

William R. Stow  
875 Cascade Dr., N.W.  
Salem, Oregon 97304

September 24, 1976

Franklin F. Wolff  
P. O. Box F  
Lone Pine, California 93545

Dear Mr. Wolff:

Recently I read your book Pathways Through To Space. I found it in the supermarket among the romance and science fiction books. From the title, I first expected a book oriented toward "strange phenomenon" as reported by certain witnesses, e.g., astral projections, pre-cognition, UFO's, etc. Power books of that type are usually a turn-off to me. However, John Lilly's name on the cover convinced me to open the book; I had read Center of the Cyclone some years earlier, and have considerable respect for John Lilly.

My reading of Pathways Through To Space was, and is, a significant event in my life. I would read, think, meditate and get high, then talk about it with almost anyone I was with and get high again. I have thus far given several copies to friends. I will continue to give copies to those who are interested in penetrating the inner Self.

While I was reading Pathways Through To Space, I flew to San Francisco to attend a committee meeting on automated legal research. I read Pathways on the plane, went to the motel room and read -- for the three days I was in San Francisco and then a day in Reno, I read Pathways. I hardly ate or slept; I went to the committee meetings, then back to my room to read and get high. I continually tried to call John Lilly while I was in San Francisco, to try to obtain your address and to talk with him about your book, but I never got beyond his answering service.

To briefly introduce myself, I would make the following comments:

1. My early childhood was beautiful; I remember warmth, love, sparkling bright sunny days. I am from a large extended Norwegian family, and there always seemed to be someone nearby offering love or warmth.

2. My childhood from the time I began attending school, until high school, was increasingly unhappy as I seemed to be in growing conflict with my parents and teachers:
  - a. My father encouraged me to join almost every organized group available, while I was interested in reading, walking in the woods, playing with my friends.
  - b. My family went to church every Sunday; I could not accept the ritual nature of church and I complained that an inner religious life was incompatible with the external emphasis of church ritual.
  - c. My teachers seemed interested in teaching the "facts" rather than the meaning within a subject area, so I read on my own rather than memorize facts for tests.
3. My parents began to loosen up and let me operate more on my own in high school and I had gained enough maturity to not take the opinions of others so seriously. By the time I entered college I was again living in happiness.
4. My first year of college was at California Lutheran College in Thousand Oaks, California. I was considered rebellious and difficult to handle by the Dean of Men as I refused to attend chapel or take compulsory classes in religion. I felt that religious life should flow of spontaneous, intrinsic interest.
5. I moved to Oregon for the remainder of my undergraduate work, where I was noted mostly for being unstable: The Dean's list one term, and then 14 hours of F the next term. My class work was fairly evenly split between courses in psychology, math, religion, and creative writing. I graduated with a psychology major and a math minor.
6. I was married prior to my junior year and for several years I had much difficulty with the marriage role. My wife and I have now defined ourselves as "ourselves" and we are happy together, and becoming happier every year.

7. I left school with the intention of becoming a writer, but a newborn baby caused me to take a job with the State of Oregon. I was hired initially to evaluate programs within state agencies. However, while at the coast with my wife in 1970, I was meditating and suddenly I felt knowledge of how to design a large scale computing system for evaluating and costing social service programs. I then gained the necessary data processing technical knowledge and designed such a system, eventually becoming data processing manager for the newly created Human Resources Department in 1972.
8. Later in 1973, I felt knowledge that I should move to the Legislature to develop automation within the Legislative Branch. I continue to do so.

These are more or less the mechanical aspects of my life thus far. The inner self, however, is difficult to describe. I have always felt a strong communication with an inner self that I call God. I have had an intense interest in theology and felt most at home with Martin Buber during my college years. I have been more recently at home with Yogananda, Ramakrishna, and Chogyam Trungpa, although I was most intensely influenced by a very slow study of the Tibetan Book of the Dead.

I had had several experiences which did not seem adequately explained by any books that I could find. I wasn't sure if the experiences were random aberrations of some unknown aspect of my personality, or if a meaningful explanation was available. I began to find explanations in Eastern religious writings; the Tibetan Book of the Dead seemed to describe the experiences most closely.

Then I read your book and found perfect descriptions of states that I had experienced and states that I am not aware of. Throughout, I felt -- no, knew -- that the words in your book were flowing within me. The words were not abstract external events; they were within, in harmony with my inner self, speaking within me about the purpose of my life in the body. It was as though I had known the pieces, the fragmentary thoughts, before; but now, the pieces dissolved into a flow of continuous harmonious thought.

Several months ago I saw myself as a wave in a vast sea of consciousness. I saw that my perception had been centered on the surface of the sea, external self, the skin. I had conceptually known this to be true, but this particular experience

Letter to Franklin F. Wolff  
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seemed to penetrate to my core. I realized the total extent to which I knew nothing and controlled nothing at my present state of consciousness. It frightened me so thoroughly that my nightly meditation was overcome by my feelings of fear. So, night after night, I centered on my fear; and slowly, over more than a month, then all at once, on the night of August 26th, in San Francisco, while reading your book, my fear left me. There have been re-occurrences, but minor in comparison to those of before.

I know that I must see you and talk with you. This letter is to ask your permission to do so. From within, I am knocking at your door; I will travel south to your home if you will tell me how to get there.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill", with a large, loopy initial "S" or "W" preceding it.

William R. Stow

/cf

William Stow  
875 Cascade Dr. N.W.  
Salem, Oregon 97304

August 12, 1977

Franklin F. Wolff  
P.O. Box F  
Lone Pine, California 93545

Dear Dr. Wolff:

It has been some time since I met you last year at your home. My visit with you was warm, peaceful and powerful; and it coincided with a rearrangement of my relationship with the world. I had previously cycled through such a rearrangement, but for the past year the rearrangement continues.

After our visit, I drove from your farm fulfilled. I didn't leave with any feeling of loss. You touched me and I feel your presence always.

I drove down the highway to Los Angeles to visit my parents, then my Grandmother, my brother, then my cousin. I was floating, energized, relaxed, purposeful. For weeks, then months, your strength was with me. Though the initial high intensity of your presence within diminished, I continue with an inner strength and peace that continues to grow. My life still cycles between various perspectives, but the cycling now tends to an infinite source of life.

I am flying to Denver, Colorado, August 22, on business. It would seem that I will then be able to fly to San Diego, and from there drive to Encinitas, where I will be able to visit with Robert for a few hours. (Even a few minutes with Robert is a gift beyond belief. The time I spent with him at your home will always be with me.) Is it possible that I might be able to continue north from Encinitas and visit with you sometime during the period of August 25th to August 28th? I know how difficult it is for you to reply to all of your mail, so I have enclosed a self-addressed stamped post card.

Gertrude, as you are probably reading this letter to Dr. Wolff, I wanted to say hello to you also. You are also within my heart. Your home, hospitality, your warmth, express your beauty. You have both given gifts to my heart. And my heart is opening to the world. Thank you. God willing I will see both of you again.

With warm regards,



William Stow

O.K. ans. 8/17

William Stow  
875 Cascade Dr. NW  
Salem, Oregon 97304

September 6, 1977

Franklin Merrill Wolff  
P.O. Box F  
Lone Pine, Ca. 93545

Dear Yogi:

I find upon returning to Salem, Oregon that I must write you without delay. As you know your books have had great effect in helping me to awaken. Personal visits with you have helped much more so. My visit with you nearly a year ago helped me to center upon a path I had been attempting to follow for some time. At times it had been very difficult to not step off into material directions, but always something would happen to remind me of previous commitments to the path. My visits with you have happened exactly when I needed them most. Happily the rewards of the path far surpass any difficulties. My soul sings with joy as the path becomes PATH.

My visit with you last week was a natural continuation of the centering and focusing of my life upon the WAY. However, I do not know why it has taken me so long to recognize something obvious to everyone who knows me well: your teaching is at the center of my seeking. Your words speak to my soul. I find you are my Guru. I did not decide to seek you as Guru. It was not a matter of intellectual decision. It is simply what has happened.

Recognition of this event is not something which I take lightly. Recognition is something which a part of me did not wish to occur. It requires total commitment. I have felt that I have been committed for some time. And relatively speaking, I have been. But obviously now, not sufficiently committed for the stages ahead. Part of me has wished to remain with the attainments so far realized. Recognition of you as Guru demanded further steps forward. Past attainments vanish into irrelevance. No, I do not take this matter lightly. I am open to what lies ahead. Open to I know not what. But I trust myself and I trust you.

The Ananda Community which Sandra and I visited for one day after leaving Lone Pine, helped to complete the recognition of you as Guru. Ananda Community is a beautiful and peaceful place, with a mixture of many different levels

of seeking. There are many there who practice the outward appearances of internal meaning, and there are also inward directed teachers who have great love and understanding for their brothers. The community is well named, Ananda. But it does not represent me in the next stages of my journey.


Robert's words from a year ago are still with me. "Make your living from your superior side, find the Divine from your inferior." My superior is Ananda, your teachings stir the excitement of my inferior, Chit.

At one level, this letter is to request your acceptance of me as a disciple although, at another level, it has been so already.

When I arrived here in Salem, some friends requested I play the tape I dictated at your home on the last chapter of your book on Yoga, the chapter on the world Savors. Each of the friends who have heard the tape remarked at how much the chapter sounded like me. They said I have been saying the same kind of things for some years. Interesting. Obviously, I am responsive to what you say there. I aspire to realize membership in the Great White Brotherhood. I have for some time. No small aspiration.

My heart and love is with you and Gertrude.

Love,



William Stow

WS:sd

William Stow  
875 Cascade Dr. NW  
Salem, Oregon 97304

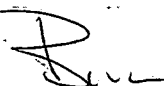
September 29, 1977

Franklin F. Wolff  
P.O. Box F  
Lone Pine, Ca. 93545

Dear Yogi:

Thank God for your existence. Thank you for your existence.  
Thank me for your existence. Thank everyone for your existence.

Love,

A handwritten signature, likely "Bill", written in dark ink. It features a large, stylized capital 'B' followed by a few loops and a horizontal stroke.



*Stow*

P.O. Drawer F  
Lone Pine, Calif. 93545  
Monday, March 10, 1978

Dear Bill:

When one makes a serious resolve to enter the Path there is a Law that causes latent qualities, both good and bad, to come to the surface. And Dr. Wolff is much impressed. He is also impressed by your choice of literature. I can think of no more valuable works than just those which you have chosen.

We would be most happy to have you come, and bringing your own van would be the best arrangement. But we plan a trip to the Coast around May 13th for ten days to two weeks, returning ~~back~~ by the 27th at the latest. There would not be five weeks until we leave, but you could either come early and stay on while we are away, or wait until we return. Should you arrive while we are away, Jim Bowie will be here to help you make a location and settle in, and the Sedwicks, especially, will help you.

By popular vote we will have convention again as usual, this year on Saturday and Sunday, Aug. 12-13.

Let us hear what you decide. We shall look forward to your coming. And we do enjoy your letters.

Our love,

*Arthur*

4240  
William R. Stow  
~~4220~~ Barrett St. S.  
Salem, Oregon 97302

March 31, 1978

Dr. Franklin Wolff  
P.O. Box F  
Lone Pine, Ca. 93545

Dear Yogi:

Your picture has been with me here in my office in the Oregon Capitol Building since last I visited with you and Gertrude. I have never been able to quite understand the need of so many seekers to have a picture or a statue of a religious leader. It had always seemed to me to be an error to feel the need for a physical representation of someone who should be felt internally. However, your picture has been highly useful as a barometer of my spiritual condition.

When first I placed your picture in my office it was a comforting reminder that such a one as yourself actually existed and was real. So many of the world's self-proclaimed religious leaders, upon close scrutiny, were found lacking in moral activities, sincerity of spoken and written word, and I found I could not sense or feel the love, purity and wisdom I would have expected. My own internal sense of universal coherence and everything I read seemed to convince me that such people have existed and must exist. But where? So many of the organized groups were populated by what I regarded as spiritual materialists. The examples I met were primarily followers; I thought that the leaders might not be as the follower, that spiritual materialism is simply a stage in individual evolution, and that the leaders might be embracing all levels of seekers and working with each at their own level.

I could not give my allegiance to a group unless I knew that my allegiance was true and deep within me. Most such groups required initial allegiance - before true allegiance could be developed. This seemed false and distasteful.

Then I read your Pathways book, was motivated to find you (a motivation I had not before felt) and did so, and found Robert and Gertrude and others with whom I felt at home. Still I was skeptical even of my inner voice which was strong in your presence. I was skeptical because I knew how badly I wanted to find someone who was real.

After meeting you I spent some time settling with myself, studying, meditating, strengthening myself, and found an inner assurance, an inner knowledge. You and your writing symbolized a direction that my consciousness seemed to be resolving into. You also symbolized a major decision point that I knew would either lead to a focused understanding of my evolution or to a failure of some unknown kind. I therefore visited with you again, tried to understand the nature of the decision, and after leaving, felt I knew the first step, to commit myself, my inner and outer lives to a direction that was correct; a direction that was true for me. So I wrote and asked to be your disciple. I knew this was no small request either of you or of myself. But I am learning ever more than the true nature of the request.

During the year between my two visits with you, I was generally in a state of tranquility and peace. I used the year to gain strength, physically, mentally, and spiritually. Just prior to visiting with you and during the time since, everything turned inside out. It became a period of the greatest difficulty and trial. One after another, the dark, unanswered, unresolved, elements of my psyche have emerged with great force, as though to roll over the top of me in tidal waves of negative emotion. All the hindrances to development mentioned by Buddha emerged in great force.

I have considered myself an essentially good and loving person with continuing positive interactions. Though I continue to feel such, I have experienced the truth of the existence of more negative aspects than I thought (really wanted to think) were possible of myself. So I have had to suffer through each in turn and attempt to act correctly to save myself from a variety of possible spiritual disasters. Some were hardly visible to anyone but myself, others manifested themselves in great turmoil that encompassed everyone nearby.

One such occurrence included a severe newspaper attack on the ethics of my professional behavior. (See attached.) Interestingly enough to me, the struggle for me was not in direct relationship to the newspaper attack. Rather, the newspaper attack symbolized a much deeper ethical problem within me. The internal struggle felt to almost tear me apart, but I emerged, cleansed somehow and thankful, very thankful for the experience.

I am just now emerging from another experience over what I felt to be a betrayal by one who I love deeply. What seemed to be betrayal was in fact my failure to look deep enough to the motive, to the personal essence where understanding is found. As K.H. stated it in the Mahatma Letters: "What may seem present bad faith may in the end prove the truest and most benevolent loyalty. Let time show who was right and who faithless." My initial negative reactions to appearance led to persistent negative and self-fulfilling consciousness. Again, I am thankful for the experience and my life is opening into greater clarity.

Throughout this experience, you, the Brotherhood, have been a symbolic yet true guiding light. During the darkest moments, my meditations centered to my commitment within me, to you and therefore to the Brotherhood.

During the newspaper attack episode, I was severely tempted to use dishonest means to defend myself. It seemed that honesty would surely bring me to ruin. Honesty seemed to reveal appearances that led to attack. It seemed so tempting to just alter the appearances through a few small manipulations. But, in the end, it was honesty that saved the day. Why I was so tempted, I couldn't completely understand. But it was continually overwhelmingly important that I act correctly.

And your picture was before me in my office. It continually reminded me of my commitment. It is now framed on my wall. Before, it sat on a shelf and would droop. (It seemed to droop more when I was not doing well in my struggles and I didn't like to look at it.) This last week it has been on the wall; where your eyes are always on me. As my struggle with betrayal last week went on, your face seemed to change from a smile to a frown, to a questioning look and to a smile and to a frown. You smile at me from the wall more each day. You are a reflection of what I think about myself.

I am thankful for the experiences and for your picture and for what you represent within me. Clarity, energy and growth emerge.

During a recent trip to Washington, D. C., I found a copy of the Mahatma Letters, which I am now reading. I began to read the letters as soon as I had time to myself. As I had a difficult time understanding, I went back to the bookstore the next day and purchased all of H.P.B.'s writings I could find. I plan to concentrate my studies for awhile.

On page 279 of the Mahatma Letters, I was struck by the statement: "I am also of the opinion that few candidates imagine the degree of inconvenience - nay suffering and harm to himself - the said initiator submits for the sake of his pupil ... the strain is terrible ...."

I immediately felt I had missed the obvious and had not considered what my request to become your disciple would mean in difficulty to you. I felt my request to be presumptuous -- but yet a genuine request. I do not wish to cause you any difficulty. Your energy must be preserved for best use. I have been recently learning in so much raw emotional detail that I have a variety of negative aspects.

I don't know why I didn't think of the difficulty a disciple causes the adept. Even in my own humble way, when I work with the people around me to help them understand themselves, I must gain as much rapport as I am able, and it does cause me considerable difficulty at times.

I am not withdrawing my request to be your disciple. It would be unthinkable to me at this point. I can't conceive of not being what I feel I already am .... You know what is best and I leave it to you.

If you were not available, I would continue. I must. Firstly, I am committed. Secondly, I recognize my need for help and guidance. I must not fail. The spirit of the Brotherhood is within me.

I would like to come and visit with you, if possible, in the near future. Sometime from late April on. I would like to spend five weeks studying with you. I could bring my van and live in it so I would not require the use of limited space in the guest cottage.

As before, I have enclosed a self-addressed stamped card for Gertrude's convenience in letting me know if it is alright for me to come, and when.

With love to you and Gertrude,

A handwritten signature, possibly reading "B. L.", enclosed in a large, loopy oval.

Here are the newsclippings referenced in recent letter, Stow to Wolff. Also, please note there is an error in the Stow return address. It should read: 4240 Barrett St., S., not 4220.

Thank you.

# Computer chief gave contracts to his partner

By MARTIN ROSENBERG  
Capital Journal Reporter

The director of the Legislature's computer system awarded \$9,900 in contracts to one of his partners in a Salem computer firm.

William Stow, who heads Oregon Legislative Information Systems (OLIS), awarded two state contracts to Edward Degner, a Eugene resident who at the time was a partner with Stow in Computer Pathways Unlimited.

The contracts went to another firm Degner runs in Eugene.

Degner sold his stock in the Salem firm and resigned as a board director on December 27, after Stow's supervisor learned of the partnership and after the two contracts were awarded.

Degner's Eugene computer firm, Management Planning Systems, was awarded the two contracts and was the only bidder on a third, \$4,900 OLIS contract.

Cleighton Penwell, administrator of the Legislative Administration Committee and Stow's boss, said he was "surprised" to learn Dec. 11 that Stow was a partner of Edward Degner, who was awarded a \$2,300 computer programming contract with OLIS on Aug. 1.

Penwell said he learned of the partnership in a Statesman Journal news article on computer games.

But on Dec. 20 Penwell went ahead with plans to buy \$7,601 of computer equipment from Degner without seeking competitive bids on the purchase. OLIS had leased the equipment, called an "Intecolor 8051", from Degner-Aug. 8.

Competitive bids are usually required for contracts valued over \$5,000, Penwell said.

"It would be required normally," Penwell said. But the equipment is only produced by two firms "and Degner had easy access to the equipment," Penwell said.

But bids were still required, according to Lee Moore, administrator of the state Department of General Services purchasing division.

"That would be a 'sole source acquisition' and they would still have to put it out to bid. The only time it (a bid) is not required, is if you are talking about an emergency purchase," Moore said.

Penwell decided to purchase the equipment from Degner after the state had paid Degner \$592 to lease the equipment.

In addition, Degner was being considered for a \$4,900 contract to study the costs of implementing a new computer graphic system. Stow said OLIS requested bids on a "colorgraphic system" from 27 companies around the nation on Sept. 28 — and none responded.

Degner, on Nov. 28, proposed a contract to start designing the system, according to Stow. Penwell Dec. 7 asked that the work Degner was proposing be reduced in scope, and Degner prepared a \$3,900 contract.

Degner's Eugene firm still is being considered for the contract now that he has resigned from his partnership with Stow, Penwell said.

In a related matter, Penwell will ask the Legislative Administrative Committee Jan. 12 to approve new guidelines for potential conflicts of interest of employees of the committee.

Penwell said the guidelines were being considered for some time but "we said let's speed it up" after Stow's potential conflict became known.

Stow, who earns \$31,224 a year as head of OLIS, started studies in August 1973 that led to the establishment of the state legislature's computer system.

Last July, Stow set up Computer Pathways Unlimited in partnership with Degner; William Morton, assistant to the director of the state Department of Human Resources; and Earl Vogt, deputy director of OLIS.

Stow said he informed Penwell July 27 of his business interest in Computer Pathways, and the existence of potential conflicts of interest. Kathleen Beaufait, chief deputy legislative counsel, in response to a Stow inquiry, had written Stow July 22 that state law required him to disclose the potential conflict to his supervisor.

Ms. Beaufait emphasized in her letter that the Government Ethics Committee has final authority to advise state employees how to handle potential conflicts of interest.

Robert Douglas, executive director of the ethics committee, said Stow has never asked the committee for a formal advisory opinion on how to handle the potential conflict between his private business and his role as administrator of OLIS.

Penwell, however, said "we went to the ethics committee" and that Stow has "disclosed completely his interests in this firm."

Saturday, January 7, 1978

## Computer boss gives contract to partner

SALEM (AP) — The director of the Oregon Legislature's computer system awarded \$9,900 in contracts to one of his partners in a Salem firm.

William Stow, \$31,000-a-year director of the Oregon Legislative Information Systems, said Friday he awarded two state contracts to Edward Degner, Eugene, who was a partner with Stow from July until Dec. 27.

Stow also said he consulted his supervisor and legislative lawyers about the potential conflict of interest before the contracts were awarded.

Degner sold his interest on the Salem firm Dec. 27 for \$5,300 following discussions Dec. 13 between Stow and Stow's supervisor, Cleighton Penwell, administrator of the Legislative Administration Committee, about possible conflict of interest.

Stow said it was agreed that there was no conflict of interest, but an appearance of a conflict.

He said it was agreed the Salem firm, Computer Pathways Unlimited, would not do business with the Legislature as long as legislative employees had an interest in the firm and that Degner should withdraw as a partner.

Penwell said he notified Penwell last July when he, Degner and two other state employees — one another Oregon Legislative Information System employee — were forming the Salem firm, which sells mini computers after buying them wholesale.

Degner's Eugene firm, Management Planning Systems, still can do business with the state, Stow said.

Stow said Degner had contracted with the state for four years before he joined in setting up the Salem firm.

Partly as a result of the Stow-Degner partnership, the Legislative Administration Committee will consider Jan. 12 new guidelines on potential conflict of interest for legislative employees.

Degner was awarded a \$2,300 computer programming contract with the system on Aug. 1, shortly after forming the partnership with Stow.

Penwell was quoted in the Capital Journal of Salem, which disclosed the computer partnership, that he learned of the partnership from a newspaper article Dec. 11, two days before he met with Stow.

Stow said a lawyer in the legislative counsel's office, when Stow raised the conflict-of-interest question July 22, told him that state law required him to disclose the potential conflict to Penwell, which Stow said he did on July 27.



# Wrongdoing denied in computer contracts

A Salem newspaper has reported that the director of the Legislature's computer system awarded \$9,900 in contracts to a Eugene man who was a partner with the director in a Salem computing firm.

William Stow, who heads the Oregon Legislative Information System, awarded two state contracts to Edward Degner of Eugene, who at the time was a partner with Stow in Computer Pathways Unlimited, according to a Friday news story in the Salem Capitol Journal.

The newspaper said the contracts were awarded to Degner's Eugene firm, Management Planning Systems, 174 E. 16th Ave. Degner was not at his Eugene office this morning and a spokesman said there was no way he could be reached until later in the day.

Stow and Cleighton Penwell, Stow's boss and administrator of the Legislative Administration Committee, were quoted by United Press International as denying any wrongdoing.

"I don't think there was any violation of the law or established purchasing procedure either," Penwell told UPI. "I've got to sit down with Stow and go over (the allegations) and refute or explain them one by one."

"I don't see anything professionally wrong with what's gone on whatsoever," Stow told UPI. "I don't

feel there is, and I take great exception to the story."

The Capitol Journal said Degner sold his stock in the Salem firm and resigned as a board director on Dec. 27, after Stow's supervisor, Penwell, learned of the partnership.

Penwell told the Capitol Journal he was surprised to learn Dec. 11 that Stow was a partner of Degner, who was awarded a \$2,300 computer programming contract with the OLIS on Aug. 1. Penwell told the paper he learned of the partnership in a Salem newspaper article about computer games.

The Capitol Journal said Penwell went ahead Dec. 20 with plans to buy

\$7,601 of computer equipment from Degner without seeking competitive bids on the purchase. The OLIS had leased the equipment, called an "Intecolor 8051," from Degner on Aug. 8.

The Capitol Journal said competitive bids are normally required on any state purchase of more than \$5,000. However, Lee Moore, administrator of the purchasing division of the State Department of General Services, told the Register-Guard today that legislative departments and departments of the state's "constitutional offices" — the governor, secretary of state and state treasurer — are exempt from the competitive bid requirement applying to other state agencies.

"I can't see any violation of law," Moore said of the purchases, "except for the whole question of appearances."

Moore said quotes attributed to him in the Salem news account didn't apply to the computer contracts because the news reporter who called him had not identified the agency he was inquiring about.

The Capitol Journal said Penwell indicated Degner's Eugene firm still is being considered for a third contract now that he is no longer a partner with Stow.

Degner's firm was the only bidder, at \$4,900, to design a "colorgraphic system." Twenty-seven firms were in-

vited to submit proposals. Penwell asked that the scope of the work be scaled down and the pending contract was reduced to \$3,900, the Capitol Journal said.

Stow began studies in 1973 that led to the establishment of the state Legislature's computer system. Last July, Stow set up Computer Pathways Unlimited in partnership with Degner and with William Morton, assistant to the director of the State Department of Human Resources, and Earl Vogt, deputy director of OLIS. Penwell told UPI that Stow "has gone to extreme lengths" to disclose his interests in Computer Pathways.

# Panel to tackle computer system contract issues

By MARTIN ROSENBERG  
Capital Journal Reporter

A legislative task force is expected to investigate computer contracts that the head of the legislature's computer system awarded to one of his partners in a Salem computer firm.

The task force, which has subpoena power, will be probing the state's bidding process when it starts work Jan. 18, according to task force chairman Rep. William Rutherford, R-McMinnville.

The Capital Journal reported last Friday that William Stow, director of the Oregon Legislative Information Systems (OLIS) awarded two contracts worth \$9,900 to Edward Degner who at the time was a partner with Stow in Computer Pathways Unlimited.

"I would hope that it (the Degner contracts) would come up in discussions and we'd have an opportunity to take a look at it," Rutherford said.

The computer contracts will be on the task force's work agenda, according to Mike Kopetski, administrator of legislative task forces.

Senate President Jason Boe, who sits on a committee that Thursday will determine the task force's agenda, said that the OLIS contracts should be investigated.

"I want to take a look at it," Boe said. "I don't want to rush to judgment, but we're very careful that there's no conflict of interest, or appearance of conflict of interest," he added.

Cleighton Penwell, administrator of the Legislative Administration Committee and Stow's boss, said he first learned Dec. 11 that Stow and Degner were partners.

Stow awarded Degner a \$2,300 computer programming contract with OLIS on Aug. 1. On Dec. 20, Penwell approved

OLIS's purchase of \$7,601 worth of computer equipment from Degner.

Degner sold his stock in the Salem firm and resigned as board director on Dec. 27.

The task force investigation is expected to include an examination of Stow and Degner's bank records and Computer Pathway's corporate records to determine if there was any significant transfer of funds.

The task force, which will have five meetings during its 60-day life, also will look into whether existing state bidding procedures are fair, and whether city, county and state governments are getting the best goods at the lowest prices through the bidding process, Rutherford said.

Kopetski said that one problem that needs to be explored is the lack of conflict of interest regulations governing the behavior of legislative employees.

Legislators and state workers are regulated by strict conflict disclosure regulations. But legislative employees are not yet covered, Kopetski said, because of the "growing pains the state is experiencing as we move toward a professional legislature."

Penwell has told the Capital Journal that he intends the Legislative Administration Committee Jan. 12 to approve new guidelines for potential conflicts of interest of employees of the committee.

The contracts awarded to Degner did not require competitive bids, according to Lee Moore, administrator of the state Department of General Services purchasing division.

Ordinarily, competitive bids are required for state contracts over \$5,000, but legislative departments are exempt from the competitive bid requirement, as are other "constitutional offices" such as the governor, secretary of state and state treasurer, according to Moore.

# Computer contract conflict probe set

By MARTIN ROSENBERG  
Capital Journal Reporter

A special subcommittee will be set up to look into a possible conflict of interest involving the awarding of legislative computer contracts.

The special panel was the result of a legislative committee meeting this morning that included criticism of a recent Capital Journal story on the computer contracts.

The subcommittee would report back to the Legislative Administration Committee when it meets Jan. 25, according to Rep. Gary Wilhelms.

The Capital Journal reported last Friday that William Stow, director of Oregon Legislative Information System (OLIS) awarded \$9,900 in contracts to Edward Degner, partner with Stow in Computer Pathways Unlimited, in Salem.

Stow and his supervisor, Cleighton Penwell told the committee that the Capital Journal had erred. Penwell said that he and not Stow approved all OLIS contracts for under \$5,000 and that Sen. Jason Bøe, D-Reedsport and Rep. Phil Lang, D-Portland, approved all OLIS contracts exceeding \$5,000.

Stow told today's meeting of a legislative administration subcommittee that he did not personally award contracts to Degner.

"Contracts are awarded by those officials who by statute or committee policy are allowed to do so; I am not one of those officials," Stow said.

Stow, however, indicated that he re-

commended approval of a \$2,300 contract with Degner. And a second, \$7,009 contract with Degner, although "not based on a recommendation from me" was approved after Stow told Penwell that the equipment "would meet our requirements," Stow said.

"At no time have I, or Mr. Degner, attempted to use my position in the state government to our personal financial gain or that of Computer Pathways Unlimited, Inc.," Stow said.

Stow also pointed out that Degner owned shares in Computer Pathways. — shares that Degner sold Dec. 27 "to avoid even the appearance of conflict of interest," Stow said.

The \$2,300 contract was awarded Aug. 1, the \$7,009 on Dec. 20, according to a chronology of events prepared last week

by Penwell and Stow at the request of the Capital Journal.

"Everyone owns stocks in corporations," Stow said in an interview prior to today's meeting. "If everyone was concerned with who owns what, I'm not sure anyone could turn around," Stow said.

Stow said he agreed that the contracts awarded to Degner might cause some people to feel there was an appearance of conflict of interest.

But "what I have to rely on is my own moral system," he said.

Penwell, in a prepared statement read to the subcommittee, said of recent articles about the contracts, "we accept such criticism in the spirit that the press is doing its job, as we are doing ours."

Penwell said that the Capital Journal was "blatantly inaccurate" in reporting

that Stow awarded contracts to Degner.

"We would like to feel these (inaccuracies) result from inexperience rather than a malicious intent," Penwell said.

The subcommittee also considered setting up procedures for disclosure of business interests by legislative employees. The Legislature currently has no rules regulating potential conflicts of interest of its staff.

In a related development, Rep. William Rutherford, R-McMinnville, head of a special task force looking into public bidding and purchasing will not examine the OLIS contracts, he said Wednesday. To do so, Rutherford said, would duplicate the efforts in the administrative committee.

# New Salem computer ware firm stirs controversy in Legislature

By SUE HILL

Oregon Statesman Reporter

Last July when three state employees — including the director of the Legislature's new and innovative computer system — formed a private corporation to sell computer ware, they said they bent over backward to disclose that business venture, outlining areas of possible conflict of interest to the Oregon Ethics Commission, the Legislative Administration Committee and Legislative Counsel.

The group said that the new company, Computer Pathways Unlimited, would do no business with the state.

But apparently the precautions were not enough to stave off controversy.

Last month, says Cleighton Penwell, legislative administrator, he discovered a fourth stockholder in the company.

That stockholder — Ed Degner — has served as off-again, on-again consultant and contractor with the state for four years. Degner was recipient of two state contracts totaling \$9,900 since last summer when he joined the Salem venture.

The contracts, however, went to his Eugene company, a separate entity from his Salem partnership. Negotiations over the contracts began well before the company was formed, but the contracts were signed by Penwell after the company

was incorporated, Penwell said.

He went on to explain that when he discovered Degner was a business partner of William Stow, director of the Legislature's computerized information system, he suggested that Degner either resign his affiliation with the company or not seek future state contracts because it might create the appearance of a conflict of interest.

On Dec. 27, Degner chose the former, selling his stock in the Salem company for \$5,300.

The developments were brought to light in two Capitol Journal news stories that have themselves become embroiled in the controversy.

The press reports, according to Penwell and Stow, were inaccurate and misleading.

Penwell said he, not Stow, awards contracts, although Penwell usually seeks the advice of Stow.

The Capitol Journal referred to contracts awarded by Stow.

In the instance of one of the disputed contracts, Stow said, his formal recommendation to award a contract to Degner was submitted to Penwell prior to discussions about forming the Salem venture.

Stow said he gave no formal recommendation on the second contract, pur-

chase of a \$7,000 piece of equipment from Degner's firm.

That equipment was apparently bought by Degner for lease to the Legislature several weeks before discussions about the private business venture were held. But again, the lease-purchase contract was awarded after the business enterprise was finalized.

Penwell said the contract was awarded to Degner because the piece of equipment was unique and none of 27 possible contractors contacted responded.

Stow and Penwell insist there was nothing unethical about the contracts although they concede there might have been the appearance of conflict of interest.

Neither contract required bidding because of the amounts involved.

The legislative computer information system, developed by Stow, is considered a precedent setter in the computer industry and has attracted the attention of

such computer giants as IBM and of other state legislatures.

It involves a system of interchangeable modes that eliminates the necessity of writing entire new computer programs for different assignments.

Stow appeared before the Legislative Administration Committee in September to discuss his role in the Salem business venture and pledged his company would do no business with the state.

Legislators on the committee voiced no objections.

Oregon ethics law requires disclosure of possible conflicts of interest but does not prohibit them as long as there is full disclosure.

Senate President Jason Boe said Tuesday, "Mr. Stow has been before the committee and has been very frank about what he's doing. If there is something wrong, of course we'll do something."

Penwell said he will present this

morning a rebuttal of the Capitol Journal articles at a subcommittee of the Legislative Administration Committee.

The subcommittee also will be looking into a new general code of ethical standards that has been months in the development stage and did not spring from the Stow-Degner issue. The subcommittee will meet at 9:30 a.m. in Room 257 of the Capitol.

Penwell said the 1977 Legislature removed most legislative employees from the requirement of filing disclosure statements with Oregon Ethics Commission and the new code is intended to fill the gap.

Boe said the Capitol Journal reports were "making a sensational event out of something that isn't."

Meanwhile, in a related development, State Rep. William Rutherford, R-McMinnville, said Tuesday that contrary to reports in the Capitol Journal, his newly-formed task force on public bidding and purchasing will not probe the computer contracts.

Rutherford is chairman of the 60-day task force.

Rutherford said he told a Capitol Journal reporter that the subject could arise, but denied that it would be a topic on his committee's proposed work plan or that there was any intention, as reported, to subpoena bank statements and financial records of Stow's business transaction.

"There is no sense in one legislative committee looking at something being handled by another committee," Rutherford said. "Anyway, our task is to look at the wider picture, not particular aspects of public bidding."

Friday, January 13, 1978

# Legislative executive offers personal records in reply to contract stories

By SUE HILL  
Oregon Statesman Reporter

William Stow, director of the Oregon Legislative Information System, volunteered his personal records and the financial records of his private company to a legislative subcommittee Thursday.

He said he wanted to clear the cloud of suspicion hanging over his head because of recent press reports about alleged improprieties in legislative computer contracts.

Stow asked that the records not be made public unless there is evidence of wrongdoing.

Rep. Gary Wilhelms, R-Klamath Falls, chairman of the Legislative Administration subcommittee that took up the issue Thursday, agreed that three lawmakers should be appointed to "weigh it all" and make a report to the full committee Jan. 25.

"From where I sit," said Wilhelms, "I certainly can't see any evidence of wrongdoing, but someone not involved from the beginning might have questions

and those questions should be answered."

A news story in the Capital Journal had alleged that Stow had awarded two state contracts to a business partner.

Stow said he is not empowered to award contracts and presented a lengthy point-by-point rebuttal to the news report.

"I resent being in a situation where I see an employee feel pressured by the news media to the point where he feels he has to reveal his personal records," said House Speaker Phil Lang.

"Particularly when the articles were filled with so much innuendo and mistatement of facts. I don't want to see us get to that point."

Cleighton Penwell, legislative administrator and Stow's boss, denied any irregularities in award of contracts for the state's innovative new computerized information system.

"Most of us have been criticized by the press at one time or another," Penwell said in a prepared statement to lawmakers.

"We accept such criticism in the spirit that the press is doing its job just as we are trying to do ours."

However, he said the Capital Journal article seems to fall in a different category.

Penwell quoted what he called "distortions, inaccuracies and misleading statements."

"We would like to believe that these discrepancies result from inexperience, failure to check facts and lack of understanding of the OLIS (Oregon Legislative Information System) operation rather than from willful and malicious intent," said Penwell. "At this point, that distinction is difficult."

The issue revolves around a fellow stockholder in a Salem corporation named Computer Pathways Unlimited that Stow and two other state employees formed last summer.

At the time, Stow fully disclosed his participation in the computer hardware retail firm — which he characterized as "mostly a hobby" — and pledged in

writing to the Legislative Administration Committee that the company would do no business with the state.

The fellow shareholder, Ed Degner, is not a state employee, but owns two computer companies of his own in Eugene. Degner has been a periodic consultant and contractor with OLIS.

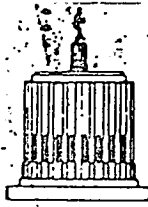
Stow said Thursday that both "con-

tracts" alleged to have been awarded to Degner since he became a stockholder in the Salem company were actually negotiated prior to the time the company was formed.

One instance involved the lease and eventual purchase of a piece of "color-graphic" equipment that Degner sold to the state for \$7,000, his wholesale pur-

chase price. The transaction was handled through Degner's Eugene business.

Another was a \$2,300 contract to a second Degner firm to do planning work. Degner sold his shares in the Salem company last month after Penwell and Stow said they agreed that the arrangement might appear to be a conflict of interest.



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# Capital Journal

N.S. Hayden, President & Publisher  
William Bebout, Editor, Editorial Page  
John H. McMillan, Executive Editor  
Paul Jacobs, Managing Editor

## Editorials

### *Change state bid rules?*

It is appropriate that a legislative subcommittee will investigate possible conflict of interest in the awarding of contracts for computer equipment. And we hope the investigation results in much tighter procedures for spending the state's money.

The issue arose over the awarding of contracts totaling \$9,900 to Edward Degner for equipment used by the Oregon Legislative Information System (OLIS). At the time Degner received the contracts, he and William Stow, OLIS director, held stock in a Salem computer firm. Degner later sold his stock in the Salem company.

Stow contends that both he and Degner took every possible action to ensure that there would be no actual conflict of interest or even the appearance of conflict in Degner's dealings with the state.

It is the legislative subcommittee's task to review the record thoroughly to determine if that is, in fact, the case. Stow's views of the relationship with Degner, the handling of the contracts and the Capital Journal's reporting on the subject will be published on Page 5 of the Jan. 16 Capital Journal.

It is not necessary, in our view, for

2.

a relationship between a state official and a supplier of goods and services to be legally or even ethically wrong for it to be inappropriate. The public has a right to expect that the private relationships between government officials and suppliers be at arm's length. When extraordinary circumstances exist, as may be the case in the purchase of some of the more exotic computer technology, the state should follow strict bidding procedures. And we believe that is the case even though the law allows the awarding of contracts without bids on data processing equipment costing less than \$10,000.

It is disappointing that a special legislative task force looking into public bidding and purchasing will not examine the OLIS contracts. Rep. William Rutherford, R-McMinnville, task force chairman, said it would be needless duplication for his committee and the legislative administrative subcommittee to study the same matter.

On the contrary, the task force should consider whether state law on the awarding of contracts for data processing equipment is adequate. It appears to us that it is not.



# Comment: Is society nearing acceptance of questionable practices?

**EDITOR'S NOTE:** Statesman Journal publisher N. S. Hayden, whose column usually appears in this space, has been traveling. His column will resume next Sunday.

By **PAUL JACOBS**  
Capital Journal Managing Editor

I have a theory that Watergate did as much damage to the press of America as it did to the presidency. And I'm afraid that the press may be going soft in an overreaction to charges that reporters are seeing Watergate mirages in the city halls and statehouses of America.

Basically, my argument is this: We have become a nation that tolerates peccadilloes and petty corruption, even in those who play a prominent role in our public life.

It's as if Watergate exposed a degree of impropriety so great that lesser offenses seem diminutive by comparison.

Several events in the past few weeks have confirmed this impression.

**SEN. BOB PACKWOOD'S** machinations as head of the Senate Republican

Campaign Committee are an example. He has managed to find or create loopholes in federal election law that allow him to do legally and without much criticism what he could not get away with in 1969. The committee is now ponying up cash to help pay a variety of "nonelection" expenses for Republican U.S. Senators, among them Packwood and Sen. Mark Hatfield.

Some readers may recall that in 1969 Packwood tried to set up a "Packwood Communications Program" that did what the Republican senators are now doing — soliciting funds to help defray travel and office expenses. Eight years ago, the public hooted down Packwood's "communications program" as the slush fund that it was, and rather than continuing to burn in all the political heat, Packwood gave up his fund raising.

Now Packwood is attempting the same practice again. Where's the outcry?

Not long ago, the Capital Journal received a tip that some members of the state House of Representatives are taking advantage of an allowance for legis-

lative aides through the 18 months between sessions by putting relatives on the legislative payroll. The nepotism that the legislators practice during the every-other-year sessions of the Legislature always raises a few eyebrows. Naturally, a few legislators continued the practice, once given the chance during the interim. Our story pointed out that such nepotism would not be allowed in our neighboring states of Idaho and Washington nor in the halls of Congress. But the Eugene Register-Guard described the interim hiring of relatives as "picayune" and dismissed the information as irrelevant at a time when the Legislature itself was not in session to deal with the issue.

**THE EUGENE NEWSPAPER** seemed to say that, horrible as legislative nepotism might be, it wasn't horrible enough to merit our attention.

And, finally, there's the matter of the legislative computer system, which awarded contracts to a business associate of the system's director. The stories

that appeared in the Capital Journal have themselves become the subject of considerable criticism, at least in part because we incorrectly stated that the director, William Stow, "awarded" the contracts to his associate, when in fact Stow's boss and the Legislative leadership are responsible for approving such contracts.

Stow in public testimony (a large part of which will be printed in Monday's Capital Journal) makes much of a chronology that indicates he made recommendations on the contracts prior to his entering the business relationship we described. And he has said that he has not gained personally from any of the transactions.

But it seems to me a poor practice for any public employee to be involved in a business with persons who regularly seek contracts with the employee's agency. And the sequence of events — whether the business connection preceded or followed the award of a contract — is irrelevant. The practice is suspect. Especially when the contracts in this case were awarded without the benefit of competitive bidding.

**UNDER ONE OF THOSE** contracts the Legislature purchased for \$7,601.43 a "microcomputer system." Because the computer system was purchased without the benefit of competitive bids, reporter Martin Rosenberg tried to find out how much the system was actually worth. So far, the complexities of computer technology have prevented him from doing that. But he has learned that the computer package that the state purchased included 18 computer game tapes worth

approximately \$210. While Stow has said that those computer games are useful for training purposes, I wonder what the state Legislature intends to do with Acey, Deucey, Biorhythms, Blackjack, Bluff, Checkbook, Christmas Space Ship, Lunar Lander, Master Bagle, Math Dice, Math Tutor, One Armed Bandit, Startrek 1, Startrek 2, Two-to-Ten, Checkers, Chess, Risk 2, and Risk 67. Maybe the Legislature will offer up its computer game set for the public to play with in the Capitol Rotunda. But we wonder whether the public would have purchased such a collection of fun-and-computer-games had the legislative computer system staff drawn up a list of what it needed and asked firms for competitive bids.

It seems to be a useful rule that the public gets the best deal when public agencies are businesslike in the way they do business. And it seems a common sense rule that public employees should not enter into business with the people their agencies do business with.

Is all this nitpicking? Is it chasing Watergate mirages? I think not.

The moral character of a people is made up of many small and individual acts. A just and honest society is one that applies a high standard to the conduct of its people.

Human nature is a constant in human history. But societies go through swings of moral fastidiousness, and I'm afraid that the pendulum is swinging toward an acceptance of questionable actions because they are not illegal and because no "ethics" commission is willing to declare them wrong.

# Stow responds to articles on computer buying

(EDITOR'S NOTE: The following statement was submitted by William R. Stow III, director of the Oregon Legislative Information Systems. It underwent formal editing by John H. McMillan, executive editor of The Oregon Statesman and the Capital Journal, in order to combine two communications into one text.)

By WILLIAM R. STOW  
Director, Oregon Legislative Information System

I wish to set the record straight with regard to the Capital Journal's front-page article on Jan. 6 headlined "Computer chief gave contracts to his partner."

I have been the director of Oregon Legislative Information System since 1973. Last summer, I and several others had the opportunity to start a private business which sells computer hardware. Three of us work for the State of Oregon. Before we began business, we informally

contacted Robert Douglas, executive director of the Ethics Commission, and Kathleen Beaufait, chief deputy legislative counsel. I discussed this at length with my boss, Cleighton Penwell, the legislative administrator. My proposed business interest was fully disclosed, including the proposed stockholders, the type of business and areas of possible conflict of interest. Both Mr. Penwell and Ms. Beaufait were so advised.

Thereafter, we incorporated as Computer Pathways Unlimited, Inc. (CPU). I then filed a formal letter of disclosure with Mr. Penwell. The letter was copied to Mr. Douglas and to Ms. Beaufait. The letter was then submitted to the Legislative Administration Committee and was accepted, given that the proposed business not sell computing equipment to the Legislature. CPU has not, and will not sell computing equipment to the Legislature.

As to the statements in your article:

1. I did not give contracts to a partner; nor did I award \$9,900 in contracts to a partner or anyone else. Contracts are awarded by those officials who by statute or committee policy are allowed to do so; I am not one of those officials.

2. Mr. Degner of Management Planning Systems was not awarded \$9,900 in contracts during the time he was a stockholder in Computer Pathways Unlimited, Inc. Recommendations on the two contracts were made by me prior to organization of Computer Pathways Unlimited.

3. Mr. Degner is not, and was not, my partner. We were both stockholders in CPU. A partnership is a different type of legal entity. Mr. Degner sold his stock effective Dec. 27.

4. The hardware contract was with Modular Computer Systems; not Management Planning Systems.

5. The article implies more contracts due to business relationship. No contracts have been let since Mr. Degner became a stockholder in CPU.

6. Mr. Degner disassociated himself from CPU, not to avoid conflict of interest, but to avoid even the possibility or appearance of conflict of interest.

7. Although I did not personally award the contract, I did recommend an award of a contract in the amount of \$2,300 to Mr. Degner's firm, Management Planning Systems of Eugene. However, I recommended the contract award before Mr. Degner was a stockholder in Computer Pathways Unlimited. The \$2,300 contract was to prepare RFP, not programming. It began Aug. 1, but was awarded earlier. There is some lag between decision-making and formal paper work.

8. Equipment in the amount of \$7,008.92 was purchased from Mr. Degner's firm by Legislative Administration. The purchase was not awarded by me, nor was it based on a recommendation from me. I was asked my opinion of the proposed purchase of the equipment. I stated that an analysis of the equipment during the time it was on lease had shown it would meet our requirements, and therefore a purchase would save money compared to a continued lease. The equipment purchase was consistent with the Public Review Board's purchasing rules.

9. The state had not paid \$592 to lease the equipment; \$592 was the lease credit, applied to the purchase price if the state (at that time) wished to exercise the purchase option. The lease agreement included a process for purchase, at any time desired.

At no time have I, or Mr. Degner, attempted to use my position in the state government to our personal financial gain or that of Computer Pathways Unlimited, Inc.

Since you have taken the time to review some of our activities here in OLIS, I would like to invite you to do an in-depth review of our activities. I think you will find such a review well worthwhile.

I can appreciate the job you are trying to do. Newspapers do both the public and government a service by writing stories about government operations. Articles which bring into question certain government operations may focus attention on inefficient or ineffective activities and thereby result in improvements. Conversely, articles which focus on positive government operations help by letting the public know that our democratic form of government produces good things; also, these articles help government by reinforcing and nurturing the growth of the positive aspects. People, individually and in groups, need feedback to let them know where things are going wrong and where they are going right. However, incorrect feedback can be very harmful, by either attacking the positive aspects of government or reinforcing the negative.

I am sure you will find, the further you look into OLIS — a very positive government operation — the more you will find that it is one of which the public can be proud. I have in OLIS the most dedicated professional group of people to be found in government, or private business, anywhere. There is not a dishonest, unethical person on the OLIS staff. I can't imagine a better group of people with which to work, nor a group with more dedication toward providing a public service.

The OLIS staff have produced a system internationally recognized as the outstanding text processing system in the world. Call the Congress, the House Information System Group and ask them about OLIS — call the Canadian National Government, European companies such as Volkswagen, the American Broadcasting Co., the New York legislature, Hawaii legislature, Nevada legislature, Texas legislature and California legislature. These people will tell you what OLIS has produced and that the OLIS staff people accomplished the job in one-third the time expected by other groups developing systems like OLIS. Our Oregon system was developed to such a high degree of professionalism and in such a short time through sheer dedication. By the end of the 1975 session, I had several employees who had put in over 700 hours of overtime without pay.

We both know that even the most outstanding people and groups can be described in a manner that will cause them to appear less than positive. OLIS, quite simply, is an outstanding group of dedicated public servants. You ask good, penetrating questions. Most of your earlier questions indicated you felt there might be some impropriety in my handling of OLIS contracts and/or my private business affairs. I think that by now you have found that we have conducted ourselves appropriately. However, as I mentioned earlier, there is a story in OLIS worth telling. It is a great challenge to write interesting articles about an outstanding group of people. With your ability to ask questions, I think you could meet the challenge and write the true inside story about OLIS.

Again, let me invite you to visit with us; I think you will find a story well worth writing.



## Computer panel picked

A special legislative subcommittee has been named to explore the business and personal financial records of Bill Stow, director of the Oregon Legislative and Information System (OLIS).

Rep. Al Riebel, R-Salem; Rep. Bill Grannell, D-North Bend; and Sen. Ken Jernstedt, R-Hood River, were named to the subcommittee that is expected to re-

port to a meeting of the Legislative Administration Committee Jan. 25.

Stow requested the review, according to a press release put out by the office of Senate President Jason Boe, D-Reedsport.

The Capital Journal has reported that a former business associate of Stow's received \$9,900 in contracts from OLIS.

## Committee finds no fault in computer contract awards

By SUE HILL  
Oregon Statesman Reporter

A legislative committee, after reviewing the bank records of two state employees and the financial statements of a company they formed, concluded Wednesday that there is no evidence of irregularities in the awarding of legislative computer contracts.

The review was spurred by reports in the Capital Journal newspaper that alleged William Stow, director of Oregon Legislative Information System, had awarded state computer contracts to a business partner.

Stow denied the charges and volunteered his bank records to the Legislative Administration Committee.

The records were first examined by a member of the legislative fiscal staff,

then shared with members of a special subcommittee that included Salem Rep. Al Riebel.

"There seemed to be nothing to indicate that there were any irregularities," Riebel said.

The full committee accepted the findings and closed the inquiry.

The newspaper allegations involved Stow and a former shareholder in a Salem company called Computer Pathways Unlimited.

The contracts called into question went to a Eugene company owned by that shareholder.

Computer Pathways Unlimited, as Stow publicly pledged to legislators months ago, does not do business with the state.

Thursday, January 26, 1978

## Computer findings please Stow

The head of the legislature's computer system said today that he is happy with the conclusion of a special legislative subcommittee that there is no evidence of irregularities in the system's handling of computer contracts.

"I'm happy people took the time to look at the facts and found out what was true in the case," said William Stow, director of the Oregon Legislative Information Systems. The subcommittee reviewed the bank records of Stow and the financial statements of a company he formed, and concluded Wednesday that there is no evidence of irregularities in the awarding of legislative computer contracts.

The review was prompted by a Capital Journal story that incorrectly stated that Stow had awarded legislative computer contracts to a business associate. (In a subsequent story, the Capital Journal reported that Stow had not, in fact, award-

ed the contracts but had made recommendations to those with the authority to approve them.)

Stow denied that any impropriety occurred and volunteered his bank records to the Legislative Administration Committee.

The records were first examined by a member of the legislative fiscal staff, then shared with members of a special subcommittee that included Salem Rep. Al Riebel, R-Salem.

"There seemed to be nothing to indicate that there were any irregularities," Riebel said.

The full committee accepted the findings and closed the inquiry.

The newspaper story involved Stow and Eugene Degner, who along with Stow was one of the original shareholders in a Salem company called Computer Pathways Unlimited.

The contracts went to a Eugene company owned by Degner, who in December resigned his position as a director in the Salem firm and who then sold his stock to the company for \$5,300. According to a report prepared by Stow and submitted to his supervisor following a Capital Journal inquiry, Degner was awarded two contracts with the legislative computer system in the period between July 22 when Computer Pathways

was incorporated and December 27 when Degner gave up his interest in the company.

February 8, 1978

### A correction

A story that appeared in the Jan. 6 Capital Journal was in error in reporting the manner in which certain contracts were awarded by Oregon Legislative Information Systems (OLIS).

As later stories indicated, William Stow, director of OLIS, made recommendations on the awarding of those contracts discussed in the story, but the contracts were awarded by officials who by statute or committee policy are allowed to do so.

The Jan. 6 story was also in error in suggesting that competitive bids were required in the case of a contract awarded to Edward Degner, Eugene, who owns and operates Management Planning Systems and Modular Computer Systems. As later stories indicated, OLIS was not required to seek competitive bids for a contract of less than \$10,000 such as the contract by which OLIS purchased computer hardware from Modular Computer Systems.

The foregoing portions of the Jan. 6 story were not factually reported and the publisher regrets the publication thereof.

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## LEGISLATIVE ADMINISTRATION COMMITTEE

LEGISLATIVE INFORMATION SYSTEM

S408 STATE CAPITOL

SALEM, OREGON 97310

PHONE 378-8194

April 25, 1978

Dr. Franklin Wolff  
P. O. Drawer F  
Lone Pine, California

Dear Yogi:

I sit in an airplane returning from a meeting of no meaning representing the least of my job as Director of the Oregon Legislative Information System (OLIS). The meeting was to organize three national task forces to prepare a feasibility study of a national statute and bill status retrieval system. I am the chairman of the system design task force. The three task forces will meet in May to begin their work. I will not be with them as I will be with you people. The Deputy Director of OLIS will take my place as task force chairman. The OLIS that I created beginning in 1973 has received national attention as the leading legislative information system in the U.S. so I spend much time traveling and giving speeches and working with national committees. My work with computers is having some considerable national impact, but I do it because I do it. It seems to be my present duty so I continue with it. It gives me no joy, it is simply what I do in the world.

The only time my job gives me joy is when I talk with people about Jesus Christ, God, Buddha, Krishna, Shankara, Brahma, Spirit, Mahatmas, Love . . . in whatever form is closest to the person to whom I am speaking. Religion may not be discussed, per se, but when spirit is contained with the conversation, I am happy. No matter what the form of the conversation, discussion of this type brings love and peace and joy into consciousness and the room in which I sit melts slightly into light and love connection. My job brings me into contact with many people with whom we can discuss these matters. When working with my various employees it is almost always of a spiritual nature; if not in subject matter, then the direction of the conversation: toward greater understanding and communication between people.

Dr. Franklin Wolff

April 25, 1978

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The objective aspects of my job, though materially quite successful, are quite uninteresting to me. The subjective is continuously interesting and rewarding. The objective is a desert filled with the sands of various successes. The subjective is an oasis with few material world things and everything that is meaningful to me: Love and understanding.

I attribute my material world success to hard disciplined work founded on intuitional vision. With my minds eye, where intellect and love are united, I make my choices. Correct decisions have always been borne here. Success occurs naturally, like breathing, and thus it is difficult to be impressed with it. It is the vacant product of a meaningful action. At times, my ego attempts to impress itself by attributing the product to itself but each time finds only a vacant dry desert. It used to fool itself quite well in the past. The fooling process is happily shortening.

I began writing this letter as I was inspired by the distant sunset over a field of dark clouds and inspired, from my lofty position in the plane, by the music of Sibelius, the Swan of Tuoniela, playing in the plane headset. My inspiration brought thoughts of you people and your house in Lone Pine, California, an oasis in a worldly desert.

I plan to leave Salem on Friday, April 28. I will visit the Hindu/Christian cooperative community, Ananda, on the 29th. I will leave Ananda on the 30th and arrive at your place the evening of the next day. I plan to stay until the 4th of June. As you will be leaving for 10 days to two weeks, mid-May, I will hike into the mountains above the Ashram for study and meditation while you are away. While I plan to come alone, others wish to pay short visits while I am with you. Sandra, who you met during my last visit, wishes to visit on the 11th and 12th of May. My wife, Naoma, and my parents, Bill Jr. and Lois, wish to visit on the 3rd of June. If these visits are not acceptable for any reason, I will advise these people accordingly during my first week with you.

In preparation for my visit, I have followed a vegetarian diet for the past month, excluded alcoholic beverages and, more recently, sex and the drug marijuana. As I have not been particularly focused on these things of late, none were overly difficult to achieve. The exclusion of sex has been the most difficult as it seems a normal part of physical affection and there are so many things in the physical environment which are sensual reminders. I understand the reason for removing prurient sex from consciousness

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and my recent celibate experience has helped here. But, I do not understand the need for celibacy when sex is integrated within the physical affection of lovers. I would like to discuss this with you. You say in your pamphlet, "Yogic Purification," that vegetarianism is not necessary; I decided to try it until I could discuss it with you as it seemed indicated in the Mahatma Letters. The reason for the exclusion of alcohol is obvious, but is total exclusion necessary? I would ask the same about the drug, marijuana. I will follow whatever practices are necessary to reach the goal, but I would like to understand. For now, I am practicing suspended judgment.

I continue to have problems of the vital. Every time a problem appears which relates to another person, I seek honesty and understanding. It benefits both of us. These problems seem to be decreasing in number and in severity as the time approaches when I will visit with you. All problems seem to be dissolving in clarity. Although I do seem to be unusually volatile, I am very sensitive; and so are those close to me. We seem able to erupt at any time. Honesty penetrates the surface and restores calm.

The central reason for my need to visit you has become more and more apparent. I see the limits of my vision. There are clearly discernable boundaries to my understanding. I find myself in the role of a leader. Technical decision-making is of relatively little problem. But, I also make life decisions which use technical knowledge only as a tool. Spiritual knowledge is the base of all true knowledge. True decisions are based on spiritual understanding. I listen to my inner voice when making major decisions and seek the middle path, clear of negative or positive emotional bias. This always leads to good results. Decision-making seems to become flawless. However, recently major decisions come more often and they're having increasing impact on more and more people. Finding my inner voice in the middle of conflicting emotional voices takes time; sometimes considerable time. In the past I seemed to have the time. No more. I seem to be under more and more pressure to make faster important life decisions.

In some situations I have boxed myself into problem places of seeming no solution. I know solutions are always to be found. The answer is: Improve yourself and the solutions will become clear. I seek improvement. A leader with limited vision is not acceptable. There is much to be done requiring clear and correct vision.

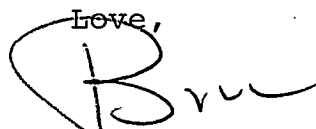
Something which has been unexplainable to myself and those around me: Since 1969, when I first went to work for the state, I have strongly felt that I was following a strong but exciting destiny. I went to work for the state following my inner voice. I changed jobs as my inner voice directed. I, and close friends, had many difficult and trying times as we attempted to accomplish positive work within government. (Very difficult.) For several years I took jobs with no guarantees but with strong inner conviction. As a result I, and my friends, advanced rather magically into positions of some influence.

By 1972, we considered ourselves a family. The family has grown to more than 30 people. Here in my own government organization, there are 23 full time staff plus consultants. Our outside business is bringing in more people. We have one of the finest groups of people one could find in our society. They are very good and loving people, honest and hard working, sensitive yet volatile, individualistic and often times hard headed and stubborn over those things which are important to them. There is much closeness and love between all of us. Most of us believe we are providing a good for society. We love and fight like a family and make major decisions as a group. I am the leader but not a director (though I was given the title, "Director"); I am a coordinator of excellent people. We feel, as a group, we can accomplish whatever our minds can conceive and believe.

As a leader, I greatly feel the responsibility of the role. I feel I must make correct decisions and I represent the group to the political world that surrounds us. Group Karma is quite noticeable. I am a part of it; it is mine and theirs; and yet, I am apart from it. Some people here call me their Guru, but I am not; I am not capable of that kind of responsibility. They expect me to know how to lead them. They expect me to know where I am going. But, I am a blind leader, leading well intentioned good people. I must have better vision. It is important to all of us. I love them all so very much.

Most of the people here (probably all of them) know I am leaving to visit you. They have seen your picture, have heard parts of your taped lectures. Some are apprehensive that I will never come back from Mt. Whitney; some are as excited as I am (though I am partially apprehensive myself). It is now not long before I leave (six days) and I am ready to leave now.

There is much love here and we send our love to you all.

Love,  


William R. Stow III  
Director