

# Chapter 351

## 1975 REPLACEMENT PART

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**DEPARTMENT OF HIGHER  
EDUCATION  
(State Board)**

**351.010 State Board of Higher Education.** The Department of Higher Education shall be conducted under the control of a board of 11 directors, to be known as the State Board of Higher Education. Two shall be students admitted at different public institutions of higher education in Oregon at the time of their appointment.

[Amended by 1973 c.379 s.1]

**351.020 Directors; appointment; confirmation.** The directors shall be citizens of Oregon and shall be appointed by the Governor. The appointment is subject to the confirmation of the Senate in the manner provided by ORS 171.560 and 171.570. No director who is not a student at the time of his appointment may be an employe of any of the institutions or departments under the control of the State Board of Higher Education, nor shall more than seven graduates of or students admitted at these institutions, nor more than three graduates of or students admitted at any one of these institutions or departments, be members of the board at any time. To assist the Governor in making appointments of the student members provided in ORS 351.010, the duly organized and recognized entities of student government at each state institution of higher education shall submit a list of nominees to the Governor. The entities are entitled to no more than three nominees per school. The Governor shall consider this list in the selection of student members to the State Board of Higher Education.

[Amended by 1955 c.284 s.1; 1969 c.695 s.6; 1973 c.379 s.2]

**351.030**[Repealed by 1961 c.167 s.38 (171.560 enacted in lieu of 351.030)]

**351.040 Term, removal; compensation and expenses of directors.** (1) Directors shall hold office for a term of four years except for directors who are students at the time of appointment, whose terms shall be two years. All terms begin July 1 of the year of appointment. No person may be appointed to serve consecutively more than two full terms as a director. Any person appointed to fill a vacancy occurring prior to the expiration of any term shall be appointed for the remainder of such term.

(2) The Governor may remove any member of the board at any time for cause, after notice and public hearing, but not more

than three members shall be removed within a period of four years, unless it be for corrupt conduct in office.

(3) The directors are entitled to compensation and expenses as provided in ORS 292.495.

[Amended by 1961 c.167 s.41; 1967 c.530 s.8; 1969 c.314 s.25; 1971 c.485 s.3; 1973 c.379 s.3]

**351.050 Officers; meetings; quorum.**

The board shall organize by the election from its members of a president who shall serve for the fiscal year for which he is elected. The board shall meet regularly once every three months at such times and places as the president may determine. Special meetings may be called by the president upon the written request of any six members of the board. Six members shall constitute a quorum for the transaction of business.

[Amended by 1973 c.379 s.4]

**351.060 Board's general powers as to control and management of property; power as to litigation.** The State Board of Higher Education may:

(1) Control and provide for, subject to the conditions of this section, the custody and occupation of the grounds, buildings, books, papers and documents belonging to each and all the institutions, departments or activities under the control of the State Board of Higher Education.

(2) Manage, control and apply all property of whatever nature given to or appropriated for the use, support or benefit of any or all of the institutions, departments or activities under the control of the State Board of Higher Education, according to the terms and conditions of such gift or appropriation.

(3) Erect, improve, repair, maintain, equip and furnish buildings, structures and lands for higher education.

(4) Acquire, receive, hold, control, convey, sell, manage, operate, lease, lend, invest, improve and develop any and all property, real or personal:

(a) Given to any of the institutions, departments or activities under the control of the State Board of Higher Education by private donors, whether such gifts are made to the State Board of Higher Education or to the State of Oregon; or

(b) Acquired by any other method or from any source by the State Board of Higher Education for the benefit of any of the institutions, departments or activities under the control of the board, subject,

however, to the applicable provisions of ORS 271.300 to 271.370, 271.390 and 351.210.

(5) Take and hold mortgages on real and personal property acquired by way of gift or arising out of transactions entered into in accordance with the powers, duties and authority given to the board by this section, ORS 351.070 and 351.150.

(6) Institute, maintain and participate in suits and actions and other judicial proceedings, in the name of the State of Oregon, for the foreclosure of such mortgages or for the purpose of carrying into effect any and all of the powers, duties and authority given to the State Board of Higher Education by this section, ORS 351.070 and 351.150.

[Amended by 1959 c.570 s.1; 1975 c.771 s.31a]

**351.065 Consent of, access to and control of personal records.** (1) The State Board of Higher Education may, for each institution, division and department under its control promulgate regulations authorizing issuance of rules and specific orders by or through the institutional executive of each institution governing access to personal records of the institution, division or department, which are less than 25 years old.

(2) Regulations adopted under subsection (1) of this section shall require that personal records be subjected to restrictions on access unless upon a finding by the institutional executive that the public interest in maintaining individual rights to privacy in an adequate educational environment would not suffer by disclosure of such personal record. Access to personal records may be limited to designated classes of information or persons, or to stated times and conditions, or to both, but cannot be limited for records of academic achievement or for records more than 25 years old.

(3) No regulation, rule or order promulgated pursuant to this section shall deny to a faculty member full access to the member's personnel file or personal records kept by the board or its institutions, schools or departments, except as provided in paragraphs (d) and (e) of this subsection.

(a) The number of files relating to the evaluation of a faculty member shall be limited to three, to be kept in designated, available locations.

(b) Any evaluation received by telephone shall be documented in each of the faculty member's files by means of a written summary of the conversation with the names of the conversants identified.

(c) A faculty member shall be entitled to submit, for placement in the three files,

evidence rebutting, correcting, amplifying or explaining any document contained therein and other material which the member believes might be of assistance in the evaluation process.

(d) Letters and other information submitted in confidence to the board or its institutions, schools or departments prior to July 1, 1975, shall be maintained in the files designated. However, if a faculty member requests access to those files, the anonymity of the contributor of letters and other information obtained prior to July 1, 1975, shall be protected. The full text shall be made available except that portions of the text which would serve to identify the contributor shall be excised by a faculty committee. Only the names of the contributors and the excised portions of the documents may be kept in a file other than the three prescribed by paragraph (a) of this subsection.

(e) Confidential letters and other information submitted to or solicited after July 1, 1975, by the board or its institutions, schools or departments prior to the employment of a prospective employe are exempt from the provisions of this section. However, if a prospective employe is employed by the board or its institutions, schools or departments, the confidential preemployment materials shall be placed in the three authorized files. If a faculty member requests access to the member's files, the anonymity of the contributor of confidential preemployment letters and other preemployment information shall be protected. The full text shall be made available, except that portions of the text which would serve to identify the contributor shall be excised and retained in a file other than the three designated in paragraph (a) of this subsection.

(f) Classroom survey evaluation by students of a faculty member's classroom or laboratory performance shall be anonymous. The record of tabulated reports shall be placed in at least one of the files designated in paragraph (a) of this subsection. All survey instruments used to obtain evaluation data shall be returned to the faculty member.

(g) After July 1, 1975, the board, its institutions, schools or departments when evaluating its employed faculty members shall not solicit nor accept letters, documents or other materials, given orally or in written form, from individuals or groups who wish their identity kept anonymous or the information they provide kept confidential.

(4) No regulation, rule or order promulgated pursuant to this section limits the

authority of the institution, division or department to prepare, without identification of individual persons who have not consented thereto, statistical or demographic reports from personal records.

(5) Any category of personal record specifically designated as confidential pursuant to valid regulations, rules or orders pursuant to this section shall not be deemed a public record for the purposes of ORS 192.030.

(6) As used in this section, "personal records" means records containing information kept by the institution, division or department concerning a student or faculty member and furnished by him or by others about him at his or at the institution, division or department's request, including, but not limited to, information concerning discipline, counseling, membership activity, employment performance or other behavioral records of individual persons.

[1971 c.566 s.1; 1975 c.317 s.1]

**351.070 Board's general powers as to higher education and institutions.** (1) The State Board of Higher Education may, for each institution under its control:

(a) Appoint and employ a president and the requisite number of professors, teachers and employes, and prescribe their compensation and tenure of office or employment.

(b) Demand and receive the interest mentioned in ORS 352.510 and all sums due and accruing to the institutions of higher education for admission and tuition therein, and apply the same, or so much thereof as is necessary, to the payment of the compensation referred to in paragraph (a) of this subsection and the other current expenses of the institutions.

(c) Prescribe fees for enrollment into the institutions. Such enrollment fees shall include tuition for education and general services and such other charges found by the board to be necessary to carry out its educational programs.

(d) Prescribe incidental fees for programs under the supervision or control of the board found by the board, upon its own motion or upon recommendation of the recognized student government of the institution concerned, to be advantageous to the cultural or physical development of students.

(e) Upon recommendation of the recognized student government, collect optional fees authorized by the institution executive, for student activities not included in paragraph (c) or (d) of this subsection. The payment of such optional fees shall be at the

option and selection of the student and shall not be a prerequisite of enrollment.

(f) Confer, on the recommendation of the faculty of any such institution, such degrees as usually are conferred by such institutions, or as they deem appropriate.

(g) Prescribe the qualifications for admission into such institutions.

(2) The State Board of Higher Education may, for each institution, division and department under its control:

(a) Supervise the general course of instruction therein, and the research, extension, educational and other activities thereof.

(b) Enact rules and bylaws for the government thereof, including the faculty, teachers, students and employes therein.

(c) Maintain cultural and physical development services and facilities therefor and, in connection therewith, may cooperate and enter into agreements with any person or governmental agency; and may provide student health services and contract therefor.

(d) Except as otherwise provided by law, prescribe and collect charges for services rendered to any person or entity.

[Amended by 1953 c.545 s.2; 1971 c.375 s.1; 1971 c.708 s.9; 1973 c.331 s.1]

### (Chancellor)

**351.075 Chancellor of State Board of Higher Education; appointment; qualifications; compensation.** (1) The State Board of Higher Education shall appoint a chief executive officer who shall be known as the Chancellor of the State Board of Higher Education and who shall serve at the pleasure of the board. The board may appoint one or more assistants as may be necessary.

(2) The chancellor and his assistants shall be persons who by training and experience are well qualified to perform the duties of their offices and to assist in carrying out the functions of the board under ORS chapters 351 and 352.

(3) The State Board of Higher Education shall fix the compensation of the chancellor and his assistants.

[1971 c.708 s.10]

**351.080**[Repealed by 1961 c.238 s.1]

**351.085 Duties and powers of chancellor.** The Chancellor of the State Board of Higher Education shall exercise, under the direction of the State Board of Higher Education, the administrative authority necessary to carry out the policies of the board

with respect to the institutions, departments or activities under the control of the board. In carrying out his duties, the chancellor shall:

(1) Act as administrative officer of the State Board of Higher Education.

(2) Maintain a centralized service program for all institutions, departments and activities, including but not limited to, accounting, statistical services, capital construction, management analysis, legal services, academic affairs and educational research.

(3) Collect and compile information and statistics relative to the operation of the institutions, departments and activities of the State Board of Higher Education.

(4) Prepare and submit to the State Board of Higher Education an annual operating budget for all institutions, departments and activities of the board.

(5) Oversee the preparation and submission to the State Board of Higher Education of the biennial budget requests of the institutions, departments and activities for consideration by the board as the budget request to the Governor under ORS 351.090. The chancellor shall provide analyses of the budget requests of the institutions, departments and activities, including in such analyses alternative considerations as may be necessary or desirable for the board in the adoption of its budget request.

(6) Appoint, subject to the State Merit System Law, and with the approval of the State Board of Higher Education, such personnel as may be necessary for the performance of his duties.

(7) Designate, if he wishes, one or more suitable persons to sign or countersign warrants, vouchers, certificates, or other papers and documents requiring the signature of the chancellor.

(8) Prepare the agendas for State Board of Higher Education meetings and provide an analysis of proposals made to the board, including such alternatives as may be necessary or desirable for their consideration, and make recommendations thereon.

(9) Prepare and submit to the State Board of Higher Education on or about December 31 of each year an annual report in which he describes the principal activities of the Department of Higher Education during the fiscal year ending June 30. The report shall include a statement of all funds received, the source or sources from which received, the expenditure and disbursement of all funds and the purposes for which they were expended. The report shall contain a

statement of the number of students enrolled in each institution, department or activity, the number of degrees conferred, the improvements made and new courses of instruction added, together with a statement showing a general way the status of all activities and functions of the State Board of Higher Education.

(10) Keep a record of the transactions of the State Board of Higher Education.

(11) Have the custody of all books, papers, documents and other property belonging to the State Board of Higher Education.

(12) Give such instructions as may be necessary to carry out the directives of the State Board of Higher Education and forward them to the various institution presidents and heads of departments and activities.

(13) Provide for meetings of the presidents and principal executives of the institutions, departments and activities, at such times as the State Board of Higher Education may direct, such meetings to be open to any member of the board. At such meetings, the executives of the Department of Higher Education may propose policies or policy changes or statements for consideration by the board and develop recommendations concerning allocations of funds.

(14) The chancellor shall perform such other administrative assistance and consider other administrative matters as the State Board of Higher Education may require.

[1971 c.708 s.11]

#### (Administration)

**351.090 Standardization of accounts and records; preparation of budget; allocation of funds.** The board of higher education shall prescribe for all state-supported higher educational institutions a standardized system of accounts and records. The board shall prepare biennially, at such time as he shall require, a report to the Governor containing the proposed budget for the succeeding biennium covering in detail the purposes for which all expenditures shall be made. In preparation of this budget the board may allocate to the respective institutions over which it is authorized to exercise supervision and control all funds then available and all funds which under laws then existing become available during the succeeding biennium from all sources, so far as they can be ascertained, in accordance with

the board's higher educational development program.

**351.095 Legislative approval of data processing.** No moneys expended by the Department of Higher Education shall be used for the acquisition of automated data processing equipment unless authorized by the Legislative Assembly or the Emergency Board.

[1971 c.708 s.8]

**351.100 Advertising and publicity.** All advertising and publicity on behalf of all branches of state-supported higher education shall emanate from and bear the name of the Department of Higher Education, and shall be conducted in such a way as to present to the citizens of the state and prospective students a fair and impartial view of the higher educational facilities provided by the state and the prospects for useful employment in the various fields for which those facilities afford preparation.

**351.110 Relationship with state legislature.** All relationships and negotiations between the state legislature and its various committees and the institutions of higher education shall be carried on through the Department of Higher Education. No subordinate official representing any of the separate institutions shall appear before the legislature or any committee except upon the written authority of the board of higher education.

**351.120** [Amended by 1959 c.564 s 14; renumbered 351.605 and then 348.210]

**351.130 Encouragement of gifts to institutions; use of gifts.** The board of higher education shall encourage gifts to the institutions by faithfully devoting such funds to the institution for which intended and by other suitable means. All gifts raised by any institution or given to it shall be held for the exclusive use of such institution, subject to the terms of gift. Subject to such terms, such gifts to the institutions and the Department of Higher Education may be invested in securities which constitute legal investments for trust funds held for charitable or educational purposes, in lawfully issued interest-bearing bonds or obligations of the State of Oregon and in real property.

**351.140 Board power to purchase real property.** (1) The State Board of Higher Education may purchase such real property as in its sole discretion may be necessary

for the present or future development of any of the schools or institutions under its jurisdiction. The board may enter into contracts of purchase or agreements which it deems necessary in carrying out this authorization.

(2) The board may apply any funds coming into its hands, and applicable thereto, toward the purchase of property authorized under this section. The board may also mortgage or pledge any property so purchased, or its contracts to purchase, or in relation thereto, together with the income from such property, to secure the payment of the purchase price thereof.

**351.150 Title to institution realty; conveyances.** Legal title to all real property acquired by any of the institutions under the control of the State Board of Higher Education shall be taken and held in the name of the State of Oregon. Legal title to all real property heretofore or hereafter conveyed to any such institutions shall be deemed to be conveyed to and vested in the State of Oregon. Authorized conveyances of all real property acquired by or vested in the State of Oregon for the use or benefit of any such institutions, other than the university lands referred to in ORS 273.251, shall be executed in the name of the State of Oregon by the president and secretary of the board of higher education. Nothing in this section or in ORS 351.060 shall be considered as exempting such property from taxation.

**351.153 "Structure" defined.** As used in ORS 351.160, 351.170, 351.180, 351.350, 351.440 and 351.450, "structure" includes, but is not limited to, paving, sidewalks, curbs, gutters, sewers, drainage works, vehicular parking facilities, lighting facilities, retaining walls and other constructed or erected improvements to real property.

[1971 c.361 s.2]

**351.155 Authority to sell forest products on institution realty.** Notwithstanding the applicable provisions of ORS 279.025 to 279.031 and 279.310 to 279.990, the State Board of Higher Education may, in the management of all forest lands under its control and supervision, sell the forest products on such lands in the same manner as is provided in ORS 530.059, and for that purpose the State Board of Higher Education shall have the same powers with respect to experimental or research projects in the field of forest land management or for forest product utilization on forest lands under its control as the State

Forester has pursuant to the provisions of ORS 530.050 and 530.059.  
[1961 c.134 s.1]

**351.160 Building construction.** (1) The board of higher education may undertake the construction of any building or structure for higher education when, in the judgment of the board, it appears that the building or structure will be wholly self-liquidating and self-supporting from revenues to accrue from the operation thereof and from gifts, grants or building fees, and from unobligated revenues of buildings or projects of like character. The board may enter into contracts for the erection, improvement, repair, equipping and furnishing of buildings and structures for dormitories, housing, boarding, off-street motor vehicle parking facilities and other purposes for higher education pursuant to Article XI-F (1) of the Oregon Constitution, ORS 351.160 to 351.190, 351.350 to 351.460, 351.480 and 351.490.

(2) The board may also undertake the construction of those buildings and structures that are designated by the Legislative Assembly for higher education institutions and activities, and may enter into contracts with persons, firms or corporations for the erection, improvement, repair, equipping and furnishing of such buildings and structures pursuant to Article XI-G of the Oregon Constitution and ORS 351.345.

[Amended by 1963 c 573 s 5; 1963 c 584 s 2]

**351.170 Charges for use of buildings; student building fee; disposition of receipts.** (1) The board of higher education shall establish such rates, charges and fees for use of buildings, structures or projects referred to in subsection (1) of ORS 351.160, including revenue-producing buildings and structures already constructed, as, in the judgment of the board, will provide the required revenues to make the particular new building, project or structure self-liquidating and self-supporting, and as will provide the funds with which to amortize the principal of and pay the interest on the bonds issued to finance such buildings, structures or projects.

(2) The board shall charge and collect from each regular student a building fee at a rate not to exceed \$12.50 for each regular term, for not less than three terms in each regular academic year, and not to exceed \$18.75 if instruction is on a semester basis, or an equivalent rate of charge where instruction is on a different basis. The board

is authorized to maintain adequate sinking funds for bonds outstanding. The fee shall be in addition to tuition and other fees charged to students and shall be deposited with the State Treasurer and credited to the appropriate subfund of the Higher Education Bond Sinking Fund.

[Amended by 1963 c.638 s.3; 1963 c.584 s.3; 1975 c.331 s.13]

**351.180 Building insurance.** The board of higher education may cause the buildings, structures or projects referred to in ORS 351.160 and 351.170 and the equipment and furnishings therein and the appurtenances thereto to be insured against fire and other hazards in such sums as will protect the holders of the outstanding bonds issued to finance the cost thereof. Such insurance shall be in lieu of that afforded by the Restoration Fund, without right of insurers, in the event of loss, to subrogation to or contribution from said fund.

[Amended by 1963 c.584 s 4]

**351.190 Acquisition of land for building purposes.** The board of higher education may obtain, by donation, purchase, agreement or condemnation, the title to any land authorized to be acquired by ORS 351.345, 351.350 and 351.450. Condemnation proceedings instituted by the board shall be conducted in accordance with ORS chapter 35.

[Amended by 1957 c.720 s.1; 1963 c.548 s.5; 1971 c 741 s 25]

**351.195**[1957 c 585 s.1; 1969 c 349 s 3; repealed by 1975 c 771 s 33]

**351.200 Board power over higher education curricula and departments.** (1) The board of higher education shall visit the University of Oregon and Oregon State University for the purpose of inquiring as to the work offered and conducted at such institutions, whenever and as often as it may deem necessary. The board shall specifically determine from time to time as occasion may require what courses or departments, if any, shall not, in their judgment, be duplicated in the several higher educational institutions. The board may direct the elimination of duplicate work from any institution, and determine and define the courses of study and departments to be offered and conducted by each institution.

(2) A record of such determination shall be kept by the board in a book provided by the Secretary of State for that purpose. The board shall notify the Governor of such

determination and each institution affected shall conform thereto.

(3) If any changes are made in the curricula of any institution, the change shall become effective at the beginning of the school year following the determination.

(4) Any person may appear before the board of higher education at any meeting for the purpose of laying before the board any data or arguments for the maintaining or elimination of any duplicated course or department.

**351.203 Cooperation with Oregon Educational Coordinating Commission; compliance with certain commission decisions.** (1) The State Board of Higher Education shall cooperate with the Oregon Educational Coordinating Commission in the development of a state comprehensive education plan including post-secondary education and in review of the board's programs and budget as provided in ORS 348.705 to 348.825.

(2) The board shall comply with the decisions of the commission regarding proposed new post-secondary programs and proposed new post-secondary locations determined by the commission to have a significantly adverse impact on one or more segments of education other than public institutions under the jurisdiction of the board.

[1975 c.553 s.12]

**351.205 Interchange of faculty members with schools outside Oregon.** The State Board of Higher Education may allow interchange of members of the faculties of institutions of higher learning with faculty members of comparable institutions of other states or countries for a period of one year. Such exchange service shall, for all purposes, be deemed continued service with the Oregon institution covered, with salary paid to the absent faculty member accordingly. Salary for the visiting faculty member shall not be paid by the Oregon institution covered.

[1957 c.239 s.1]

**351.210 Disposition of unnecessary equipment.** The board of higher education may sell or otherwise dispose of any worn out, obsolete or otherwise unsuitable equipment or material, the disposal of which would in the board's judgment be to the financial benefit of the institutions under the board's control. Before such disposal or sale, the board shall submit to the Department of General Services a proposal for such

sale or disposal and shall secure from the department its formal approval thereof. The proceeds from any sales or disposals made pursuant to authority granted in this section shall be deposited in the State Treasury to the credit of the board of higher education and may be expended by it for any purpose authorized by law in the same manner as it is authorized to make other expenditures.

**351.220 Acquisition of intellectual property.** The State Board of Higher Education may acquire by gift or by purchase interests in intellectual property of any kind, whether patentable or copyrightable or not, including patents, copyrights, inventions, discoveries, processes and ideas. The board may also agree to aid in the development of property acquired pursuant to ORS 351.220 to 351.250 and to pay an assignor of any interest in intellectual property a share of any moneys received on account of the board's ownership or management of the property.

[1953 c.332 s.1]

**351.230 Management, development and disposition of intellectual property.** The State Board of Higher Education may manage, develop or dispose of by assignment, sale, lease, license or other action deemed advisable by the board, property acquired under ORS 351.220, and may contract with any person or agency, board, commission or department of this or any other state or with the Federal Government regarding the management, development or disposition thereof. The board may make gratuitous assignments of such property to any trust or fund, the sole beneficiary of which is the State Board of Higher Education or any of the institutions or activities under its control, subject to the share, if any, agreed to be paid to the assignor. The board may reassign such property to the inventor, author or discoverer.

[1953 c.332 s.2]

**351.240 Terms and conditions of transactions in intellectual property; dissemination of information.** The State Board of Higher Education may determine the terms and conditions of any transaction authorized by ORS 351.220 to 351.250 and need not require competitive bids in connection therewith. No formal publicity or advertising is required regarding property for the development of which the board wishes to contract, but the board shall make reason-

able efforts to disseminate such information in appropriate research and industrial circles.

[1953 c.332 s.4]

**351.250 Disposition of revenue; Higher Education Invention Fund.** Moneys received by the board as a result of ownership or management of property acquired under ORS 351.220 to 351.250 or of transactions regarding such property shall be credited to a special fund in the State Treasury separate and distinct from the General Fund to be designated "Higher Education Invention Fund" and shall only be applied by the State Board of Higher Education to payment of the agreed share, if any, to assignors, and for the advancement of research or for the acquisition and development of intellectual property, or both.

[1953 c.332 s.5]

**351.260 Planning assistance.** The State Board of Higher Education may establish and maintain planning facilities and undertake planning work for the provision of, or related to, local planning services and may:

(1) Upon the request of the governing body of any municipality, county, Indian reservation or of a regional or joint planning agency in the state, provide planning assistance to such municipality, county, Indian reservation or planning agency (including surveys, land use studies, urban renewal plans, technical services and other planning work) and make or assist in making a study or report upon any planning problem of such municipality, county, Indian reservation or planning agency.

(2) Agree with such governing body or planning agency as to the amount to be paid to the board for such service.

(3) Apply for and accept grants from the Federal Government and other sources in connection with any such planning work.

(4) Contract with respect thereto.

[1955 c.536 s.1; 1965 c.456 s.1]

**351.265**[1965 c.496 s.1; 1975 c.553 s.1; renumbered 348.705]

**351.270**[1963 c.548 s.6; 1965 c.496 s.2; 1969 c.314 s.26; 1971 c.643 s.1; 1973 c.792 s.11; 1973 c.816 s.3; 1974 s.s. c.36 s.10, 1975 c.553 s.2, renumbered 348.715]

**351.273**[1973 c.442 s.2, repealed by 1975 c.553 s.15]

**351.275**[1965 c.496 s.3; renumbered 348.735]

**351.280**[1965 c.496 s.4; 1971 c.643 s.2; renumbered 348.745]

**351.285**[1965 c.496 s.5; renumbered 348.755]

**351.290**[1965 c.496 s.6; 1967 c.454 s.105; 1971 c.643 s.3; renumbered 348.765]

**351.295**[1965 c.496 s.7, repealed by 1975 c.605 s.33]

**351.297**[1969 c.566 s.1; 1971 c.643 s.4, renumbered 348.785]

**351.298**[1969 c.566 s.2; 1971 c.643 s.5; renumbered 348.795]

**351.299**[1969 c.566 s.3; repealed by 1971 c.643 s.8]

**351.301**[1969 c.566 s.4; 1971 c.643 s.6; renumbered 348.815]

**351.302**[1969 c.566 s.5, 1971 c.643 s.7; renumbered 348.825]

**351.303**[1969 c.566 s.6, repealed by 1971 c.643 s.8]

## FINANCES

**351.305 Definition for ORS 351.310 to 351.560.** As used in ORS 351.310 to 351.540, 351.550 and 351.560, "board" means the State Board of Higher Education.

**351.310 Board's general financial power; appropriation of moneys received by board.** (1) The board of higher education shall control the use, distribution and disbursement of all funds, appropriations and taxes now or hereafter in possession, levied and collected, received or appropriated for the use, benefit, support and maintenance of institutions, departments or activities of higher education, including the authorization of individuals to sign vouchers for the disbursement of funds for the various institutions, departments and activities.

(2) All moneys, except moneys appropriated from the State Treasury for expenditure within a specified period of time, heretofore or hereafter received by or on behalf of the State Board of Higher Education, or any institution, department or activity under its control, which are not otherwise appropriated by law, hereby are appropriated continuously to the State Board of Higher Education for the purposes for which such moneys were donated, granted or received, in accordance with any applicable law governing the use of such moneys.

[Amended by 1955 c.84 s.1]

**351.320 Prorating expenses.** The board of higher education may prorate all expenses not otherwise provided for, incurred under authority of ORS 351.040, 351.050, 351.090 to 351.110, 351.130 and 351.310 to the institutions under its control, and pay the same from the funds available for the general expenses of those institutions.

**351.330**[Repealed by 1957 c.370 s.1]

**351.340 Use of moneys.** All sums of money provided by law for the support and maintenance of institutions and activities of higher learning may be used for the payment of salaries of instructors and employes, current expenses, construction of additional buildings, purchase of lands, purchase of equipment, purchase of library books and periodicals, purchase of laboratory supplies and apparatus, making necessary repairs and, in general, for the payment of all such expenses connected with the management of such institutions and activities of higher learning, as the board may from time to time determine.

[Amended by 1957 c.370 s.3]

**351.345 Bond issue for higher education and community college projects.** (1) In order to provide funds for the purposes specified in Article XI-G of the Oregon Constitution, the State Board of Higher Education, with the approval of the State Treasurer, is authorized to sell such general obligation bonds of the State of Oregon, of the kind and character and within the limits prescribed by such Article as, in the judgment of the board, shall be necessary. The bonds shall be authorized by resolutions duly adopted by a majority of board members at a regular or special board meeting.

(2) The board may issue refunding bonds to provide funds with which to redeem bonds issued by the board under the provisions of this section, Article XI-G of the Oregon Constitution, and subsection (1) of this section. The issuance of refunding bonds shall be authorized in the same manner provided in subsection (1) of this section.

(3) Except as otherwise provided in ORS 351.160 to 351.190 and 351.450 to 351.490 and in Article XI-G of the Oregon Constitution, the issuance and sale of bonds under this section, the maturity dates and other details thereof, the rights of the holders thereof and the duties of the Governor, Secretary of State, State Treasurer and of the board with respect thereto shall be governed, in so far as applicable, by the provisions of law setting forth the forms, procedures, duties and rights under which bonds are issued for higher education purposes pursuant to Article XI-F(1) of the Oregon Constitution.

[1963 c.584 s.1]

**351.350 Bond issue for self-liquidating higher education purposes.** In order to provide funds for the purposes specified in Article XI-F(1), Oregon Constitution,

the State Board of Higher Education, with the approval of the State Treasurer, is authorized to sell such general obligation bonds of the State of Oregon, of the kind and character and within the limits prescribed by said Article as, in the judgment of the board, shall be necessary. The board may issue bonds to construct, equip and furnish buildings and other structures of the character specified in said Article, before any revenue bonds heretofore issued by the board are redeemed or refunded. The bonds shall be authorized by resolutions duly adopted by a majority of board members at a regular or special board meeting. The principal amount of bonds outstanding at any one time, issued under authority of this section, shall not exceed \$90.5 million par value.

[Amended by 1955 c.88 s.1; 1957 c.703 s.1; 1959 c.127 s.1; 1961 c.35 s.1; 1963 c.10 s.1, 1963 c.615 s.1; 1967 c.404 s.9, 1969 c.664 s.8; 1971 c.709 s.7; 1975 c.331 s.11]

**351.353 Construction of parking facilities; bonds.** (1) The State Board of Higher Education may undertake the construction of an off-street motor vehicle parking facility in Portland, Oregon, for higher education pursuant to Article XI-F (1), Oregon Constitution, ORS 351.160 to 351.190, 351.350 to 351.460, 351.480 and 351.490. The parking facility shall be for the use of the students and staff members of the board. The board shall establish the rates, charges and fees for use of the parking facility in accordance with the provisions of ORS 351.170.

(2) The board may sell bonds to finance the facility described in this section, in an amount authorized and under the conditions prescribed by ORS 351.350.

[1963 c.573 s.2, 1967 c.67 s.18]

**351.355**[1963 c.573 s.3; repealed by 1967 c.67 s.27]

**351.360 Form of bonds; costs of issuance.** (1) The Attorney General, at the request of the board, shall prepare a form of interest-bearing general obligation coupon bond of the State of Oregon, containing the necessary covenants and conditions to effectuate the purposes of ORS 351.350 to 351.460, 351.480 and 351.490. All bonds issued under authority of Article XI-F (1), Oregon Constitution, ORS 351.350 and 351.420 shall contain a direct promise of the State of Oregon to pay the face value thereof with interest thereon at such rate or rates as the board may deem appropriate. The bonds and appurtenant coupons shall be negotiable in form and shall embody an absolute and unconditional promise of the State of Oregon

to pay the principal and interest upon the bonds, when due, in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States of America.

(2) General obligation interest-bearing bonds sold to the State of Oregon or to the United States Government, or to any agency of either, may be issued in registered form without cost to the purchaser, either as a single bond for the entire amount of the bond issue, or in the amounts corresponding to the principal instalments of the bond issue; or such bonds may be issued in whole or in part, in like amount or in denominations of \$1,000 or multiples thereof, in coupon form. The Attorney General, at the request of the board, shall at his option, either prepare the form of registered bonds or approve them as to form in order to ascertain that they contain the necessary covenants and conditions to effectuate the purposes of ORS 351.350 and 351.360 to 351.490. Any of such registered bonds may be converted into coupon bonds of the kind and character herein indicated, and coupon bonds originally issued in denominations exceeding \$1,000 later may be replaced with coupon bonds of total equal face value in the denomination of \$1,000. The costs involved in the issuance of any bonds under authority hereof, including charges of bond attorneys for written opinions approving the legality thereof, shall be paid from funds derived from the sale of bonds if the bonds are of an original issue, or from funds of the State Board of Higher Education if the bonds are of a replacement or refunding issue. Any of such bonds shall be subject to refunding with coupon or registered bonds in denominations of \$1,000 or multiples thereof, in the manner provided by ORS 351.420. Bonds issued pursuant to this section shall bear the signatures of the officers named in ORS 351.380, in office at the time of the signing of the bonds.

[Amended by 1957 c.703 s.2; 1959 c.127 s.2; 1967 c.369 s.1]

**351.370 Numbering; maturity; reservation of right to redeem.** (1) Each bond issue shall be numbered consecutively beginning with the number one, and shall be payable serially upon maturity dates fixed by the board at not less than six months nor more than 30 years from issue date.

(2) In the issuance of such bonds the board may reserve the right to redeem all or part of an issue, at the par value thereof and the accrued interest thereon, for retirement

or refunding of the bonds prior to their final maturity date. If any of such bonds were purchased by the state from the board at the time of the original issuance thereof and state ownership thereof continued unchanged, they may be redeemed by the board at any time at the amortized value thereof, based upon purchase price, and the accrued interest thereon, without publication of notice of intended redemption.

**351.380 Signatures on bonds.** The bonds or temporary bonds provided for in ORS 351.470 shall be executed with the facsimile signatures of the Governor and of the Secretary of State and with the manual signature of the State Treasurer, with the titles of the respective officers indicated beneath their signatures. Bonds issued under authority of ORS 351.350 or 351.420 and temporary bonds issued under ORS 351.470, and bearing the signatures of officers in office on the date of the execution of such bonds shall be valid and legally binding obligations, notwithstanding that before delivery thereof any or all of the officers ceased to be such.

[Amended by 1957 c.703 s.3]

**351.390 Interest coupons.** The bonds shall bear coupons evidencing the interest to become due thereon for each instalment thereof. The first interest coupon of each issue of bonds may be for a period of more or less than six months but not more than 12 months, if, in the judgment of the board, the issuance of bonds with such coupon is advisable. Upon each coupon shall be printed the facsimile signature, with title of his office indicated thereunder, of each of the officers whose names appear on the bonds.

**351.400 Place of payment.** The principal of and interest upon the bonds, when due, shall be paid at the office of the State Treasurer, but with his approval the board may designate the Fiscal Agency of the State of Oregon in the City and State of New York as the place of payment of the bonds and of the interest thereon. If so designated, the charges imposed by such agency for its services shall be paid, upon approval by the State Treasurer, from the Higher Education Bond Sinking Fund.

**351.410 Payment and retirement of bonds and interest coupons.** Not less than 30 days before the due date of the principal of, and the interest upon, any such bonds, the board shall prepare and submit to the State Treasurer for verification, a claim duly

approved by the board, in an amount sufficient to meet the payment thereof. Upon verification, the board shall present the claim to the Secretary of State for audit in like manner as other claims against the state are audited. The Secretary of State thereupon shall draw a warrant upon the State Treasurer in payment of such claim, from the Higher Education Bond Sinking Fund. All bonds and interest coupons surrendered to the State Treasurer upon payment thereof shall be retained and then destroyed as provided in ORS 288.120.

[Amended by 1975 c.462 s.4]

**351.420 Refunding bonds; disposition of residue of moneys in sinking funds established for refunded bonds.** (1) The board may issue refunding bonds to provide funds with which to redeem revenue bonds issued by the board prior to August 2, 1951, and with which to refund outstanding bonds issued under the provisions of this section, Article XI-F(1), Oregon Constitution, and ORS 351.350. The issuance and sale of such refunding bonds, the maturity dates and other details thereof, the rights of the holders thereof and the duties of the Governor, Secretary of State, State Treasurer and of the board with respect thereto shall be governed by the other provisions of ORS 351.350 and 351.360 to 351.510 in so far as such provisions are applicable.

(2) In the refunding of bonds under authority of this section, moneys on hand in particular funds to meet outstanding bonds shall be used in so far as, in the judgment of the board, is expedient to reduce the amount of such outstanding bonds and to pay the interest thereon to the call or maturity date thereof. Any residue thereof remaining in a bond sinking fund after payment of the bonds and the interest thereon payable therefrom, shall be credited to the sinking fund set aside to meet the principal of and interest upon the bonds issued to refund said bonds.

**351.430 Advertisement of bonds; bids.** The board shall advertise all bonds issued under ORS 351.350 and 351.420 for sale at least once each week for not less than two successive weeks in a newspaper of general circulation printed in the English language and published in Portland, Oregon. The form of advertisement shall be prepared by the Attorney General. All bids for such bonds shall be in writing and, unless the sale thereof is made to the State of Oregon or to the United States Government or any

agency thereof, shall be accompanied by a certified check or cashier's check on a solvent bank or trust company doing business in the United States, having a capital and surplus of not less than \$5 million, for not less than two percent of the par value of the bonds offered for sale. The advertisement of sale of the bonds shall contain a provision to the effect that the board, in its discretion, may reject any or all bids received by it in pursuance of such advertisement. In the event of such rejection, the board may re-advertise for bids for the bonds in the form and manner set forth in this section.

[Amended by 1957 c.703 s.4; 1969 c.213 s.1]

**351.440 Sale; minimum price.** None of the bonds may be sold to the public at private sale, but they may be sold to the State of Oregon or to the United States Government or any agency thereof either in registered or in coupon form, without advertisement thereof for public sale, at interest rates not exceeding five percent per annum payable semiannually and at a price not lower than specified in this section. Bonds issued to provide funds with which to construct, improve, repair, equip and furnish buildings and other structures for higher education and to purchase or improve sites therefor may be sold for not less than 98 percent of the par value thereof and the full amount, if any, of the interest accrued thereon to the date of delivery of the bonds to the purchaser thereof. Refunding bonds issued in conformity with ORS 351.420 may be sold to any bidder or to the State of Oregon or to the United States Government or any agency thereof at a price of not less than the par value thereof and the full amount, if any, of the interest accrued thereon to the date of delivery of the bonds to the purchaser thereof.

[Amended by 1957 c.703 s.5]

**351.450 Higher Education Bond Building Fund.** The moneys realized from sales of bonds issued to construct, improve, repair, equip and furnish buildings and other structures for higher education, and to purchase and improve sites therefor shall be credited to a special fund in the State Treasury separate and distinct from the General Fund, to be designated Higher Education Bond Building Fund. In the Higher Education Bond Building Fund there shall be a separate subfund for the credit of moneys realized from sales of bonds issued pursuant to Article XI-F(1) of the Oregon Constitution, ORS 351.350 and 351.420; and there

shall be a separate subfund for the credit of moneys realized from sales of bonds issued pursuant to Article XI-G of the Oregon Constitution, and ORS 351.345. The moneys received from the issuance of temporary bonds under ORS 351.470 for the purpose of interim financing pending the sale of the bonds shall also be credited to the appropriate subfund of the Higher Education Bond Building Fund. The moneys in the fund hereby are appropriated to defray the costs of the projects to be financed through sale of the bonds and for the purpose of retiring temporary bonds issued under ORS 351.470, and shall not be used for any other purpose, except that such moneys may, with the approval of the State Treasurer, be invested until needed in obligations of the State of Oregon or of the United States Government, or both, having maturity dates of not to exceed two years. If a surplus remains after application to such purpose, the surplus, and earnings from temporary investments, shall be credited to the Higher Education Bond Sinking Fund by the appropriate subfund.

[Amended by 1953 c.214 s.2; 1957 c.703 s.6, 1963 c.584 s.6]

**351.460 Higher Education Bond Sinking Fund.** (1) The board shall maintain with the State Treasurer, a Higher Education Bond Sinking Fund, separate and distinct from the General Fund. The Higher Education Bond Sinking Fund shall comprise two separate subfunds to provide for the payment of the principal of and the interest upon the bonds issued under authority of Article XI-F (1) of the Oregon Constitution, ORS 351.350 and 351.420, and under authority of Article XI-G of the Oregon Constitution and ORS 351.345. The moneys in said sinking fund hereby are appropriated for such purposes. The said fund may be invested by the board in securities as defined in paragraphs (a), (c) and (d) of subsection (7) of ORS 295.005 and in Time Certificates of Deposit issued by a bank or trust company authorized to do business in this state in the capacity of a bank or trust company, and the earnings from such investments shall be credited to the appropriate subfunds of such fund.

(2) The Higher Education Bond Sinking Fund shall consist of all moneys received from ad valorem taxes levied pursuant to ORS 351.480, all moneys that the Legislative Assembly may provide in lieu of such taxes, all of the net revenues received from the projects or undertakings for the financing of which the bonds were issued, including gifts,

grants and building fees, such unpledged revenues of buildings and projects of like character as shall be allocated by the board, all moneys received as accrued interest upon bonds sold, all earnings from investments of said fund and the proceeds of the sale of refunding bonds. Moneys credited to the Higher Education Bond Sinking Fund shall be credited to the appropriate subfunds of such fund.

(3) The board may credit the Higher Education Bond Sinking Fund with moneys received from either a sale or interfund transfer of land, buildings and facilities. Where such land, buildings or facilities are sold, or the use thereof is rededicated so that a transfer from one subfund to the other is appropriate, the moneys received shall be credited to the appropriate subfund.

(4) The board shall apply student building fees, revenues, gifts and grants for the payment of the principal of and the interest upon the bonds issued under authority of Article XI-F (1) of the Oregon Constitution, ORS 351.350 and 351.420 until such time as the proper subfund of said sinking fund and investments thereof, as supplemented by expected future income will, in the judgment of the board, be sufficient to meet in full the principal of and the interest upon all such outstanding bonds. Income not thus required for the sinking fund shall be transferred to such other fund and account as the board shall designate.

(5) The said sinking fund shall not be used for any purpose other than those for which the fund was created; but should a balance remain therein after the purposes for which the fund was created have been fulfilled or after a reserve sufficient to meet all existing and future obligations and liabilities of the fund has been set aside, the surplus remaining may be transferred to such other fund as the board may designate.

[Amended by 1963 c.584 s.7; 1969 c.513 s.1; 1973 c.809 s.1]

**351.470 Temporary bonds.** Pending receipt of the proceeds from the expected sale of bonds under the provisions of ORS 351.345 to 351.460, to the State of Oregon or to the United States Government or any agency thereof, the State Board of Higher Education may, with the approval of the State Treasurer, procure interim financing from the State of Oregon, the United States Government or any agency thereof, or from any private lending agency, by issuing to such private or public lending agency temporary bonds, without advertisement of such

bonds for sale, in order to finance temporarily building projects authorized by the board pursuant to Article XI-F(1) or Article XI-G of the Constitution of the State of Oregon and subsection (1) of ORS 351.160 or subsection (2) of ORS 351.160, if the bond issue to be temporarily financed by the issuance of temporary bonds has been authorized by the State Board of Higher Education and a purchase plan has been formulated with and is being considered by the State of Oregon or the United States Government or any agency thereof. The proceeds from the sale of the bonds shall be deposited in the Higher Education Bond Building Fund and credited to the appropriate subfund of such fund, and shall be used to retire the temporary bonds issued under this section. The principal amount of temporary bonds issued under this section shall not exceed the principal amount of the bond issue for which a purchase plan has been formulated. The temporary bonds may be extended, renewed or refunded but maturity dates shall in no event be later than two years from the date of issue of the original temporary bonds for the related building project.

[1957 c.703 s.8; 1963 c.584 s.8]

**351.480 Tax levy for higher education purposes.** Each year the Department of Revenue shall determine the amount of revenues or other funds that are available and the amount of taxes, if any, that should be levied in addition thereto, to meet the requirements of ORS 351.160 to 351.190, 351.345 to 351.460 and 351.480 to 351.510, for the ensuing fiscal year. Such additional amount shall be apportioned, certified to, and collected by the several counties of the state in the manner required by law for the apportionment, certification and collection of other ad valorem property taxes for state purposes. The amounts of ad valorem taxes levied under authority of this section shall be remitted in full by the several county treasurers to the State Treasurer in the manner and at the times prescribed by law and shall be credited by the State Treasurer to the appropriate subfund of the Higher Education Bond Sinking Fund.

[Amended by 1963 c.584 s.9]

**351.490 Federal aid; donations; acceptance and use.** The board may, in its discretion, accept financial assistance and grants, either in the form of money or labor, from the United States or any of its agencies, subject to the terms and conditions thereof, regardless of any laws of this state

in conflict with the regulations of the Federal Government with respect thereto, and may also accept from others any donation or grant of land or gift of money or other valuable gift or thing, for any of the purposes contemplated by Article XI-F(1) and Article XI-G of the Oregon Constitution, ORS 351.160 to 351.190, 351.345 to 351.460 and 351.480 to 351.510. Unless enjoined by the terms or conditions of any such gift or grant, the board may convert the same, or any of them, into money, through sale or disposal thereof.

[Amended by 1963 c.584 s.10]

**351.500 Repealed statutes continued effective until bonds redeemed.** Outstanding bonds issued under article 3, chapter 36, title 111, O.C.L.A., and chapter 41, title 111, O.C.L.A., shall continue to be valid obligations until they are redeemed in full, and authority granted in connection with said bonds shall continue in effect until they have been so redeemed.

**351.510** [Amended by 1957 c.703 s.7; 1963 c.584 s.11; repealed by 1967 c.454 s.119]

**351.520 Borrowing money for purchase of real property.** In carrying out the power and authority granted by ORS 351.140, the board of higher education may borrow money and issue its notes, bonds or other evidences of indebtedness secured by the pledge of the real property to be acquired and revenues, as provided in ORS 351.140. Such evidences of indebtedness shall be issued in the form determined by the board, but all such evidences of indebtedness shall mature not later than 30 years after their respective dates.

**351.530 Obligations under ORS 351.140 or 351.520 not indebtedness of state or board.** No obligation of any kind incurred under ORS 351.140 or 351.520 shall be, or be considered, an indebtedness of the State of Oregon, or to create a general indebtedness of the board of higher education. Any contract of purchase, note or bond or other obligation issued by said board shall limit its payment to the property and income or revenues pledged to secure its payment.

**351.540 Special checking account of board of higher education.** Unless otherwise provided by law, or by federal order or regulation with respect to federal funds, the State Board of Higher Education, with the approval of the State Treasurer, may deposit with the State Treasurer any moneys coming

into its hands. Moneys so deposited, other than that required by law to be disbursed only upon warrant, shall be credited by the State Treasurer to a special checking account and may be disbursed by check or order of the board upon the State Treasurer, signed by such officer or administrative head as the board, by motion or resolution, nominates for that purpose.

[Amended by 1967 c.454 s.31]

**351.545 Higher Education Isolation Facility Bond Sinking Fund.** (1) The board shall maintain with the State Treasurer, a Higher Education Isolation Facility Bond Sinking Fund, separate and distinct from the General Fund. The Higher Education Isolation Facility Bond Sinking Fund shall provide for the payment of principal and interest of bonds issued under the authority of Article XI-F(1) of the Oregon Constitution, ORS 351.350 and 351.420 in an amount equal to the amount authorized for expenditure by paragraph (b) of subsection (2) of section 3, chapter 709, Oregon Laws 1971, and expended as provided therein. The sinking fund may be invested by the board in securities as defined in paragraphs (a), (c) and (d) of subsection (7) of ORS 295.005 and in Time Certificates of Deposit issued by a bank or trust company authorized to do business in this state in the capacity of a bank or trust company, and the earnings from such investments shall be credited to the sinking fund.

(2) The Higher Education Isolation Facility Bond Sinking Fund shall consist of moneys received as net revenues from the isolation facilities for which the expenditure of funds is authorized by paragraph (b) of subsection (2) of section 3, chapter 709, Oregon Laws 1971, including gifts, grants and building fees, moneys received as accrued interest on bonds sold, earnings from investments on the sinking fund, the proceeds of the sale of refunding bonds and any accrued interest on such refunding bonds, moneys received pursuant to subparagraph (A) of paragraph (f) of subsection (1) of ORS 462.280, moneys appropriated to the sinking fund by the Legislative Assembly and moneys received for the purposes of the sinking fund from all other sources. All moneys in the sinking fund are continuously appropriated to the board for the purposes provided in subsection (1) of this section.

[1971 c.688 s.3; 1973 c.809 s.2; 1975 c.550 s.13]

**351.550 Use of special checking account.** The special checking account may be

used for the purpose of clearing items subject to subsequent credit to state funds, making payroll disbursements, handling salary and wage deductions for the purchasing by employees of obligations of the Federal Government, withholding and paying, pursuant to law, federal or other taxes from salaries and wages of employees, and depositing and disbursing athletic, student and employee retirement moneys, and such other funds within the lawful custody of the board of higher education as the board by resolution duly adopted shall ordain.

**351.555 Investment of undistributed bond funds.** Whenever bonds are issued pursuant to the provisions of Article XI-G of the Oregon Constitution, all undistributed bond funds and revenue received as payment, if invested, shall be invested to produce a yield less than the yield produced by arbitrage bonds as defined in subsection (d) of section 103 of the Internal Revenue Code of 1954.

[1971 c.709 s 13]

**351.560 Higher Education Revolving Fund.** (1) For the purpose of providing funds to pay the ordinary expenses of the State Board of Higher Education incurred in the operation of the state institutions of higher learning, a revolving fund in the sum of \$1 million for the use of the State Board of Higher Education is established.

(2) The board's duly designated disbursing officer from time to time shall prepare vouchers covering disbursements from the revolving fund, accompanied by an itemized statement showing in detail the names of the persons, firms or corporations to whom and the purposes for which such disbursements were made therefrom pursuant to law. The board shall certify that the vouchers are correct and present them to the Executive Department for the drawing of warrants on the State Treasurer payable out of moneys available by operation of law in the General Fund for the functioning of state institutions of higher learning in favor of the disbursing officer for the amount of such vouchers and statement. The payments of such warrants shall be credited to the revolving fund.

(3) The revolving fund may be held as petty cash funds or carried with the State Treasurer as are suspense funds as provided by law or deposited in banks. Disbursements therefrom shall be made only by the disburs-

ing officer in payment of claims authorized by law.

[Amended by 1967 c.255 s.1; 1967 c.454 s.32; 1971 c.80 s.2]

**351.570**[1961 c.577 s.2; 1965 c.585 s.1, renumbered 348.010]

**351.580 Use of federal funds for architectural and engineering planning.** Notwithstanding any appropriations or moneys made available by law, and notwithstanding any other provision made for appropriations to the Department of Higher Education under chapter 404, Oregon Laws 1967, the State Board of Higher Education is authorized to undertake architectural and engineering planning with moneys provided from the Federal Government or from other sources. Such moneys, including reimbursement for planning, are continuously appropriated for planning purposes.  
[1967 c.404 s.5]

**351.590 Higher Education Athletic Fund.** (1) The State Board of Higher Education shall maintain with the State Treasurer a separate fund known as the Higher Education Athletic Fund in which shall be deposited all intercollegiate athletic revenue from gate receipts, television royalties, and other sources related to intercollegiate athletic events.

(2) Disbursements from the fund, including any interest credited thereto, may be made for necessary expenses for supplies, services and equipment associated with the intercollegiate athletic program, including recruiting, training and grant-in-aid to intercollegiate athletes.

(3) The fund may be invested by the State Treasurer in securities which constitute legal investments as defined in subsection (7) of ORS 295.005. The earnings from such investments shall be credited to the fund.

[1975 c.558 s.7]

**351.605**[Formerly 351.120; amended by 1961 c.558 s.1; 1963 c.328 s.1; renumbered 348.210]

**351.610**[1963 c.539 s.2; renumbered 348.220]

**351.620**[1961 c.558 s.4; renumbered 348.230]

**351.625**[1959 c.564 s.12; 1961 c.558 s.2; renumbered 348.240]

**351.630**[1959 c.564 s.13; 1961 c.558 s.5; renumbered 348.250]

**351.635**[1959 c.564 s.1; renumbered 348.510]

**351.640**[1959 c.564 s.7; renumbered 348.520]

**351.645**[1959 c.564 s.8; 1961 c.416 s.2; renumbered 348.530]

**351.650**[1959 c.564 ss.4, 5; renumbered 348.540]

**351.655**[1959 c.564 s.3; renumbered 348.550]

**351.660**[1959 c.564 s.6; renumbered 348.560]

**351.665**[1959 c.564 s.11; renumbered 348.570]

**351.670**[1959 c.564 s.9; 1961 c.416 s.3; renumbered 348.580]

**351.672**[1961 c.416 s.1; renumbered 348.590]

**351.673**[1961 c.577 s.1; repealed by 1965 c.585 s.2]

**351.675**[1959 c.564 s.10; renumbered 348.600]

**351.710** [Amended by 1959 c.459 s.1, 1975 c.533 s.4; renumbered 348.835]

**351.720**[Amended by 1975 c.553 s.5; renumbered 348.845]

**351.730**[Amended by 1975 c.553 s.3; renumbered 348.855]

**351.740**[Renumbered 348.865]

**351.750**[Renumbered 348.875]

**351.760**[Renumbered 348.885]

**351.765**[1957 c.409 ss.1, 2; 1959 c.566 s.6; 1959 c.641 s.37; renumbered 352.370]

## WESTERN REGIONAL HIGHER EDUCATION COMPACT

**351.770 Western Regional Higher Education Compact ratified.** The Western Regional Higher Education Compact is ratified and approved and the adherence of this state to its provisions, upon ratification and approval by any five or more of the states or territories therein named, is declared.

**351.780 Compact provisions.** The terms and provisions of the compact referred to in ORS 351.770 are as follows:

### ARTICLE I

Whereas the future of this nation and of the western states is dependent upon the quality of the education of its youth; and

Whereas many of the western states individually do not have sufficient numbers of potential students to warrant the establishment and maintenance within their borders of adequate facilities in all of the essential fields of technical, professional and graduate training, nor do all of the states have the financial ability to furnish within their borders institutions capable of providing acceptable standards of training in all of the fields mentioned above; and

Whereas it is believed that the western states, or groups of such states within the region, cooperatively can provide acceptable and efficient educational facilities to meet

the needs of the region and of the students thereof:

Now, therefore, the states of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming and the territories of Alaska and Hawaii do hereby covenant and agree as follows:

#### ARTICLE II

Each of the compacting states and territories pledges to each of the other compacting states and territories faithful cooperation in carrying out all the purposes of this compact.

#### ARTICLE III

The compacting states and territories hereby create the Western Interstate Commission for Higher Education, hereinafter called the commission. Said commission shall be a body corporate of each compacting state and territory and an agency thereof. The commission shall have all the powers and duties set forth herein, including the power to sue and be sued, and such additional powers as may be conferred upon it by subsequent action of the respective legislatures of the compacting states and territories.

#### ARTICLE IV

The commission shall consist of three resident members from each compacting state or territory. At all times one commissioner from each compacting state or territory shall be an educator engaged in the field of higher education in the state or territory from which he is appointed.

The commissioners from each state and territory shall be appointed by the Governor thereof as provided by law in such state or territory. Any commissioner may be removed or suspended from office as provided by the law of the state or territory from which he shall have been appointed.

The terms of each commissioner shall be four years; provided, however, that the first three commissioners shall be appointed as follows: One for two years, one for three years, and one for four years. Each commissioner shall hold office until his successor shall be appointed and qualified. If any office becomes vacant for any reason, the Governor shall appoint a commissioner to fill the office for the remainder of the unexpired term.

#### ARTICLE V

Any business transacted at any meeting of the commission must be by affirmative vote of a majority of the whole number of compacting states and territories.

One or more commissioners from a majority of the compacting states and territories shall constitute a quorum for the transaction of business.

Each compacting state and territory represented at any meeting of the commission is entitled to one vote.

#### ARTICLE VI

The commission shall elect from its number a chairman and a vice chairman, and may appoint, and at its pleasure dismiss or remove, such officers, agents and employes as may be required to carry out the purpose of this compact; and shall fix and determine their duties, qualifications and compensation, having due regard for the importance of the responsibilities involved.

The commissioners shall serve without compensation, but shall be reimbursed for their actual and necessary expenses from the funds of the commission.

#### ARTICLE VII

The commission shall adopt a seal and bylaws and shall adopt and promulgate rules and regulations for its management and control.

The commission may elect such committees as it deems necessary for the carrying out of its functions.

The commission shall establish and maintain an office within one of the compacting states for the transaction of its business and may meet at any time, but in any event must meet at least once a year. The chairman may call upon such additional meetings and upon the request of a majority of the commissioners of three or more compacting states or territories shall call additional meetings.

The commission shall submit a budget to the Governor of each compacting state and territory at such time and for such period as may be required.

The commission shall, after negotiations with interested institutions, determine the cost of providing the facilities for graduate and professional education for use in its contractual agreements throughout the region.

On or before the fifteenth day of January of each year the commission shall submit to the governors and legislatures of

the compacting states and territories a report of its activities for the preceding calendar year.

The commission shall keep accurate books of account, showing in full its receipts and disbursements, and said books of account shall be open at any reasonable time for inspection by the Governor of any compacting state or territory or his designated representative. The commission shall not be subject to the audit and accounting procedure of any of the compacting states, or territories. The commission shall provide for an independent annual audit.

#### ARTICLE VIII

It shall be the duty of the commission to enter into such contractual agreements with any institutions in the region offering graduate or professional education and with any of the compacting states or territories as may be required in the judgment of the commission to provide adequate services and facilities of graduate and professional education for the citizens of the respective compacting states or territories. The commission shall first endeavor to provide adequate services and facilities in the fields of dentistry, medicine, public health and veterinary medicine, and may undertake similar activities in other professional and graduate fields.

For this purpose the commission may enter into contractual agreements:

(a) With the governing authority of any educational institution in the region, or with any compacting state or territory, to provide such graduate or professional educational services upon terms and conditions to be agreed upon between contracting parties, and

(b) With the governing authority of any educational institution in the region or with any compacting state or territory to assist in the placement of graduate or professional students in educational institutions in the region providing the desired services and facilities, upon such terms and conditions as the commission may prescribe.

It shall be the duty of the commission to undertake studies of needs for professional and graduate educational facilities in the region, the resources for meeting such needs, and the long-range effects of the compact on higher education; and from time to time prepare comprehensive reports on such research for presentation to the Western Governors' Conference and to the legislatures of the compacting states and territories. In conducting such studies, the commission may confer with any national or region-

al planning body which may be established. The commission shall draft and recommend to the Governors of the various compacting states and territories uniform legislation dealing with problems of higher education in the region.

For the purposes of this compact the word "region" shall be construed to mean the geographical limits of the several compacting states and territories.

#### ARTICLE IX

The operating costs of the commission shall be apportioned equally among the compacting states and territories.

#### ARTICLE X

This compact shall become operative and binding immediately as to those states and territories adopting it whenever five or more of the states or territories of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, Alaska and Hawaii have duly adopted it prior to July 1, 1953. This compact shall become effective as to any additional states or territories adopting thereafter at the time of such adoption.

#### ARTICLE XI

This compact may be terminated at any time by consent of a majority of the compacting states or territories. Consent shall be manifested by passage and signature in the usual manner of legislation expressing such consent by the legislature and Governor of such terminating state. Any state or territory may at any time withdraw from this compact by means of appropriate legislation to that end. Such withdrawal shall not become effective until two years after written notice thereof by the Governor of the withdrawing state or territory, accompanied by a certified copy of the requisite legislative action, is received by the commission. Such withdrawal shall not relieve the withdrawing state or territory from its obligations hereunder accruing prior to the effective date of withdrawal. The withdrawing state or territory may rescind its action of withdrawal at any time within the two-year period. Thereafter, the withdrawing state or territory may be reinstated by application to and the approval by a majority vote of the commission.

## ARTICLE XII

If any compacting state or territory shall at any time default in the performance of any of its obligations assumed or imposed in accordance with the provisions of this compact, all rights, privileges and benefits conferred by this compact or agreements hereunder, shall be suspended from the effective date of such default as fixed by the commission.

Unless such default shall be remedied within a period of two years following the effective date of such default, this compact may be terminated with respect to such defaulting state or territory by affirmative vote of three-fourths of the other member states or territories.

Any such defaulting state may be reinstated by: (a) performing all acts and obligations upon which it has heretofore defaulted, and (b) application to and the approval by a majority vote of the commission.

**351.790 Effective time of compact.**

Upon ratification and approval of the Western Regional Higher Education Compact by any five or more of the specified states or territories, the Governor of this state shall execute the compact on behalf of this state and perform any other acts which may be deemed requisite to its formal ratification and promulgation.

**351.800 Commission members; appointment and removal.** (1) The Governor shall appoint the Oregon members of the Western Interstate Commission for Higher Education.

(2) The qualifications and terms of office of the members of the commission for this state shall conform with the provisions of Article IV of the compact.

(3) The Governor may remove a member of the commission for cause after notice and public hearing.

**351.810 Authority to take action to achieve ends of compact.** The State Board of Higher Education, and the Oregon members of the Western Interstate Commission for Higher Education are authorized to take any action necessary to achieving the ends of the Western Regional Higher Education Compact.

[1953 c.205 s.1]

**351.820 Contracts with commission to furnish out-of-state educational service to Oregon students.** (1) Prior to June 1

of each even-numbered year the Oregon members of the Western Interstate Commission for Higher Education shall determine the quotas of Oregon students for whom various kinds of educational service should be purchased in out-of-state institutions during the next biennium and shall recommend to the State Board of Higher Education the amount to be included in its biennial budget to cover the cost of such educational service.

(2) The State Board of Higher Education shall negotiate contracts with the Western Interstate Commission for Higher Education for educational service of the kind and amount indicated by the quotas determined under subsection (1) of this section. The board shall make payments required by such contracts out of the money appropriated to it for that purpose.

(3) The State Board of Higher Education may also contract with higher education institutions, or others, which are not members of the Western Interstate Commission for Higher Education, to furnish educational services to students who are residents of the State of Oregon in those areas of higher education where the educational institutions of the State of Oregon are unable to provide the desired professional educational opportunities.

[1953 c.205 ss.2, 3, 1969 c.277 s.1]

**351.830 Selection of Oregon residents to receive out-of-state educational service.** (1) Any Oregon resident desiring to take advantage of the Western Regional Higher Education Compact may make application to the State Board of Higher Education for out-of-state educational service. From such applicants the board shall select students to fill the quotas determined under ORS 351.820.

(2) The board and the Oregon members of the Western Interstate Commission for Higher Education shall jointly establish criteria to be observed by the board in making such selections.

(3) The board shall certify the names of the students selected to the Western Interstate Commission for Higher Education and to the out-of-state institution to which each student desires admission.

[1953 c.205 s.4]

**351.840 Contracts with commission to furnish educational service in Oregon institutions to out-of-state students.** (1) The State Board of Higher Education may contract with the Western Interstate Commission for Higher Education to furnish

educational service in Oregon institutions to out-of-state students.

(2) The board shall determine the number of out-of-state students that should be accepted, and shall make final decisions on admission of individual applicants.

(3) Out-of-state students attending Oregon institutions under contracts with the commission shall pay fees and tuition customarily charged Oregon students.

(4) Payments made by the commission under such contracts shall be deposited in the State Treasury and credited to the accounts of the State Board of Higher Education in the same manner that fees and tuition payments for resident students are deposited and credited. The estimated amount of such payments shall be considered

by the board in making its biennial budgetary requests.

[1953 c 205 s.5]

### PENALTIES

**351.990 Penalties.** (1) Violation of any of the provisions of ORS 348.835 to 348.885 by any person or institution of learning, or any person being an officer or member of any school or institution of learning, is punishable, upon conviction, by a fine of not less than \$25 nor more than \$500.

(2) Violation of ORS 351.010 to 351.050, 351.090, 351.100 to 351.140, 351.200, 351.210, 351.310 to 351.340, 351.520, 351.530 or 351.560 is a misdemeanor.  
[Part renumbered 348.990]

### CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Thomas G. Clifford, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,  
October 1, 1975.

Thomas G. Clifford  
Legislative Counsel

