditional major centers such as Los Angeles and New York, there will be increasing opportunities for trained, experienced dancers and choreographers in the Pacific Northwest.

This program was positively reviewed by Academic Council in April and May 1999.

**Staff Recommendation to the Board**

Staff recommended that the Board authorize Western Oregon University to establish a program leading to the B.A./B.S. in Dance. The program would be effective fall 1999, and the OUS Office of Academic Affairs would conduct a follow-up review in the 2004-05 academic year.

**Board Discussion and Action**

Ms. Christopher moved and Mr. Willis seconded the motion to approve the program as submitted. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

**Introduction to PSU's Proposed Graduate Certificates**

Portland State University, like many other universities in Oregon and across the country, seeks to recognize student completion of a coherent body of study at the "sub-degree" level. By offering these certificate programs, students have the opportunity to gain further competency in focused areas at the graduate level without pursuing a full degree. PSU requires all graduate certificates to consist of 15 credits, minimum, and to be subsets of existing programs. Therefore, granting certificates will not be used as a way to test new areas of study. In addition, PSU requires students to attain a cumulative GPA of 3.0 in all certificate courses.
The following proposed certificates have been approved by appropriate PSU school/college committees, the Graduate Council, and the Academic Affairs office, and were reviewed by the OUS Academic Council in April 1999. If approved by the Board, the certificate programs will be implemented immediately.

Mathematics for Middle School Mathematics Teachers

PSU proposes to award a graduate certificate upon successful completion of a 24-credit program specifically designed for middle school mathematics teachers. This program directly relates these mathematics courses to content appropriate for middle school students, and it models a philosophy of teaching and learning mathematics that is consistent with current recommendations for effective instruction in middle school classrooms.

In 1987, PSU was one of nine sites in the country to receive a five-year National Science Foundation grant "to develop a comprehensive program for preparing middle/junior high school mathematics teachers." PSU's graduate-level program is currently the only mathematics program on the West Coast designed specifically for middle school teachers.

The certificate program comprises eight graduate middle school mathematics courses and includes such areas as experimental probability and statistics, geometry, concepts of calculus, and arithmetic and algebraic structures. Although students take these courses as part of their education master's degree program, there are also many students in these courses who have already earned master's degrees. Consequently, being awarded this certificate will provide acknowledgment and evidence of successful completion of a planned program, regardless of their other graduate-level academic pursuits.

Because this certificate is built on existing coursework, no further resources are needed. PSU anticipates awarding ten certificates per year.

Children's and Young Adult Literature

The focus of this program is the study of contemporary literature for use by educators with students at the early childhood, elementary,
middle school, and high school levels. The curriculum consists of 16 graduate credits of courses within the Department of Curriculum and Instruction. Coursework includes "Multicultural Literature K-12," "Books and Materials for Young People," and a final project/practicum. Students will gain knowledge about a variety of contemporary children's book authors and illustrators and a range of genre; be able to select and evaluate quality literature for young readers; and be skilled in the integration of children's literature in the school curriculum. The use of children's literature in K-12 school curricula has focused attention on the need for educators to be knowledgeable about a range of literature to respond to the diverse groupings of students. The program is designed mainly for preservice and inservice teachers and librarians in the area. PSU anticipates 25 students per year participating in this program.

Hydrology

The proposed 24-credit program, centered in PSU's Environmental Science master's degree offerings, follows American Institute of Hydrology (AIH) guidelines for certification as a professional hydrologist. A student earning this certificate would achieve a significant proportion of educational requirements and satisfy all primary hydrology coursework for qualification as a member of AIH. AIH certification features three specialty areas: surface hydrology, hydrogeology, and water quality. Students in this program would gain broad expertise in hydrologic topics and would also develop specialized training in one of those three areas.

Hydrologic concerns are central to urban system dynamics, including relationships between urban processes and water quality, water quantity, and water hazards. In a comprehensive 1996 survey of Oregon's environmental technology industries, the majority of respondents indicated significant interest in short course/continuing education in hydrologic topics.

This program targets students in environmental sciences, biology, civil engineering, geography, and geology. Approximately 10-20 students are anticipated in this program over the first two years.
Geology Department Certificates

* Environmental Geology
* Engineering Geology
* Hydrogeology

These three 18-credit certificates, each of which is part of PSU's master's degree in geology, represent a portion of a professional geologist's training in Oregon. The certificates are designed to allow some flexibility in student choices among relevant coursework options. These programs were developed to provide practicing professionals an opportunity to upgrade their credentials while continuing to work full time. Professional geologists can use the certificate to demonstrate added skills and background within the profession.

Examples of coursework available to students in each certificate program follow:

- Environmental Geology: groundwater modeling, chemical hydrogeology, biogeochemistry, geomorphic processes
- Engineering Geology: anatomy of landslides, applied geophysics, clay mineralogy, environmental sediment transport
- Hydrogeology: well dynamics, contaminant transport, groundwater modeling

Department of Electrical and Computer Engineering Certificates

* Digital Signal Processing
* Image Processing
* Communication Systems
* Design Automation
* Analog and Microwave Circuit Design
* Lasers and Optoelectronics
* Computer Architecture and Design
* Integrated Circuit Test, Verification, and Validation
* Digital Design
These nine 15-credit graduate certificate programs will provide high-
quality advanced training in selected areas of electrical and computer
engineering. Courses completed for these certificates may
subsequently be applied toward master’s and/or doctoral programs,
if appropriate. These programs are intended primarily to serve the
educational needs of professional engineers and scientists who may
not have the opportunity to pursue a full master’s or doctoral degree.

To be considered for admission to the Department of Electrical and
Computer Engineering as regular graduate students, applicants must
have completed a B.S. degree at a recognized university in either
electrical or computer engineering with a GPA of 3.00 or better in all
junior- and senior-level technical courses. Students who have
completed a B.S. degree in a related field (normally mathematics,
physics, computer science, or mechanical engineering), or B.S. ECE
candidates with a GPA below 3.00 but higher than 2.75 in their upper-
division technical coursework, may be granted conditional admission
status.

Course offerings include signals and noise, digital signal processing,
statistical communications theory, image processing, linear system
analysis, high-level synthesis and design automation, analog
integrated and microwave circuit design, and others.

Staff Recommendation to the Board

Staff recommended that the Board authorize Portland State University
to establish programs leading to graduate certificates in Mathematics
for Middle School Mathematics Teachers; Children’s and Young Adult
Literature; Hydrology; Environmental Geology; Engineering Geology;
Hydrogeology; Digital Signal Processing; Image Processing;
Communication Systems; Design Automation; Analog and Microwave
Circuit Design; Lasers and Optoelectronics; Computer Architecture
and Design; Integrated Circuit Test, Verification, and Validation; and
Digital Design. These programs would be effective June 1999.

Board Discussion and Action

Ms. Wustenberg asked about the vocation of geo-technical engineer
and which of the proposed certificates would be applicable. Vice
Chancellor Clark deferred to SOU Vice Provost Charles Lane, a
geologist. Dr. Lane indicated that Oregon registers practicing
professional geologists and certifies engineering geologists. California has an additional classification, geo-technical engineer. To be certified to sign off on specific land-use related reports, or to be a certified engineering geologist, requires a specific amount of time in the field, coupled with an examination, explained Dr. Lane.

Ms. Christopher moved and Mr. Willis seconded the motion to approve the graduate certificates as submitted. The following voted in favor: Directors Christopher, Koch, Lussier, McAllister, VanLuvanee, Van Patten, Willis, Wustenberg, and Imeson. Those voting no: none.

**UPDATE ON THE OREGON MASTER OF SOFTWARE ENGINEERING PROGRAM**

**Summary**

In August 1998 the Executive Committee of the Board approved and the full Board subsequently ratified the establishment of the Oregon Master of Software Engineering (OMSE) program. Planning for this program was initiated with strong industry support and assistance from the 1997 Oregon Legislature, which allocated $2.25 million under SB 504 toward the program for 1998-99. The goals of the OMSE are to:

- create a high-quality program to educate technical leaders;
- give Oregon a competitive edge in software innovation and quality;
- serve both those who seek an advanced degree and those who want to upgrade their skills in specific areas;
- deliver courses at times and places that suit the needs of working professionals; and
- put Oregon on the map in software engineering education.

Under the aegis of the Oregon College of Engineering and Computer Science (OCECS), the OMSE program is jointly led by the computer science faculties of three OUS institutions—OSU, PSU, and UO—and the Oregon Graduate Institute of Science and Technology (OGI). In January 1998, a faculty design team representing the four partners worked with Interim Director Dr. Bruce Schaefer, to begin the detailed planning process for the degree program, including development of syllabi for the core courses. By spring and summer 1998, the program was ready to pilot the first several courses. After Board approval of the program, students could apply for acceptance into the OMSE or, alternatively, if qualified, they could enroll in courses of interest.
without committing to program completion. To date, three students have been admitted to the program; however, courses are well subscribed. Enrollments in core courses during 1998-99 have averaged 46 students per term.

Campus authorizations to admit students to the fall program were approved through campus program review processes by OGI and PSU in spring 1998; in 1999 both OSU and UO achieved their approvals. Each partnering institution has participated in offering from two to six courses (of 18 total course offerings) in 1998-99. Table 1 shows the investment in software engineering within the larger context of the SB 504 allocation for the current biennium.

In May 1999, Dr. Richard Lytle replaced Dr. Schafer as director of OMSE. Dr. Lytle is the former dean and professor of information science at Drexel University in Philadelphia and director of information resource management for the Smithsonian. Most recently, he has served as director of education and training programs for CoreTech Consulting Group in Pennsylvania. Dr. Lytle holds degrees from Rice University, Washington University, and the University of Maryland. He is extensively experienced in designing and delivering distance learning programs in information science. Next steps for OMSE include:

- completing the design and delivery of the program’s 14 core courses (11 of 14 have been designed);
- offering core courses in additional locations via distance delivery; and
- growing the program to self-support status by 2002.

Board Discussion

Vice Chancellor Clark asked Vice Chancellor Dryden to comment on the program’s progress. Dr. Dryden indicated that he was very pleased with the direction of the program and the fact that four institutions are cooperating in its delivery.

Referring to the timeline in which course delivery took place, Ms. Christopher asked why it took two institutions longer to begin offering courses. Dr. Dryden said all four were involved, but the lag time for OSU and UO had to do with the timing of the approval processes.
Vice Chancellor Clark added that faculty from all four institutions were deeply involved in planning new courses.

### Table 1
Oregon College of Engineering & Computer Science Engineering Investment Budget (SB 504) 1997-1999

<table>
<thead>
<tr>
<th>Program</th>
<th>Goal</th>
<th>Performance</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Faculty</td>
<td>Hire four new faculty</td>
<td>• OGI hired three</td>
<td>$1.5 M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• PSU hired one</td>
<td></td>
</tr>
<tr>
<td>Software Engineering</td>
<td>Establish Software Engineering masters</td>
<td>• Degree approved</td>
<td>$2.25 M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 18 courses delivered</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 232 student enrollments</td>
<td></td>
</tr>
<tr>
<td>New Graduate Courses</td>
<td>15 new courses</td>
<td>• 16 new courses (nine traditional seven multimedia)</td>
<td>$.5 M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 115 students</td>
<td></td>
</tr>
<tr>
<td>Opt for Co-Op</td>
<td>Establish co-op program</td>
<td>• 203 internships:</td>
<td>$.5 M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- 80 high school students</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- 18 PCC students</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- 105 OIT students</td>
<td></td>
</tr>
<tr>
<td>Graduate Internships</td>
<td>Establish statewide graduate internships</td>
<td>• 12 companies - summer 1999</td>
<td>$.25 M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 23 positions posted</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 17 applications</td>
<td></td>
</tr>
</tbody>
</table>

**Summary**

For the past four years, voluntary participation in the regional universities' student health insurance plan has been steadily declining, while usage by those enrolled has risen. A number of options to maintain the insurance at an affordable rate were explored.
Change to a mandatory plan with a hard waiver option is the best alternative in order to maintain affordable coverage.

Staff Report to the Board

For a number of years the regional universities have had a single student health insurance plan made available to them. Students could elect to purchase the coverage but were not required to do so. For the past four years, overall student participation in the plan has been declining while usage by enrolled students has risen, resulting in costs well above the premiums generated.

When a market review was conducted for the 1999-00 year plan, six of the predominant insurance companies in the student health market declined to quote the current plan. Only one carrier was willing to quote the current program, and that quote would have deleted the $400 supplemental accident benefit.

The current health insurance company renewed the policy with a premium of $313.60 per term, an increase of 40 percent from the 1998-99 year ($224). However, the insurance company suggested that they would be willing to lower the cost per term for extended coverage if the regional universities would implement a mandatory basic plan with a hard waiver.

The Proposal

Under this proposal, each full-time student would be charged $17 per term and enrolled in the mandatory "basic" plan, providing up to $2500 in benefits, unless they sign a hard waiver. The hard waiver would allow the student to "opt out" of the basic plan by furnishing proof of other coverage. The $17 would then be credited back to the student. In addition, all students would be allowed, but not required, to purchase extended coverage, which would offer comparable benefits to those available under the current plan for $200 per term, a savings of 31 percent from the $313.60 proposed renewal rate.

A similar plan, which has been described as very successful, has been in effect at Portland State University for more than 30 years.
Student Involvement

Representatives of the universities returned to their campuses and met with student groups to assess their interest and concerns.

- WOU's Student Senate endorsed the mandatory plan unanimously and passed a resolution to that effect.
- EOU's Student Government Executives, Student Senate, and Student Affairs Committee all endorsed the mandatory plan.
- OIT met with the Student Health Advisory Committee and the Associated Students Executive Council, which also supported the mandatory coverage.
- SOU's Student Senate voted to continue the current plan for an additional year at a rate of $313.60 per term.

Approval of this item for WOU, EOU, and OIT will be accomplished through the 1999-00 Academic Year Fee Book.

Board Discussion

Vice Chancellor Anslow summarized the amendments to student health insurance at the regional campuses, saying that he brought them to the Board's attention because of the changes they reflected in coverage.

FEE AND POLICY CHANGES IN THE ACADEMIC YEAR FEE BOOK, 1999-00

Staff Report to the Board

At its July 16, 1999, meeting, the Board will consider formal approval of the 1999-00 Academic Year Fee Book. A draft of the proposed fee book has been included in the supplemental materials distributed to the Board (on file in the Board's office). A summary of tuition and fee rate changes and policy changes can be found beginning on Page i of the document.

A public hearing was conducted on Tuesday, June 8, 1999. In addition, written comment on the proposed changes were accepted through June 30. A report of all oral and written public comment on the proposed changes were included in the July 1999 docket.
Board Discussion

Indicating that much review and discussion of the Fee Book occurred in the joint Committee meeting earlier, Mr. Anslow asked if there were any further questions. For those interested in the proposed Fee Book and/or any underlying supporting documents, Mr. Anslow said they are both on file and available through the Board’s office. He added another hearing is scheduled for July 15, 1999.

Mr. Koch remarked that he intends to delve further into the resource fee issue and its role in the new budget model at the July meeting, when the Fee Book is presented for final consideration by the Board.

Summary

For several years, Portland State University officials have sought ways to meet the pressing parking and academic space needs of the campus. While the University has been reasonably successful in developing or acquiring academic space to meet its expanding program needs, alternative options for providing parking have been more difficult due to parking regulations of the City of Portland, which limit building parking capacity in new facilities. Unless PSU is successful in its request for an amendment to its current parking allocation, the only realistic near-term alternative for providing additional parking would be to purchase existing structures or lots that are not affected by the City’s limits on new parking.

The University has located one facility within a reasonable radius of the campus, that meets its near-term objective of adding parking spaces to the campus inventory. The University Center building located at 1881 SW 5th Avenue, (between 5th and 6th Avenues and Harrison and Hall Streets) also offers the benefit of providing additional academic space. The 84,490-square-foot facility comprises four floors of classroom, office, and retail space, as well as a parking garage with 250 parking spaces (unattended). Half of these spaces would become available to the campus immediately upon purchase of the property; the remaining half would remain under lease through 2002 and then become available to PSU. If added to the PSU parking inventory, after 2002, the new spaces would provide an eight percent increase over the 2,924 spaces currently on campus.
Under the terms of the proposed arrangement, the Board would acquire the use of the facility through a purchase of the building, which contains a provision for reversion of the building to the Seller coincident with termination of the long-term land lease. Parallel with this transaction, the Board would enter into a long-term lease for the land that expires in the year 2023, or in 2043 if the Board were to exercise the 20-year lease extension option. The result could be that the Board would ultimately own neither the land nor the building, although proposed terms of the companion transactions permit use of the facility by PSU for approximately 43 years. These terms are unusual in OUS, but they are considered more common in the Portland metropolitan real estate market.

Under current negotiations, the cost of this building acquisition would be $5.2 million. The purchase would be financed through the issuance of Article XI-F(1) bonds, to be repaid by rental and parking revenues.

This report will provide the Board information on acquiring the long-term use of the facility and on a variety of due diligence topics being addressed by PSU as part of a potential Board transaction. After reviewing and discussing this proposal, if the Board indicates its interest in having PSU pursue the transaction further, PSU will bring forward a request to the Board in July 1999 for project approval, including approval to seek Legislative Emergency Board approval for the expenditure limitation and the issuance of Article XI-F(1) bonds.

**Staff Report to the Board**

This report discusses the need for parking facilities at PSU, and presents a possible proposal for adding approximately 250 parking spaces to the parking inventory over the next three years through acquisition/lease of a property adjacent to the campus. The report covers the basis for the need, the property under consideration, alternatives investigated, estimated costs, and financing.

**Statement of Need.** Growing enrollments at PSU are the primary reason the campus is seeking to find some means to reduce parking congestion and provide more academic space. Latest projections are that PSU will grow by more than five percent in each of the next two academic years and 15 percent over the next five years. Because of
this growth, PSU's already pressing need is becoming a critical factor in attracting and retaining students in the Portland metropolitan area.

**Parking Needs.** There are currently about 2,900 parking spaces available on the campus to accommodate a campus population of approximately 1,000 faculty, 500 staff, 15,000 students, and more than one million visitors to campus each year. Wait lists for parking average 300 to 400 students per quarter and campus officials expect this situation will worsen over time.

Lack of student parking is becoming an increasing concern for PSU in the competitive environment of higher education. On every student satisfaction survey completed by PSU in recent years, the lack of parking has ranked very high as a source of dissatisfaction. Effective enrollment management is affected by the inability of the campus to provide adequate parking to students. The demand for parking is high even with the highest usage rates of public transit in the city; the most recent annual survey indicates approximately 35 percent of students and 30 percent of faculty and staff take public transit to the site. Exacerbating the difficulty is the fact that an innovative, discounted pass program is being discontinued by Tri-Met; this may lead to increased automobile use.

Nonetheless, PSU's ability to supply parking to meet demand is seriously affected by the City's parking regulations. The City calculates PSU parking demand on the basis of total gross square feet, rather than on daytime population or number of trips to/from the site each day. Under these regulations, PSU is limited to one parking space per 1,000 gross square feet of built space, or 2,942 spaces.

By contrast, PSU calculates its current parking demand at 6,000 spaces. The calculation takes into consideration demand based on characteristics of the daytime population, which are considerably different from those of office workers. PSU has requested an amendment to the regulations, but cannot predict if these appeal points will result in a change in the city parking policy in the near future. The campus anticipates a response by the City to the requested amendment within the next six to twelve months.

PSU's analysis of student parking needs has identified several factors that contribute to demand: (a) Demand for longer hours of service (one-third of all PSU students take courses from 4-9 p.m. or later
because they work during the day); (b) PSU’s older student population, with an average age of 28, many of whom must have access to a car for the multiple stops they make during the day to accommodate jobs and family requirements; and (c) lack of availability during peak class hours (student may find only 50 percent of spaces free during peak hours, 9 a.m.-5 p.m.).

Table 1 displays the parking supply deficit that results from analyzing parking demand under the differing calculation methods used by the City and PSU.

<table>
<thead>
<tr>
<th>Parking Spaces Available</th>
<th>Demand per City formula</th>
<th>Demand per PSU calculation</th>
<th>Actual Parking Spaces</th>
<th>Deficit per City formula</th>
<th>Deficit per PSU criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>2,942</td>
<td>6,000</td>
<td>2,924</td>
<td>18</td>
<td>3,076</td>
</tr>
<tr>
<td>Additional: Urban Center, Ph II (6/2000)</td>
<td>144</td>
<td>250</td>
<td>0</td>
<td>144</td>
<td>250</td>
</tr>
<tr>
<td>Total Spaces</td>
<td>3,086</td>
<td>6,250</td>
<td>2,924</td>
<td>162</td>
<td>3,326</td>
</tr>
</tbody>
</table>

In summary, initiatives being taken by PSU to alleviate its parking shortage include:

1) PSU has requested an amendment to the City’s parking plan and is seeking review through the Metropolitan Government which is developing its own parking standards for the downtown area. No decision is likely to be made for a minimum of six months and possibly longer.

2) Even if PSU should prevail in its request for an amendment, the cost for new construction of parking in the downtown area approaches in excess of $20,000 per space, which is a serious financial barrier to this approach.

3) Portland regulations regarding the parking cap do not apply to the acquisition of existing parking facilities in downtown Portland. In the
case of the facility under review, a minimum of 250 parking spaces exists. Half would be available to PSU upon sale and the balance after a private lease expires in 2002. Further, if the University were to use attended parking, the two floors housing the first spaces would likely nearly double the number of spaces that could be provided.

**Academic Space Needs.** General purpose classroom and office space are also at a premium at PSU, especially during peak hours, when all serviceable general purpose classrooms are in use. Even with completion of the Urban Center Phase II in 2000, the general purpose classroom deficit will remain at about 50 sections for peak hours.

In the case of the facility under review, the Graduate School of Social Work, currently a tenant in the University Center building, has experienced a 23 percent increase in enrollment over the past ten years. Acquisition of the University Center would allow PSU to move its Regional Research Institute from the Ondine housing complex to the University Center, thereby consolidating all the school's programs in one location.

It should be noted that the PSU Bookstore will relocate from this building to Urban Center when construction is completed in the fall of 2000. At that time, proposed net use of space by PSU programs in the University Center will be no less than 27,000 square feet, with capacity to expand as existing tenant leases expire.

**Alternatives.** Although PSU explored alternative properties available on a lease or purchase basis, viable options are quite limited due to the parking cap imposed by Portland and the lack of available existing parking facilities within a reasonable distance of the campus. Remote parking, combined with a shuttle bus, was investigated as an alternative, but the costs were prohibitive. Table 2 provides basic information on the sites investigated.
Table 2
Comparison of Alternatives to Provide Additional Parking Spaces
Compared to Proposed Acquisition of University Center

<table>
<thead>
<tr>
<th>Summary of Est. Costs, Benefits (Assume Current City Parking Regulations)</th>
<th>Acquire University Center-existing building</th>
<th>Acquire other existing parking facilities w/in campus radius</th>
<th>Acquire land w/in campus radius &amp; build garage</th>
<th>Acquire remote lot &amp; operate a shuttle system</th>
<th>Add X spaces to PSU-owned Parking Structure III</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available?</td>
<td>Yes</td>
<td>No</td>
<td>Yes; PSU examined 2 properties</td>
<td>One facility for 75 cars, 10 blocks from PSU (lease)</td>
<td>Yes</td>
</tr>
<tr>
<td>Permitted to add spaces to PSU inventory?</td>
<td>Yes</td>
<td>N/A</td>
<td>Not under current City parking regulations</td>
<td>Yes</td>
<td>Not under current City parking regulations</td>
</tr>
<tr>
<td>Annual financial effect</td>
<td>Positive cash flow over 43 yr land lease</td>
<td>None available</td>
<td>Requires $350,000/yr subsidy at $9M total project cost &amp; after increase of parking rates by 15%</td>
<td>Requires $125,000/yr subsidy, including shuttle system, and reduced parking rates (8.7%) because of greater inconvenience, distance</td>
<td>Requires $244,000/yr subsidy at $7.5M total project cost &amp; after increase of parking rates by 15%</td>
</tr>
</tbody>
</table>
Description of the Property Under Review. The facility under review, at 1881 SW 5th Avenue, is adjacent to the PSU campus. Currently named the University Center Building, it was constructed in 1971 and consists of two basic elements: (a) an 84,490-square-foot office building with ground floor retail space, and (b) four levels of covered parking, which will accommodate more than 250 cars on a self-park basis (and an estimated 380 cars if valet parking were to be continued as at present in a portion of the garage).

Nearly 65 percent of the office space is currently leased to PSU functions or entities related to PSU. The first two levels of parking (125 spaces) are on a long-term lease basis with a private party operating a garage (expiring September 30, 2002); the upper two levels (also 125 spaces) would be available for PSU use upon securing long-term use of the building.

Terms of the Contingent Agreement. On March 30, 1999, PSU signed a contingent agreement (also known as an earnest money agreement) for the University Center. The earnest money agreement contains certain restrictive terms: (a) The building can be purchased, but would revert to the Seller at the conclusion of the land lease or upon termination of the land lease by the Lessee, and (b) the land would be leased to the year 2023 with an option to extend for 20 years, with reversion to the Seller at that time. PSU would, in effect, have the right to the use of the building for 43 years, as though on a long-term lease.

The Seller offered the building to the market at a price of $5.6 million. PSU and the Seller have preliminarily agreed on a purchase price of $5.2 million, subject to the satisfaction of certain contingencies included in the earnest money agreement. The contingencies to be satisfied in the agreement include financial, legal, tax, environmental, and engineering and related reviews, as well as approvals by the Board and the Oregon Legislature.

Due Diligence. Due diligence has involved a review of Board and Emergency Board policies, as well as legal, financial, engineering, environmental, tax, appraisal, and related topics. Most of these tasks have been completed. The condition of the building has been evaluated with a finding that an estimated $500,000 of replacements or repairs would likely be needed. Due to its age, the building does not meet contemporary building codes, and thus could not be
seismically retrofitted at a reasonable cost. PSU could not add additional floors, nor make major structural modifications. An additional site assessment report was completed. A few issues arose in the environment assessment; all have been addressed by either the Seller agreeing to resolve them, or PSU calculating their cost in future repair requirements.

A recently completed appraisal of the property supports the negotiated price with the Seller. A preliminary financial analysis indicates there are sufficient revenues generated by building tenants, including PSU, to cover all operating costs and projected debt service on 30-year bonds in the issuance amount of $5.2 million. Finally, an analysis of the projected cash flow indicates a positive cash flow over the period of the term of the long-term lease (see Table 2).

**Financing.** Financing of the purchase price, which has not been finalized, would be by the use of Article XI-F(1) bonds, to be repaid from building rental revenues and parking revenues. Depending on the timing of an expected fall bond sale, PSU may require short-term interim funding.

**Board Discussion**

Associate Vice Chancellor Lanier reviewed the item. She asked Mr. George Pernsteiner, PSU vice president for Finance and Administration, to explain the alternatives pursued by PSU to meet its pressing parking needs.

Mr. Pernsteiner described the exact location of the building in relation to campus. Noting that PSU has leased space (currently 28,000 square feet out of a total of 87,500) in the building since 1987, Mr. Pernsteiner indicated the immediate acquisition weighs more heavily on the parking space issue. Despite concerted efforts by PSU to encourage mass transit, demand continues to increase, he said. This, shared Mr. Pernsteiner, is due in part to increased enrollment and the demographics of the students PSU serves.

Following Mr. Pernsteiner's report, Mr. Anslow clarified two points: 1) the Board would not acquire the underlying property, and 2) the building would revert to the land owners at the end of a long-term
lease under the proposed acquisition. Initially, that would occur in 2023, but Ms. Lanier reminded the Board that there would be an option to extend that for a period of 20 years, to 2043.

Ms. McAllister asked if building repairs and upgrades would be the Board's responsibility during the lease period. Mr. Anslow indicated they would. Continuing, Mr. Anslow said, "Even if you develop leases at much less, you could expend the same amount. But, this is kind of unusual, in that you're bonding it, paying an up-front amount, but do not have control of the building or the land at the end of some period."

"Is there a chance that could change?" asked Ms. McAllister. Vice Chancellor Anslow said that might be a possibility in the future, but is not currently an option. Mr. VanLuvanee asked if a right of first refusal could be negotiated. Mr. Perneister indicated one was in place, which flows with the current building owner's agreement with the land owner. That would automatically be transferred to PSU if the acquisition was approved.

President Imeson reported that the Committee convened earlier in the day in the form of a joint meeting with the System Strategic Planning Committee. Issues discussed included the need to reconnect the new budget model with whatever budget is approved by the legislature and the 1999-00 Academic Year Fee Book.

Chancellor Cox said that a current effort by the group is that of reviewing programmatic needs and the possible expansion of computer science programs in fall 1999. Vice Chancellor Clark shared that at the recent Central Oregon Community College commencement, 85 students were recognized as earning degrees through University Center programs.

Mr. Imeson asked Board Secretary Vines for an update. She said that an EPSCoT grant proposal presented to the group at its May 13, 1999, meeting was submitted. She explained that, if awarded, the grant would assist in funding the priorities defined by the group, which includes increasing the amount of technology transfer to commercialization between the industry sector and the public sector in education. Dr. Vines added that the Governor's Office recently awarded $100,000 from his strategic reserves to help provide business assistance for commercialization of ideas to small and emerging businesses.
Executive

Ms. Christopher indicated that Mr. Rob Specter, vice president for Finance and Administration at OSU, outlined a proposal for eliminating the Athletics Department budget deficit and for balancing the budget.

Dr. Vines reviewed the proposed schedule for the Chancellor and presidents' evaluations and goal-setting sessions with the Executive Committee.

Investment

Ms. Wustenberg asked Mr. Michael Green, OUS controller, to summarize the Committee’s May 20, 1999, meeting. Mr. Green indicated that four items were discussed: 1) alternative investment allocations; 2) the third quarter investment report; 3) the Board's investment policy; and 4) excess cash level.

After reviewing a history of why the Board began investing in alternative investments, it was determined by the Committee that the best decision would be to liquidate them (as they are in that phase) and invest the proceeds in the three main funds approved by the Board, which includes large cap, small cap, and international.

For the third quarter investment report, Mr. Green indicated the overall return was fairly flat, as there was very little new money coming into the market.

Mr. Green said the Investment Committee desired to improve the investment policy by including some clearer goals and objectives statements. The Committee asked the investment consultants to draft a new policy that would be reviewed by the Committee, and then be presented to the full Board for consideration.

Based on a recent staff analysis, a determination was made that the cash level was high. Mr. Green brought this to the attention of the Committee, who decided to allocate $2.5 million to the three funds approved by the Board with appropriate allocation percentages.

Nominating

Speaking on behalf of the Nominating Committee (and for Dr. Aschkenasy in his absence), Mr. Willis reported the Committee’s decision to defer a final recommendation for officers until determinations are made on the Board's composition.
President Imeson, while not providing a formal report, said that he attended OHSU's recent commencement, where former Governor Neil Goldschmidt was awarded an honorary degree.

Reporting that the Committee met briefly earlier in the day, Mr. Willis said they received several updates on projects from Vice Chancellor Clark. He noted that the group needs to do further work on preparing a work plan. A Subcommittee was formed to look at conflict of interest policies. Mr. Koch, Ms. Wustenberg, and Dr. Richmond agreed to serve. Mr. Lussier offered to replace Ms. Puentes and join Ms. Wustenberg on the Subcommittee working on a review of institutional mission statements and preambles.

No one signed up to speak to the Board during the public input session.

All Board members expressed their appreciation to President Creighton and his staff for their hospitality. Ms. Van Patten extended her gratitude to Board members for the opportunity to work with them during her term of service.

Mr. Imeson read the statement pertaining to delegation of authority to the Board’s Executive Committee. Pursuant to Article II, Section 5 of the Bylaws of the Board of Higher Education, the Board delegates to the Executive Committee authority to take final action as here designated or deemed by the Committee, the Board president, or the Chancellor to be necessary subsequent to the adjournment of this meeting and prior to the Board’s next meeting, scheduled for July 16, 1999. Board members agreed to the delegation of authority.

The Board meeting adjourned at 1:40 p.m.

Diane Vines  
Secretary of the Board

Tom Imeson  
President of the Board