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Photo by Greg Gawlowski

Dog day afternoon

A puppy's life is not all fun and games. Saholie, ignoring invitations to play in the sun, gazes sadly into the Millrace.

Other duties slow ruling on SA stock

By RICHARD SEVEN
Of the Emerald

Atty. Gen. Jim Redden's decision on who has the right to sell higher education stock is "still about 10 days away," according to Mark Nelson, Redden's assistant.

Nelson says the reason for the extended process is that "the people working on the draft have to fulfill other duties also."

Ed Branchfield, chief counsel for the State System of Higher Education who is working on the attorney general's draft, agrees with Nelson's assessment.

"One of the problems is that we don't live in a vacuum," says Branchfield. "Sometimes the draft must wait until I can find time to work on it. I just can't drop everything else."

Branchfield says the attorney general has requested that some of the questions raised by the state board to determine who has control of the stocks be revised and merged to make his final opinion easier to understand by the public.

Freeman Holmer, vice-chancellor of higher education, says he doesn't believe the process has been especially slow.

"We often have to wait two to two-and-a-half months for such opinions," says Holmer. "The attorney general must carefully weigh the implications of selling the stocks — such as its effect on the Public Employment Retirement Fund. He must make sure that the language of the decision doesn't have any unforeseen boobytraps in it."

Apparently, if the investment managers of the stocks are able to sell stocks for higher education, they would be able to have control of the Retirement Funds also.

"What if some public employee who retires would turn around and try to sue because his retirement benefits aren't as high as if the stocks were kept in South African stocks?" Holmer asks. "The same thing could invariably happen with a student claiming his scholarship benefits aren't as great as they would have been. This is the kind of legal concern the attorney general must consider."

Holmer says the state board would probably abide by the attorney general's decision, but he imagines the board will automatically recommend that the Oregon Investment Council (OIC) instruct its investment managers to sell the stocks.

Roger Meier, chairer of OIC, says it would be illegal for the OIC to order its investment managers to divest under Oregon statute 293.729. The statute is designed to prevent state employees to benefit from manipulating state stock holdings.

"We don't have the right to tell our managers what to do," says Meiers. "If I told our discretionary managers to sell or buy a certain stock they would tell me to stick them up my ass."

ASUO Pres. Gary Feldman says if the decision is adverse for divestment the ASUO is prepared to appeal it in court.

Redden has invited Don Chalmers of the Office of Student Advocacy and Mike Goldstein, representing the People for South African Freedom (PSAF), to discuss the legal questions involved.

Rate hike alarm unfounded, Barnhart says

By MARY BETH ALLEN
Of the Emerald

Amazon residents' concern over a 2 percent replacement reserve rate is unfounded at this time, according to H.P. Barnhart, University housing director.

"I can't set the rate anyway — I have to recommend it," says Barnhart. "Right now it's in the hands of the business office."

The furor over the replacement reserve rate was prompted by a memo from Robert Minshall, housing office business manager, in which he shows the replacement rate as increasing from one to two percent.

"Minshall should probably have stated that was our recommendation," says Barnhart, "instead of representing the rate percentage as already decided upon."

The Amazon Housing Family Policy Board and the housing office both have the power to review each other's policy decisions, Barnhart says. Both have appeals recourse to a three-member Amazon Appeals Board, with further appeals coming under the jurisdiction of University Pres. William Boyd.

Barnhart emphasizes the memo was meant to present the idea of a two percent replacement rate to the Amazon policy board and he urges the board "to wait until it can be presented in a better shape."

"The reason we went from a one to two percent replacement rate is because of the age and condition of the (Amazon) buildings," Barnhart says. He feels $43,000, the one percent rate, "would not be enough for major repairs and renovations."

The one percent rate is the minimum rate recommended by the State Board of Higher Education for all University buildings. "They recognize all of the buildings are in different states of repair," Barnhart says.

In the past, major structural repairs, such as the replacement of a water main, have been necessary at Amazon. "Right now if we had to do something like that it would be horrendous," says Barnhart.

He intends to explain his reasoning for the rate change to the policy board. "We will write up a paper and present it to the board and discuss our rationale," he says.

As far as housing office fiscal affairs are concerned, "There's no hanky panky," Barnhart stressed.