



Oregon
University
System

**OREGON STATE BOARD OF HIGHER EDUCATION
OUS RESEARCH COUNCIL**

MEETING MINUTES

**OUS RESEARCH COUNCIL
PORTLAND STATE UNIVERSITY, URBAN CENTER BUILDING, ROOM 511
THURSDAY, APRIL 5, 2007, 10:00 A.M. – NOON**

1) CALL TO ORDER/ROLL CALL

Chair Rich Linton called to order the meeting of the OUS Research Council at 10:00 A.M. On roll call, the following members from the council answered present:

Dan Dorsa, Gary Tallman, and Bill Feyerherm

Absent: Kirby Dyess, John Cassady, David Woodall, Wayne Embree, Nick Konidaris, and Ray Werner

Chancellor's Office staff present: Charles Triplett and Bruce Schafer

Other participants present: Scott Dawson, PSU; Arundee Pradhan, OHSU; William Hostetler, PSU; Mary Ellen Glynn, Governor's Office

2) DISCUSSION

a. March Joint Council Meeting Debrief and Suggested Follow-Ups

Chair Linton opened the discussion by reviewing the minutes of the March 1, 2007 joint OUS Research and Provosts' Council meeting. The two councils share complimentary missions. During the March meeting, the councils discussed collaborative research opportunities and OUS performance measurement responsibilities.

Responsible conduct of research is one area that both councils agreed should be carefully examined. Academic research is becoming increasingly burdened with regulations and a better understanding of the impact of these regulations is essential. The Provosts' Council members encouraged the Research Council to take the lead on working through research compliance issues, both policy and implementation of policy.

Another area identified as a potential collaborative issue is the development of research opportunities at all degree levels. It is likely that a joint council agenda will be developed around this issue.

Linton suggested that a good contribution from the Research Council would be to develop state-level communication strategies to support academic research. Both councils agree that most Board of Higher Education directors don't have a sufficiently strong orientation on the research mission and associated activities. He encouraged council members to strategically position the

council so that Board directors see research as an integral part of a successful institution. Better communication with the Board is essential.

b. OSBHE Strategic Initiatives Committee

The Board's Strategic Initiatives Committee is being chaired by Kirby Dyess. Susan Weeks is staffing the committee. Linton directed council members to a series of handouts distributed during the March 13 committee meeting. OUS research is identified several times throughout the handouts, most notably, in the committee charter under "targets for success." In that section, it lists "research policies, practices, and partnerships that produce outcomes that place Oregon among the top 10 states in research and economic competitiveness" as a target. Linton said that he did not know when/how the "top 10" target was identified.

The committee's draft "strategic planning tasks and possible owners or drivers" list the OUS Research Council in two areas: "actualized expectation of student engagement in research" and "sustain/develop Signature Research Centers."

However, Linton said that the committee's initial work would be focused on four areas: "governance," the "Portland issue," the "OUS portfolio," and "access, retention, and completion." During the March meeting, Linton suggested a joint meeting of the Strategic Initiatives Committee and the Research Council to discuss research issues.

Dan Dorsa said that his experience with "top 10" targets isn't good. Targets like this tend to take a life of their own. Should the Research Council develop a statement cautioning against this type of targeting and point out that campuses are struggling to maintain the current levels of activity?

Arundee Pradhan asked if the Board knows what it takes to get to top 10. Bruce Schafer replied that they do but added that they may be choosing to focus on high level goals without considering the incremental measures. He pointed out that although research isn't one of the first focus areas of the committee, it could be considered a positive, i.e. OUS research is not considered a trouble area.

Linton stressed the general importance of Board engagement around the research mission, and connection to the Strategic Initiatives Committee presents another potential opportunity. He will represent the Research Council in the committee meetings, and will seek opportunities to connect research priorities to the four focus areas.

c. AAU Survey of Senior Research Officers

Chair Linton introduced the next agenda item by directing members to a chart in their meeting materials. The chart shows the results of an AAU survey of senior research officer's regarding key issues and concerns. It reinforces the importance of the issues that the Research Council is trying to address in Oregon.

The top five issues or concerns are 1) research compliance and regulations, 2) technology transfer, 3) multi-disciplinary and inter-disciplinary research, 4) status of federal funding, and 5) universities role in economic development. Linton added that it's good to see how nicely the

Research Council's initial focus aligns with the hot topic list of leading research universities nationally.

d. Research Compliance – Organizing Future Council Discussions

One of the outcomes of the joint Provosts' and Research Council meeting is an agreement to individual and institutional conflict of interest (CoI) policy concerns. A primary concern of the individual CoI policies is achieving effective faculty disclosure of potential conflicts.

Bill Hostetler said that PSU is currently implementing its CoI policy and admitted that disclosure is a difficult issue. Hostetler cautioned that institutions will find it difficult to monitor faculty compliance. OSU has only recently adopted an individual CoI policy. Arundee Pradhan said that OHSU is finding good success monitoring online. Researchers are required to fulfill compliance policies and are notified if they fail to comply. All of the major OUS research institutions are implementing a mandatory annual disclosure of potential conflicts.

Linton said that the Provosts Council appeared open to developing a system level policy on institutional conflicts of interest. OHSU has a policy in place. UO is developing one as a potential template for the system. With all of the activity in this area, there are now national models and best practices to utilize. For example, fourteen of the AAU institutions have policies in place. Linton suggested using the OHSU and other national models to help draft an OUS policy.

Dan Dorsa added that despite the OHSU policies in place, this is a challenging area to manage effectively. One example is university involvement in equity ownership of university-derived spin-off companies. Linton said that the UO Foundation historically made financial decisions regarding equity stakes at "arms length" from the university. Following Ballot Measure 10, UO retained the UO Foundation as a financial manager, thus retaining some distance between the campus research enterprise and equity management decisions. There are potential conflict of interests, for example Foundation board members might be asked to serve on the advisory boards of UO-derived start-ups, but typically these are constrained to ex-officio or non-voting roles.

In another area of research compliance concerns, Dorsa said that the Health Insurance Portability and Accountability Act of 1996 (HIPAA) is creating significant tension for OHSU as it intersects with research. They want to protect information of all types regarding human subjects. A proposal to encrypt all related information is problematic for OHSU right now.

Scott Dawson added that the Chronicle of Higher Education reported on this issue recently regarding human subjects compliance and "regulatory creep". Linton said that some campuses, such as the UO, are interpreting the policies to apply to all human subjects research regardless of funding source, in addition to federal funding regulatory requirements. There are a variety of views and no convergence nationally.

Linton proposed an "environmental scan" of the range of regulatory issues related to research for the next Research Council meeting. The meeting would help focus on where OUS institutions are at greatest risk and what issues might be addressed collaboratively. The UO Office for the

Responsible Conduct of Research director, Lynette Schenkel, has volunteered to do an overview presentation. Linton suggested inviting university compliance officials from each of the research universities to the next meeting. Arundee Pradhan volunteered to provide OHSU contact information and additional materials for the overview presentation

Linton summarized by pointing out the inherent challenge of balancing regulation and research facilitation. The national pendulum is currently swinging towards more regulation. The council's role is to strike an appropriate balance. Bill Hostetler added that compliance issues are only made more difficult by the increase in inter-institutional and interdisciplinary activity. Linton agreed and added that being under a common system and state umbrella helps in reaching inter-institutional research agreements, but those are becoming increasingly complex, especially when there are private and non-university partners involved in the projects.

e. Status of Legislative Requests Related to Research

Linton offered a quick update of the status of legislative requests related to research. The co-chairs significantly reduced the Governor's recommended budget (GRB). Oregon InC was recommended for full funding by the Governor. The initial co-chairs budget reduced that investment by half. The ETIC budget was also significantly reduced. The co-chairs say that their budget is based on "known revenues" and not on speculative revenue.

Mary Ellen Glynn of the Governor's Office said that the Governor is committed to putting revenue from a potential change in the corporate minimum tax to assist higher education. The capital construction budget took the largest hit, but Glynn said the Governor is confident that the capital construction budget will be increased.

Bruce Schafer pointed out that the co-chairs are concerned that more bonding leads to future debt service. Linton added that the deferred maintenance costs are currently lumped into the co-chairs capital construction recommendation.

Scott Dawson asked Ms. Glynn if the Governor is working to build support for individual policy packages. She answered "yes." The co-chairs budget actually increases higher education funding but said that in comparison to other agencies, the increase is small. It's difficult to reconcile the two budgets because they are so different. Ms. Glynn said that the co-chairs funded K-12 education as such a high level to help force discussion of other potential revenues. Chair Linton encouraged everyone to participate in the legislative public input tour statewide. He suggested drafting written testimony as well as helping to assist in organizing testimonies from stakeholders about the importance of OUS research and its ties to economic development.

Dan Dorsa pointed out that the regionalization of medical training also is in serious jeopardy under the co-chair's budget. Linton said that investment in faculty, such as the proposed joint medical initiative, is crucial to Oregon higher education success. Arundee Pradhan pointed out that from a Signature Research Center perspective under the Oregon InC requests, many of the funds that have been cut in the co-chairs' budget tie directly to faculty. They've initially targeted the faculty innovation and recruitment fund requests. Linton said that he would connect with

David Chen on developing a unified approach with Oregon InC to seeking additional private sector support for the research initiatives in the various legislative requests.

Dorsa asked Linton if the SB853 “clean-up” bill is moving forward. Linton replied that SB582 is moving ahead and Senator Morris has now endorsed an amendment that would make the fund evergreen, i.e. additional credits would be issued as tax credits are repaid by the institutions. The clean up bill also clarifies that University Foundations may collect donations and manage the fund as appropriate.

f. Collaborative Initiatives Updates

Bill Feyerherm updated council members on the transportation center (OTREC). The executive group met on Monday. They’ve reviewed many applications and identified the initial peer reviewed projects to fund. The impression Feyerherm received is that all campuses are happy with the projects that were selected and the faculty are developing new collaborative projects. Chair Linton asked if the funded projects were listed on the website. Feyerherm replied “yes.”

Bruce Schafer updated members on a recent bill introduced by Representative Chip Shields. The bill restricts state funded research to research that leads to jobs in Oregon. A section of that bill identifies OUS and OECDD as administrators. Oregon currently has a more general policy that state funded research should lead to benefits to Oregon. The main concern is that in its current form the language is vague and difficult to interpret properly.

Bill Feyerherm asked members if there is incentive to support the bill. Pradhan suggested having a conversation with Oregon Bond Counsel about their interpretation. Chair Linton asked Feyerherm to follow up with Ben Rawlins, OUS General Counsel. Linton noted the irony if industry sponsored research would no longer be considered private use, but the IRS continues to categorize federally funded research as private.

Chair Linton asked Pradhan to update members on OTRADI. Pradhan said that OTRADI interim director is “pounding the pavement.” They’ve drafted articles of incorporation and established an interim board structure. They are in the process of constituting a scientific advisory board. It will most likely include one or two faculty members and private industry representatives.

Linton noted that OTRADI is beginning to have a life irrespective of legislative action. Pradhan agreed and added that they are discussing developing additional private funding for an accelerator. He admitted that it would be easier to get commitment from venture capitalists if the legislature funded OTRADI.

Dan Dorsa said that pharmaceutical companies from outside the state are beginning to review the OTRADI proposal and it looks sound. He cautioned that state funding is critical to success. There is no one else to pump the proposed \$5M into this center in the next biennium. Pradhan agreed and added that scaling back the legislative funding from \$7M to \$5M scales back the deliverables. It is not longer appropriate to think of this in a 4-year context. It will more likely need a 6- or 8-year state funding cycle. Pradhan said that he’s concerned about readjusting the

package. He tried to add a third biennia funding element to the package, but Oregon InC asked him to take it out.

Bill Feyerherm asked if any other Oregon InC requests reach into a third biennia. Scott Dawson and Rich Linton indicated that the 2007-09 would be the third biennium of support for ONAMI.

Scott Dawson asked if council members had received an update on the Deputy Vice Chancellor search. He said that there was some momentum, but it appears to have stopped again. Bruce Schafer answered that he thinks Chancellor Pernsteiner opened the position, but admitted that he had not seen a position description. Chair Linton suggested adding an update on the search to a future meeting agenda. He felt that the council should appropriately engage in the search and weigh in early in the process.

In closing, Linton announced a couple of upcoming meetings relevant to the council's work. The Oregon InC Commercialized Research subcommittee is meeting on April 20 to discuss the status of signature research center proposals and the upcoming Innotech conference will have a session on signature research centers.

3) ADJOURNMENT

The meeting adjourned at noon.