AGENDA

1. CALL TO ORDER/ROLL CALL/WELCOME

2. REPORTS

   a. Chancellor’s Report
   
   b. Interinstitutional Faculty Senate (IFS) President
   
   c. Oregon Student Association (OSA) Chair

3. LEGISLATIVE PRESENTATION

   a. Hopeful Reform (Fiscal Reform Proposal) (Senators Schrader/Morse)
      What is now required is visionary bipartisan leadership from elected officials, the business community, organized labor, and civic and community leaders. What is required is an honest and thoughtful assessment of Oregon’s fiscal affairs and awareness of the substantial likelihood that the growth of our economy will NOT close the STRUCTURAL BUDGET GAP that exists between sustainable revenues and initiative-driven spending. Fiscal reforms in how we collect money, how we budget money, how we spend money and how we save money are past due.

4. CONSENT ITEMS

   a. OSU, Change of Use of COP Proceeds (Simonton) .................................................. 1
      Oregon State University is seeking Board approval for a proposed change in the use of previously authorized Certificates of Participation (COPs) approved by the 2005-2007 Legislative Assembly.

   b. Delegation of Authority for Intellectual Property Agreements (Kenton) ................. 3
      In consultation with the Chancellor, authority for the execution of agreements related to intellectual property will be delegated to the respective presidents of OSU, PSU, and the UO for all intellectual property agreements relating to their respective institutions.
5. ACTION ITEMS

a. Oregon Bio-economy and Sustainable Technologies (BEST) Center: Catalytic Funding Request (Bragdon/Kenton) ............................................................... 5
   The proposal to establish the Oregon Bio-Economy and Sustainable Technologies (Oregon BEST) research center has been developed in response to the Oregon Innovation Council's (Oregon, InC's) interest in identifying areas in which Oregon's natural, physical, and human resources give it a global competitive advantage in emerging market areas with significant economic potential.

   The Annual Financial Statements will be presented to the Board for their acceptance. External Auditor observations regarding internal controls and compliance with federal grants and contracts, and management's responses to those observations, will also be discussed.

c. Tuition and Fee Recommendations, Residence Hall and Food Service Charges, and Amendment to OAR 580-040-0035 2007 Summer Session Fee Book (Kenton) .................................................................................................................. 15
   The tuition and fees, housing rates, and policies submitted here for consideration relate to the 2007 summer session. There are separate tuition and fee structures for the regular academic year and continuing education programs.

d. OAR 580-020-0020, Repeal of the annual salary calculation method for academic staff (Yunker) ................................................................................. 27
   The rule is no longer needed due to implementation of an automated payroll system capable of making precise pro-rations in accordance with the terms of academic staff contracts and pay period variations occurring in the academic calendar year-to-year.

e. Resolution for the Sale of Articles XI-F(1) and XI-G Bonds (Simonton)......... 29
   The 2005 Legislative Assembly has authorized the State Board of Higher Education to issue general obligation bonds, with the proceeds to be used to finance capital construction and facilities repair and renovation projects in higher education.

f. Resolution for the Sale of Refunding Bonds ............................................... 37
   The staff recommends the Board approve a request to the State Treasurer to refund outstanding general obligation bonds to achieve debt service savings. The amount of refunding bonds that are issued will depend on market conditions at the time of the sale.

6. REPORT ITEMS

a. 2007 Governor’s Recommended Budget overview (Kenton) ......................... 39
   The Governor’s 2007-2009 Recommended Budget for OUS is a very significant positive step in a new direction for higher education. This budget demonstrates enlightened leadership and emanates from a vision and commitment to a brighter future for Oregon.

b. UO, Westmoreland Housing Status Report (Provost Brady)
   Provost Brady will bring a status report to the Board on the sale of Westmoreland Housing Complex.
7. **COMMITTEE REPORTS**
   
a. Working Groups

b. Other Board Committees

8. **PUBLIC INPUT**

9. **BOARD COMMENTS**

10. **DELEGATION OF AUTHORITY TO BOARD’S EXECUTIVE COMMITTEE**

   “Pursuant to Article II, Section 5 of the Bylaws of the Board of Higher Education, the Board delegates to the Executive Committee authority to take final action as here designated or deemed by the committee to be necessary, subsequent to the adjournment of this meeting and prior to the Board’s next meeting. The Executive Committee shall act for the Board in minor matters and in any matter where a timely response is required prior to the next Board meeting.”

11. **ADJOURNMENT**

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Note: All docket materials are available on the OUS website at: http://www.ous.edu/board/meetingmaterials.htm. Please contact the Board’s office at (541) 346-5749 if you have any questions regarding these materials. This agenda may be amended at any time prior to 24 hours before the Board meeting. Estimated starting times for the agenda items are indicated; however, discussions may commence, or action may be taken, before or after the suggested times. Any item on the agenda may be considered at any time out of order at the discretion of the President of the Board. During the meeting, the Board may convene in Executive Session to receive legal advice regarding any item on the agenda or for any reasons permitted under Oregon law.
OREGON STATE BOARD OF HIGHER EDUCATION
PORTLAND STATE UNIVERSITY
JANUARY 5, 2007

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Report Item
A Report on the Governor’s 2007-2009 Recommended Budget for Higher
Education.................................................................................................................. 39

Appendices
OSU, Change of Use of COP Proceeds

Oregon State University is seeking Board approval for a proposed change in the use of previously authorized Certificates of Participation (COPs) approved by the 2005-2007 Legislative Assembly. OSU received $10 million in COPs authority to upgrade the OUS telecommunications system. Due to budget constraints, OSU does not have sufficient funds to cover debt service payments on COPs and the project has been deferred.

OSU proposes to issue $2,192,500 in COPs to fund capital equipment for the Veterinary Medicine hospitals on the OSU campus and the Oregon Humane Society clinic. The College of Veterinary Medicine needs to equip the new small animal hospital, to upgrade the equipment at the large animal hospital, and provide equipment to support the partnership with the Oregon Humane Society. Debt Service will be paid with gift funds.

*Staff Recommendation to the Board:* Staff recommends that the Board approve OSU’s request for the change in use of COP proceeds and authorize the Chancellor or designee to seek Department of Administrative Services and legislative approval for this request if necessary.

*(Board action required.)*
## Detail Equipment List

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<th>Amount</th>
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<td>Tibial Tuberosity Advancement Set, $8,000</td>
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<td>$218,500</td>
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<tr>
<td>$500,000</td>
<td>Capital equipment for placement at Oregon Humane Society (list available on request)</td>
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Delegation of Authority for Intellectual Property Agreements

Earlier this year, the Research Council suggested that the Chancellor’s Office delegate the authority to enter into agreements regarding intellectual property to the Presidents of Oregon State University, Portland State University, and the University of Oregon.

Oregon Administrative Rules, as promulgated by the State Board of Higher Education, vest ownership of intellectual property created by the employees of the Oregon University System in the State Board of Higher Education. Under OAR 580-043-0016 and 580-043-0026 (and related authority in State Board Internal Management Directives Section 6.2 et. seq.), the vice chancellor for finance and administration or designee is vested with authority to commit the Board to contractual agreements, “regarding assignment of rights, applications for patents, execution of licenses and agreements, and distribution of royalties.”

In consultation with the Chancellor, the above enumerated authority for the execution of agreements related to intellectual property is being delegated to the respective presidents or their designees of OSU, PSU, and the UO for all intellectual property agreements (as defined above) relating to their institutions.

Institutions exercising the authorities delegated herein shall maintain a log reflecting, at a minimum, all information required within the report provided annually to the Association of University Technology Managers. Said log shall be transmitted to the vice chancellor for finance and administration by April 1 each year.

When this delegation to the president creates a conflict or dual, inconsistent duties or obligations, institutions shall promulgate revised procedures addressing the obligation outlined in Board Internal Management Directive Section 6.2 et. seq.

Staff Recommendation to the Board:
Staff recommends that Board approve the proposed delegation of authority.

(Board action required.)
Oregon Bio-economy and Sustainable Technologies (BEST) Center: Catalytic Funding Request

I. Request

The proposal to establish the Oregon Bio-Economy and Sustainable Technologies (Oregon BEST) research center has been developed in response to the Oregon Innovation Council’s (Oregon InC) interest in identifying areas in which Oregon’s natural, physical, and human resources give it a global competitive advantage in emerging market areas with significant economic potential. Oregon InC recommended, and the Governor included in his budget, money to fund the BEST initiative in recognition of the long-term potential advantages Oregon has in reputation, technology, and innovation relating to bio-products, clean energy, and green buildings. Oregon InC recommended that in the 2007-2009 biennium, BEST focus on bio-products and fuels because of the rapidly advancing market opportunities in these areas. Oregon InC recognized the need to continue seeking opportunities to leverage work in these areas to develop new market opportunities such as promoting innovations in green building technologies through the use of new bio-products. The Oregon InC summary and recommendation is attached as Appendix A1 to this request.

An investment of $1 million from the Oregon University System (OUS) in 2007 to establish the center and to launch its core research programs will help ensure that BEST comes quickly up to task in the areas of bio-products and bio-fuels and has resources to investigate the potential for broader, longer-term sustainability opportunities in Oregon.

An initial investment of $270,000 is requested from the Board of Higher Education as interim funding for the period 1/07 – 7/07 to:

1. Hire interim leadership and strengthen staff efforts;
2. Finalize the business plan and supporting materials in preparation for the legislative session;
3. Conduct inventories of biomass resources, owners, companies, and investors engaged in the conversion of Oregon’s forest and other resources to products and fuels; and
4. Enable immediate leveraging of federal and international funding dollars.

A more detailed proposal for how the balance of the $1 million OUS investment would be allocated will be developed in the first quarter of 2007, based on input from the interim Advisory Committee.

II. Background

This request to the Board of Higher Education is one part of a three part package of interim funding being pursued. The other components focus on organizational design (Meyer Memorial Trust, letter of inquiry attached as Appendix A1 to this request) and opportunity assessment (Oregon Community Foundation, letter of inquiry and
supplemental information attached as Appendix A3 to this request). While the three requests are complementary and ideally would move forward simultaneously, each also stands independently, with speedier funding resulting in a more timely and robust launch of Oregon BEST. As noted by Oregon InC and the supporting Oregon BEST (and precursor) proposal documents, it is clear that the opportunities in sustainable technologies and services are enormous and growing. As one participant involved in the Oregon InC proposal evaluation process put it “The train is leaving the station, we can either get on it, or be left behind.” This funding request is to enable us to get organized so we can get on the train.

We are well underway in articulating how Oregon BEST needs to be structured to effectively mobilize Oregon University System resources in collaboration with partners in industry and other research organizations (e.g., PNNL, as an engine of economic development for the state). That vision has been embraced by Oregon InC, Oregon’s political leadership, and numerous businesses around the state. We have an opportunity now to begin to implement that vision and that structure through an initial investment by OUS to launch this center. Important first steps will include creating a brand identity for Oregon BEST, communicating the capacity of the region’s research and innovation community, articulating the commitment of its industrial community to sustainable practices and products, and showcasing the increasing interest of the state in building its economy with an eye on the “triple bottom line.”

This request focuses on engaging the leadership needed to launch Oregon BEST. It is recommended that an interim Advisory Committee composed of industry, government, and the broader research and innovation community leaders be appointed by the Chancellor and the chair of the Oregon Innovation Council. So constituted, the interim Advisory Committee members would be well-positioned to guide Oregon BEST in its initial focus and outputs and its medium and longer-term work plan and strategic vision. Interim leadership both in science and in business development needs to be engaged and dedicated to supporting the initial phases of Oregon BEST.

III. Laying the Foundations for Success

The success of Oregon BEST depends upon developing an organizational foundation that facilitates the leadership, management, and administration of a complex, nationally competitive, and results-oriented program. We are hopeful that the Meyer Memorial Trust will help fund an assessment and development of institutional design. Interim leadership is needed immediately to oversee and guide Oregon BEST. Establishing an interim advisory committee and organizational leadership will accelerate the timing of gains to be achieved from legislative and other investment in the coming biennium. Appendix A3 provides a list of some of the characteristics that would help ensure the success of the institution, its governing body, and leadership. To be successful, Oregon BEST will not only need to be a leader in innovative research and development, it will need to be innovative from an institutional perspective as well. Oregon BEST’s leadership and institutional infrastructure will need to achieve a focus on priority areas and near term results while not losing sight of the longer term strategic vision.
In addition, it will be critical to develop a strategy for communicating with the legislature and other state agencies to gain their support for Oregon BEST and to engage researchers, investors, and the business community in developing a pipeline of projects and funding to apply new science and methods to address priority needs and opportunities. The following activities would be undertaken within the first year of funding to advance these goals.

A. Establishing BEST’s Organizational and Leadership Structure

Establishing the initial support structure to launch Oregon BEST will require the following actions:

1. **Establish Interim Advisory Committee.** An interim Advisory Committee, charged with implementing the elements of this proposal, supporting Oregon BEST’s interim leadership, and providing executive guidance to the establishment of Oregon BEST, will be appointed jointly by the OUS Chancellor and the Oregon InC chair. The interim Advisory Committee will be made up of representatives from the business sector, non-governmental organizations, OUS, research offices on the various campuses, the Governor’s advisors and department directors, the national laboratories, and other governmental agencies. The Interim Advisory Committee, which will also include ex-officio members who can support and staff the committee, will advise the Chancellor and Oregon InC chair on leadership position descriptions, initial operating principles for Oregon BEST, and strategic planning.

2. **Determine and implement appropriate interim administrative structure and reporting relationships:** The interim Advisory Committee will be charged with determining the initial administrative structure for Oregon BEST and its reporting relationships. The interim Advisory Committee will also establish the initial operating charter, clarify authority to purchase, and take other necessary administrative steps.

3. **Recruit Interim Leadership:** An interim director would be hired to provide overall leadership to the initial development of Oregon BEST, including building relationships with the research community, business leaders, and stakeholders; refining the strategic vision and business plans for the organization; and communicating and building support for private and public investment and future success. The interim director will depend heavily upon the interim Advisory Committee for guidance related to the future directions of Oregon BEST. The interim Advisory Committee may also wish to consider the desirability of hiring an interim Business Development Officer or Outreach Officer to develop and strengthen partnerships with Oregon businesses, identify the most likely opportunities for commercial success of Oregon BEST research products, and build partnerships with the many community-based sustainability initiatives around Oregon.
4. Establish Oregon BEST Office: A virtual and physical presence will be established at a location providing most convenient access to the community being served, including BEST’s business partners and other stakeholders. The office would be supported by administrative support staff and would be the initial hub of operations for Oregon BEST.

5. Refine the Business Plan, Marketing/Communications Plan and prepare for a national search for a BEST Director. The interim leadership, with input from the interim Advisory Committee will: 1) refine the Oregon BEST Business Plan to best meet the goals of the Oregon Innovation Council and Oregon legislature; 2) develop appropriate communications and education plans and materials to develop a unique and readily recognizable identity to maximize the success of the BEST Center; 3) take other steps to position the organization to be prepared to rapidly initiate an international search for a director and possibly a Business Development Officer upon legislative investment; and 4) review and make recommendations on the future legal status of Oregon BEST and steps to develop an intellectual property management strategy.

B. Developing Legislative and State Agency Support

It will be essential for the leadership of Oregon BEST to focus immediately on developing key relationships with legislative personnel to keep Oregon BEST well positioned in the upcoming legislative session. The ultimate goal of these actions is acceptance by the legislature of Oregon InC’s recommendation to fund Oregon BEST at the $3 million level, at a minimum.

In coordination with Oregon InC and its staff, the interim director will develop a work plan to educate and communicate with key elected officials and their staffs through written documents and face-to-face meetings. Through these meetings, the interim director and others at his/her direction will provide greater detail about the need for Oregon BEST and its vital role in building “line-of-site” relationships between researchers and innovators and the business and consuming communities in the development and use of sustainable technologies and products. The interim director will also develop appropriate materials and contacts with all legislative staffs and legislators to encourage broad-based support for this initiative during the legislative session.

Concurrently, the Oregon BEST staff will develop and enhance working relationships with individuals at Oregon InC, business leaders, key state agencies, the national lab, OUS, and key research leaders. Oregon InC and the Governor’s Office staff are currently developing their own strategy for educating the legislature about the overall Oregon InC plan. It is imperative that Oregon BEST staff stay in close contact with Oregon InC—particularly the subcommittee on commercialization—to ensure that the messages from both groups are consistent. The interim director will consider ways to leverage the resources and activities of the Governor’s Office and Oregon InC to
effectively and efficiently use the limited resources of Oregon BEST to reach out to the legislators.

Further, to assure success with the legislature, the Oregon BEST staff will reach out to key agency personnel to seek their endorsement of Oregon BEST and to recruit them as allies with the legislature. Building on established relations with OECDD, outreach is needed to the Oregon Department of Energy, the Oregon Department of Forestry, the Department of Environmental Quality, and the Oregon Department of Agriculture. These agencies will be key allies for Oregon BEST as legislative staffs query them on their interest and support for the proposal to fund this new signature research center.

Finally, OUS and the university campuses all are active in providing information to and communicating with the legislature on a variety of issues. The interim director will work towards providing key personnel at OUS and on the campuses (presidents, vice presidents, deans and government relations staff) with information about Oregon BEST. The interim director will work with OUS and campus personnel on creating and sharing a consistent and effective message to the legislature about the importance of this new signature research center to each campus and to enhancing collaborative activity among the major research institutions.

**C. Building Community: Faculty, Business, and Non-Governmental Organizations (NGO) Engagement**

Oregon BEST will need to further develop connections to Oregon’s industry and businesses as well as engage scientists with expertise to lead the research enterprise. Working groups will be formed in early 2007 to support the efforts to achieve legislative investment for the 2007-2009 biennium and federal, international, and business investment for the long-term. Support for several of these tasks is included in the funding requests to the Meyer Memorial Trust and the Oregon Community Foundation and the scope of activity would depend upon the level of funding provided from these sources.

1. **Research Staff Involvement.** The success of Oregon BEST is highly dependent upon recruiting the best researchers in the University System to participate in a focused research agenda. During this first year, the interim director will undertake a variety of efforts to identify and connect with the research staff having the most applicable skills to the research imperatives in bio-products and bio-fuels. Two highly successful methods used by the Oregon Nanoscience and Microtechnologies Institute (ONAMI) are proposed (positive decisions from Oregon BEST requests before the Meyer Memorial Trust and/or Oregon Community Foundation would accelerate and increase the depth in the use of these methods). First is the “mega-mixer” approach of bringing together a wide array of faculty to present one-slide descriptions of their interests and expertise. From these presentations, smaller groups will be developed around specific topics and opportunities will be provided for faculty to meet others in such groups. These groups will then be asked to provide feedback on the directions
for future work through BEST and opinions on the greatest opportunities for success in research and technology transfer. Second, again drawing on ONAMI’s experience, “elephant hunter” groups will be assembled to consider submitting proposals around large funding opportunities (actual or potential). The basic approach will be to identify ideas that represent economic opportunities greater than $10 million in the bio-economy and sustainable technologies areas and determine how funding could be acquired to develop these ideas. Researchers involved in ONAMI have found this approach to be stimulating and interesting. The interim director would initiate and facilitate the meeting of these groups. Seed grants have been requested from the Meyer Memorial Trust to catalyze teams around research projects (see Appendix A2)

2. Business Partners. During the first year, the interim director will identify the various business stakeholders related to Oregon BEST and determine their needs and expectations. The work will begin with the preliminary $20,000 in funding that has been provided by OUS and the Oregon Economic and Community Development Department to construct an inventory of all businesses, investors, and individuals engaged in biomass conversion to products or fuels and all private resource owners who might reasonably partner with us in the commercialization of bio-products and fuels.

3. Other Research Partners. During the first year, the interim director will also engage with other key research organizations, such as the Pacific Northwest National Laboratory, to ascertain their interests in participating in the BEST research and technology development and commercialization enterprise.

4. Community Partners. The interim director will also seek out and engage the many non-governmental organizations throughout the state that are already promoting the bio-economy and sustainable technology. The objective will be to get their support for the legislative proposal, leverage the work they are already doing and avoid duplication of effort.

IV. Budget Requirements

In order to start BEST effectively and take advantage of the opportunities for new state funds for a third Signature Research Center, respond to new federal research initiatives, and build new relationships with businesses, funds are needed to cover operations for the six months between January 15, 2007 and June 15, 2007. The BEST interim Advisory Committee will return to the Board of Higher Education in May 2007 to present the refined business plan.
The proposed budget is as follows:

**Oregon BEST Center Start Up Budget**

Proposed Start Up Period: January 2007-June 2007 (6 months)

Oregon BEST Startup Budget Request

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<th>% of Units</th>
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<td><strong>C. SUPPLIES &amp; SERVICES</strong></td>
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</table>
**Staff Recommendation to the Board:**
Staff recommends that the Board accept this report and authorize the Chancellor to commit $270,000 from Chancellor’s Office fund balance for start-up expenses related to the BEST sustainability initiative.

*(Board action required.)*
Annual Financial Report

Summary:
The report titled 2006 Annual Financial Report (see Appendix B for supplemental materials) was prepared by the Chancellor’s Office and the financial statements included within were audited by Moss-Adams, LLP, under contract to the Secretary of State, Audits Division. The audit opinion issued by Moss-Adams, LLP, is an unqualified opinion, which means that their opinion as to the fair presentation of the financial statements was issued without qualification.

In conjunction with the audit, Moss-Adams, LLP, has issued a letter to OUS Management (see supplemental materials) communicating observations and recommendations relating to OUS internal controls and compliance with Federal grants and contracts. OUS Management has issued a letter in response to these observations and recommendations (see supplemental materials) that includes general agreement with the observations and planned actions in response. None of the observations made by Moss-Adams, LLP, represented a significant deficiency or a material weakness in the design or operation of internal control for 2006.

As part of the financial statement audit, Moss-Adams, LLP, is required to communicate certain matters related to the conduct of the audit to those who have responsibility for oversight of the financial reporting process.

Staff Recommendation to the Board:
Subject to the report of Moss-Adams, LLP, staff recommends that the Board accept the 2006 Annual Financial Report.

(Board action required.)
Tuition & Fee Recommendations, Residence Hall and Food Service Charges, Amendment to OAR 580-040-0035 2007 Summer Session Fee Book

Tuition and Fee Background:
The tuition and fees, housing rates, and policies submitted here for consideration relate to the 2007 summer session. There are separate tuition and fee structures for the regular academic year and continuing education programs. This fee book addresses mandatory enrollment fees including tuition, building, resource, incidental, and health fees. The housing section reflects contract policies and rates for institutional residence halls and apartments.

Institutions have the authority to assess tuition on the current per-credit hour basis or to align to the preceding academic year structure. Tuition for summer session has generally been assessed on a per-credit hour basis, without tuition plateaus for full-time students.

Definitions:

Tuition: Tuition supports the direct instruction and administrative costs of each institution's summer session program. To determine the recommended tuition rates, institutions must balance the fiscal requirements of their summer session programs with market considerations, including tuition rates of competing education providers. Institutions are not required to make a residency determination for summer term but may choose to do so.

Building Fee: The building fee is the same for all institutions. The building fee charge for summer session has, in the past, been approximately 75 percent of the academic year rate. For summer 2007, the rate will be $34 per student. ORS 351.170 allows OUS to assess up to $45 per student per term to finance debt service for construction associated with student centers, health centers, and recreational facilities constructed through the issuance of Article XI-F(1) bonds. A pro rata fee is assessed on part-time students.

Resource Fee: Resource fees have three forms: universal fees, assessed to all students; programmatic fees, assessed to students admitted to particular academic programs; and, one-time fees for first-term students. Students enrolled under the part-time student fee policy are subject to the resource fees appropriate to specific courses taken. Institutions have the option of assessing resource fees during the summer session at rates comparable to those assessed in the preceding academic year.

Incidental Fee: Incidental fee recommendations are generally made by student committees in accordance with a Board-approved incidental fee policy (OAR 580-010-0090) on each campus. In some instances, the student committee recommendations are supported by general campus student referenda.

The funds generated by incidental fees are to be used for “student union activities, educational, cultural, and student government activities, and athletic activities.” The
president of each institution reviews the student committee recommendations. Once satisfied with each proposal, presidents submit recommendations to the Chancellor, who, after review, submits proposals to the Board. There are fewer incidental fee supported activities during the summer term, resulting in significantly lower rates than those assessed during the academic year.

Health Services Fee: This fee is used to support each institution’s student health services, which are operated as an auxiliary enterprise on a self-sustaining basis. Optional health insurance policies are also made available by some institutions. During summer sessions, student health services operations function at reduced levels or are not provided at all. The recommended rates reflect these lower levels of activity.

Fee Setting Process:
The summer session tuition and fees proposed in this staff recommendation are the results of institutional decision-making processes. These include institution administration and student committee deliberations. Summer session tuition and fees are recommended by each institution president, reviewed for compliance with various laws, rules, and policies, and presented to the Board for approval.

Summary of Tuition and Fee Changes:

Resident Undergraduate: The 2007 summer session tuition rates for resident undergraduates increased by an average of 3.7 percent over the summer session rates for 2006. Oregon State University is the only institution with summer rates lower than the academic year rate. As part of a long-term strategy to bring summer tuition into alignment with academic year tuition, the OSU 2007 summer rate increased by 5 percent over 2006.

Nonresident Undergraduate: Undergraduate nonresident rates for the 2007 summer session increased from 3.7 percent to 5.0 percent for all institutions except for Western Oregon University and Portland State University. PSU nonresident undergraduate rates for students enrolled in 1-8 credit hours will increase by 286 percent. PSU currently charges the resident rate to nonresidents taking 1-8 credit hours, Nonresidents enrolled in nine or more hours pay a nonresident rate. This fee book change extends the nonresident rate to nonresidents enrolled in 1 or more credits. WOU is eliminating the practice of assessing nonresident summer students the resident rate. This change results in a 55 percent increase in the nonresident undergraduate rate.

Resident and Nonresident Graduates: Increases for resident and nonresident graduate tuition for the 2007 summer session range from 3 to 9 percent at all campuses with the exceptions being nonresident graduate students at PSU and WOU for the same reasons mentioned in the above paragraph.
Summary of Changes and Recommendations:
The following tables compare the proposed tuition and fee rates with the 2006 summer session rates for undergraduate students enrolled for 6, 9, 12, and 15 credit hours.

### Table 1
**Summer Term 2007 Tuition and Fees**  
Undergraduate - 6 Credit Hours

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$672</td>
<td>$612</td>
<td>$652</td>
<td>$576</td>
<td>$646</td>
<td>$686</td>
<td>$613</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$672</td>
<td>$612</td>
<td>$652</td>
<td>$2,154</td>
<td>$646</td>
<td>$956</td>
<td>$920</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fees</th>
<th>Technology</th>
<th>Building</th>
<th>Incidental</th>
<th>Health</th>
<th>Student Services/Rec Ctr</th>
<th>Total Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$26 $27 $30 $36 $48 $40 $36</td>
<td>$34 $34 $34 $34 $34 $34 $34</td>
<td>$45 $40 $136 $55 $62 $43 $46</td>
<td>$ - $50 $103 $90 $ - $76 $40</td>
<td>$ - $ - $ - $8 $ - $18 $ -</td>
<td>$105 $151 $303 $223 $144 $211 $156</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$26 $27 $30 $36 $48 $40 $36</td>
<td>$34 $34 $34 $34 $34 $34 $34</td>
<td>$45 $40 $136 $55 $62 $43 $46</td>
<td>$ - $50 $103 $90 $ - $76 $40</td>
<td>$ - $ - $ - $8 $ - $18 $ -</td>
<td>$777 $763 $955 $799 $790 $897 $769</td>
</tr>
</tbody>
</table>

### Percentage Increase over Prior Year

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>3.7%</td>
<td>3.0%</td>
<td>4.8%</td>
<td>3.2%</td>
<td>2.9%</td>
<td>3.6%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>3.7%</td>
<td>3.0%</td>
<td>4.8%</td>
<td>286.0%</td>
<td>2.9%</td>
<td>2.6%</td>
<td>54.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fees</th>
<th>Technology</th>
<th>Building</th>
<th>Incidental</th>
<th>Health</th>
<th>Student Services/Rec Ctr</th>
<th>Total Tuition and Fees*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>0.0%</td>
<td>-10.0%</td>
<td>0.0%</td>
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<td>4.3%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Tuition and Fees*</th>
<th>Residents</th>
<th>Nonresidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>5%</td>
<td>4.7%</td>
<td></td>
</tr>
</tbody>
</table>

* Excludes Programmatic Resource Fees. Amounts are rounded to nearest dollar.

[1] Increase due to alignment with academic year and the assessment of tuition based on residency status.

[2] Increase due to alignment with academic year and the assessment of tuition based on residency status.

[3] Increase due to growing summer usage of Recreation Center, necessitating additional staffing and services.
### Table 2
Summer Term 2007 Tuition and Fees
Undergraduate - 9 Credit Hours

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
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<td>$961</td>
<td>$864</td>
<td>$934</td>
<td>$1,016</td>
<td>$901</td>
</tr>
<tr>
<td>Nonresidents</td>
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<td>$918</td>
<td>$961</td>
<td>$3,231</td>
<td>$934</td>
<td>$1,421</td>
<td>$1,352</td>
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</table>

<table>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
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<td>$41</td>
<td>$45</td>
<td>$54</td>
<td>$54</td>
<td>$40</td>
<td>$54</td>
</tr>
<tr>
<td>Building</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
</tr>
<tr>
<td>Incidental</td>
<td>$45</td>
<td>$40</td>
<td>$136</td>
<td>$79</td>
<td>$62</td>
<td>$43</td>
<td>$46</td>
</tr>
<tr>
<td>Health</td>
<td>$-</td>
<td>$50</td>
<td>$103</td>
<td>$90</td>
<td>$65</td>
<td>$76</td>
<td>$40</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$8</td>
<td>$-</td>
<td>$18</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Total Fees</strong></td>
<td>$117</td>
<td>$165</td>
<td>$318</td>
<td>$265</td>
<td>$215</td>
<td>$211</td>
<td>$174</td>
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<table>
<thead>
<tr>
<th>Total Tuition and Fees*</th>
</tr>
</thead>
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<tr>
<td>Residents</td>
</tr>
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<td>$1,125</td>
</tr>
<tr>
<td>$1,083</td>
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<tr>
<td>$1,279</td>
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<td>$1,129</td>
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<td>$1,149</td>
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<td>$1,227</td>
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<tr>
<td>Nonresidents</td>
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<td>$1,125</td>
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<td>$1,279</td>
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<td>$1,526</td>
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<table>
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<th>Tuition</th>
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<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>3.7%</td>
<td>3.0%</td>
<td>4.9%</td>
<td>3.2%</td>
<td>3.0%</td>
<td>3.7%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>3.7%</td>
<td>3.0%</td>
<td>4.9%</td>
<td>1.1%</td>
<td>3.0%</td>
<td>2.6%</td>
<td>54.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fees</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>0.0%</td>
<td>-10.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>3.8%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Building</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Incidental</td>
<td>32.4%</td>
<td>0.0%</td>
<td>8.8%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.9%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Health</td>
<td>0.0%</td>
<td>25.0%</td>
<td>6.5%</td>
<td>-10.0%</td>
<td>1.6%</td>
<td>4.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>0.0%</td>
<td>80.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Tuition and Fees*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
</tr>
<tr>
<td>4.4%</td>
</tr>
<tr>
<td>3.1%</td>
</tr>
<tr>
<td>5.1%</td>
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<td>4.2%</td>
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<tr>
<td>3.6%</td>
</tr>
<tr>
<td>Nonresidents</td>
</tr>
<tr>
<td>4.4%</td>
</tr>
<tr>
<td>3.1%</td>
</tr>
<tr>
<td>5.1%</td>
</tr>
<tr>
<td>0.7%</td>
</tr>
<tr>
<td>2.7%</td>
</tr>
<tr>
<td>3.1%</td>
</tr>
<tr>
<td>47.0%</td>
</tr>
</tbody>
</table>

*Excludes Programmatic Resource Fees. Amounts are rounded to nearest dollar.

[1] Increase due to alignment with academic year and the assessment of tuition based on residency status.

[2] Increase due to growing summer usage of Recreation Center, necessitating additional staffing and services.
### Table 3
Summer Term 2007 Tuition and Fees
Undergraduate - 12 Credit Hours

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$1,344</td>
<td>$1,224</td>
<td>$1,270</td>
<td>$1,152</td>
<td>$1,222</td>
<td>$1,346</td>
<td>$1,189</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$1,344</td>
<td>$1,224</td>
<td>$1,270</td>
<td>$4,308</td>
<td>$1,222</td>
<td>$1,886</td>
<td>$1,784</td>
</tr>
</tbody>
</table>

**Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>$50</td>
<td>$54</td>
<td>$60</td>
<td>$72</td>
<td>$60</td>
<td>$40</td>
<td>$72</td>
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<tr>
<td>Building</td>
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<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
</tr>
<tr>
<td>Incidental</td>
<td>$45</td>
<td>$40</td>
<td>$136</td>
<td>$100</td>
<td>$62</td>
<td>$43</td>
<td>$46</td>
</tr>
<tr>
<td>Health</td>
<td>$   -</td>
<td>$50</td>
<td>$103</td>
<td>$90</td>
<td>$65</td>
<td>$76</td>
<td>$40</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>$   -</td>
<td>$8</td>
<td>$18</td>
<td>$   -</td>
<td>$   -</td>
<td>$   -</td>
<td>$   -</td>
</tr>
<tr>
<td><strong>Total Fees</strong></td>
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<td>$333</td>
<td>$304</td>
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<td>$211</td>
<td>$192</td>
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</table>

**Total Tuition and Fees**

<table>
<thead>
<tr>
<th>Residens</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,473</td>
<td>$1,402</td>
<td>$1,603</td>
<td>$1,456</td>
<td>$1,443</td>
<td>$1,557</td>
<td>$1,381</td>
<td></td>
</tr>
</tbody>
</table>

**Percentage Increase over Prior Year**

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>3.7%</td>
<td>3.0%</td>
<td>5.0%</td>
<td>3.2%</td>
<td>3.0%</td>
<td>3.7%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>3.7%</td>
<td>3.0%</td>
<td>5.0%</td>
<td>1.1%</td>
<td>3.0%</td>
<td>2.6%</td>
<td>54.7%</td>
</tr>
</tbody>
</table>

**Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>0.0%</td>
<td>-10.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>3.4%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Building</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Incidental</td>
<td>32.4%</td>
<td>0.0%</td>
<td>8.8%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.9%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Health</td>
<td>0.0%</td>
<td>25.0%</td>
<td>6.8%</td>
<td>-10.0%</td>
<td>1.6%</td>
<td>4.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>0.0%</td>
<td>80.0%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
</tr>
</tbody>
</table>

**Total Tuition and Fees**

<table>
<thead>
<tr>
<th>Residens</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,473</td>
<td>$1,402</td>
<td>$1,603</td>
<td>$1,456</td>
<td>$1,443</td>
<td>$1,557</td>
<td>$1,381</td>
<td></td>
</tr>
</tbody>
</table>

* Excludes Programmatic Resource Fees. Amounts are rounded to nearest dollar.

[1] Increase due to alignment with academic year and the assessment of tuition based on residency status.

[2] Increase due to growing summer usage of Recreation Center, necessitating additional staffing and services.
## Table 4
### Summer Term 2007 Tuition and Fees
#### Undergraduate - 15 Credit Hours

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$1,680</td>
<td>$1,530</td>
<td>$1,579</td>
<td>$1,310</td>
<td>$1,510</td>
<td>$1,676</td>
<td>$1,477</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$1,680</td>
<td>$1,530</td>
<td>$1,579</td>
<td>$5,385</td>
<td>$1,510</td>
<td>$2,351</td>
<td>$2,216</td>
</tr>
</tbody>
</table>

### Fees

<table>
<thead>
<tr>
<th>Category</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>$50</td>
<td>$54</td>
<td>$75</td>
<td>$72</td>
<td>$60</td>
<td>$40</td>
<td>$90</td>
</tr>
<tr>
<td>Building</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
</tr>
<tr>
<td>Incidental</td>
<td>$45</td>
<td>$40</td>
<td>$136</td>
<td>$100</td>
<td>$62</td>
<td>$43</td>
<td>$46</td>
</tr>
<tr>
<td>Health</td>
<td>$-</td>
<td>$50</td>
<td>$103</td>
<td>$90</td>
<td>$65</td>
<td>$76</td>
<td>$40</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$8</td>
<td>$-</td>
<td>$18</td>
<td>$-</td>
</tr>
</tbody>
</table>

**Total Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$1,29</td>
<td>$178</td>
<td>$348</td>
<td>$304</td>
<td>$221</td>
<td>$211</td>
<td>$210</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$1,29</td>
<td>$178</td>
<td>$348</td>
<td>$304</td>
<td>$221</td>
<td>$211</td>
<td>$210</td>
</tr>
</tbody>
</table>

### Total Tuition and Fees*

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$1,809</td>
<td>$1,708</td>
<td>$1,927</td>
<td>$1,614</td>
<td>$1,731</td>
<td>$1,887</td>
<td>$1,687</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$1,809</td>
<td>$1,708</td>
<td>$1,927</td>
<td>$5,689</td>
<td>$1,731</td>
<td>$2,562</td>
<td>$2,426</td>
</tr>
</tbody>
</table>

### Percentage Increase over Prior Year

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>3.7%</td>
<td>3.0%</td>
<td>5.0%</td>
<td>3.1%</td>
<td>3.1%</td>
<td>3.7%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>3.7%</td>
<td>3.0%</td>
<td>5.0%</td>
<td>1.1%</td>
<td>3.1%</td>
<td>2.6%</td>
<td>54.7%</td>
</tr>
</tbody>
</table>

### Fees

<table>
<thead>
<tr>
<th>Category</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>0.0%</td>
<td>-10.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>3.4%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Building</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Incidental</td>
<td>32.4%</td>
<td>0.0%</td>
<td>8.8%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.9%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Health</td>
<td>0.0%</td>
<td>25.0%</td>
<td>6.8%</td>
<td>-10.0%</td>
<td>1.6%</td>
<td>4.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>0.0%</td>
<td>80.0%</td>
<td>80.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Total Tuition and Fees*

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>4.1%</td>
<td>3.0%</td>
<td>5.0%</td>
<td>1.9%</td>
<td>2.9%</td>
<td>4.0%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>4.1%</td>
<td>3.0%</td>
<td>5.0%</td>
<td>0.9%</td>
<td>2.9%</td>
<td>2.9%</td>
<td>48.7%</td>
</tr>
</tbody>
</table>

* Excludes Programmatic Resource Fees. Amounts are rounded to nearest dollar.

1. Increase due to alignment with academic year and the assessment of tuition based on residency status.
2. Increase due to growing summer useage of Recreation Center, necessitating additional staffing and services.
The tables below compare the proposed tuition and fee rates with the 2006 summer session rates for graduate students enrolled for 6, 9, 12, and 15 credit hours.

<table>
<thead>
<tr>
<th></th>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$1,320</td>
<td>$1,146</td>
<td>$1,234</td>
<td>$1,428</td>
<td>$1,510</td>
<td>$1,243</td>
<td>$1,440</td>
<td></td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$1,320</td>
<td>$1,146</td>
<td>$1,234</td>
<td>$2,448</td>
<td>$1,510</td>
<td>$1,513</td>
<td>$2,160</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Fees</th>
<th>Technology</th>
<th>Building</th>
<th>Incidental</th>
<th>Health</th>
<th>Student Services/Rec Ctr</th>
<th>Total Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$26</td>
<td>$27</td>
<td>$30</td>
<td>$36</td>
<td>$48</td>
<td>$40</td>
<td>$105</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$55</td>
<td>$62</td>
<td>$76</td>
<td>$151</td>
</tr>
<tr>
<td></td>
<td>$45</td>
<td>$40</td>
<td>$136</td>
<td>$90</td>
<td>$8</td>
<td>$18</td>
<td>$303</td>
</tr>
<tr>
<td></td>
<td>$50</td>
<td>$103</td>
<td>$76</td>
<td>$43</td>
<td>$46</td>
<td>$40</td>
<td>$223</td>
</tr>
<tr>
<td></td>
<td>$-</td>
<td>$8</td>
<td>$-</td>
<td>$-</td>
<td>$18</td>
<td>$-</td>
<td>$144</td>
</tr>
<tr>
<td></td>
<td>$105</td>
<td>$151</td>
<td>$303</td>
<td>$223</td>
<td>$211</td>
<td>$156</td>
<td>$446</td>
</tr>
</tbody>
</table>

|                      | Total Tuition and Fees* | $1,425 | $1,567 | $1,537 | $1,651 | $1,654 | $1,454 | $1,596 |
| Nonresidents         | Total Tuition and Fees* | $1,425 | $1,567 | $1,537 | $2,671 | $1,654 | $1,724 | $2,316 |

<table>
<thead>
<tr>
<th></th>
<th>Percentage Increase over Prior Year</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>%6.8</td>
<td>%3.1</td>
<td>%8.4</td>
<td>%3.0</td>
<td>%6.8</td>
<td>%5.1</td>
<td>%7.5</td>
<td></td>
</tr>
<tr>
<td>Nonresidents</td>
<td>%6.8</td>
<td>%3.1</td>
<td>%8.4</td>
<td>%76.6</td>
<td>%6.8</td>
<td>%4.1</td>
<td>%61.3</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Fees</th>
<th>Technology</th>
<th>Building</th>
<th>Incidental</th>
<th>Health</th>
<th>Student Services/Rec Ctr</th>
<th>Total Tuition and Fees*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>0.0%</td>
<td>-10.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.3%</td>
<td>0.0%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>7.1%</td>
</tr>
</tbody>
</table>

|                      | Total Tuition and Fees* | 7.1% | 3.2% | 8.0% | 2.0% | 6.3% | 4.4% | 56.0% |

* Excludes Programmatic Resource Fees. Amounts are rounded to nearest dollar.

[1] Increase due to alignment with academic year and the assessment of tuition based on residency status.

[2] Increase due to alignment with academic year and the assessment of tuition based on residency status.

[3] Increase due to growing summer useage of Recreation Center, necessitating additional staffing and services.
### Table 6
Summer Term 2007 Tuition and Fees
Graduate - 9 Credit Hours

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$1,980</td>
<td>$2,124</td>
<td>$1,834</td>
<td>$2,142</td>
<td>$2,230</td>
<td>$1,849</td>
<td>$2,160</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$1,980</td>
<td>$2,124</td>
<td>$1,834</td>
<td>$3,672</td>
<td>$2,230</td>
<td>$2,254</td>
<td>$3,240</td>
</tr>
</tbody>
</table>

**Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>$38</td>
<td>$41</td>
<td>$45</td>
<td>$54</td>
<td>$54</td>
<td>$40</td>
<td>$54</td>
</tr>
<tr>
<td>Building</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
</tr>
<tr>
<td>Incidental</td>
<td>$45</td>
<td>$40</td>
<td>$136</td>
<td>$100</td>
<td>$62</td>
<td>$43</td>
<td>$46</td>
</tr>
<tr>
<td>Health</td>
<td>$-</td>
<td>$-</td>
<td>$50</td>
<td>$103</td>
<td>$90</td>
<td>$65</td>
<td>$76</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$8</td>
<td>$-</td>
<td>$18</td>
<td>$-</td>
</tr>
<tr>
<td>Total Fees</td>
<td>$117</td>
<td>$165</td>
<td>$318</td>
<td>$286</td>
<td>$215</td>
<td>$211</td>
<td>$174</td>
</tr>
</tbody>
</table>

**Total Tuition and Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$2,097</td>
<td>$2,289</td>
<td>$2,152</td>
<td>$2,428</td>
<td>$2,445</td>
<td>$2,060</td>
<td>$2,334</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$2,097</td>
<td>$2,289</td>
<td>$2,152</td>
<td>$3,958</td>
<td>$2,445</td>
<td>$2,465</td>
<td>$3,414</td>
</tr>
</tbody>
</table>

**Percentage Increase over Prior Year**

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>6.8%</td>
<td>3.1%</td>
<td>8.5%</td>
<td>3.0%</td>
<td>6.9%</td>
<td>5.1%</td>
<td>8.5%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>6.8%</td>
<td>3.1%</td>
<td>8.5%</td>
<td>1.0%</td>
<td>6.9%</td>
<td>4.2%</td>
<td>62.8%</td>
</tr>
</tbody>
</table>

**Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>0.0%</td>
<td>-10.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>3.8%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Building</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Incidental</td>
<td>32.4%</td>
<td>0.0%</td>
<td>8.8%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.9%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Health</td>
<td>0.0%</td>
<td>25.0%</td>
<td>6.8%</td>
<td>-10.0%</td>
<td>1.6%</td>
<td>4.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>0.0%</td>
<td>80.0%</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Tuition and Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>7.0%</td>
<td>3.1%</td>
<td>8.1%</td>
<td>2.2%</td>
<td>6.4%</td>
<td>5.3%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>7.0%</td>
<td>3.1%</td>
<td>8.1%</td>
<td>0.7%</td>
<td>6.4%</td>
<td>4.4%</td>
<td>58.5%</td>
</tr>
</tbody>
</table>

*Excludes Programmatic Resource Fees. Amounts are rounded to nearest dollar.*

[1] Increase due to alignment with academic year and the assessment of tuition based on residency status.

[2] Increase due to growing summer usage of Recreation Center, necessitating additional staffing and services.
### Table 7
**Summer Term 2007 Tuition and Fees**
**Graduate - 12 Credit Hours**

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$2,640</td>
<td>$2,832</td>
<td>$2,434</td>
<td>$2,856</td>
<td>$2,950</td>
<td>$2,455</td>
<td>$2,880</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$2,640</td>
<td>$2,832</td>
<td>$2,434</td>
<td>$4,986</td>
<td>$2,950</td>
<td>$2,995</td>
<td>$4,320</td>
</tr>
</tbody>
</table>

**Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>$50</td>
<td>$54</td>
<td>$60</td>
<td>$72</td>
<td>$60</td>
<td>$40</td>
<td>$72</td>
</tr>
<tr>
<td>Building</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
</tr>
<tr>
<td>Incidental</td>
<td>$45</td>
<td>$40</td>
<td>$136</td>
<td>$100</td>
<td>$62</td>
<td>$43</td>
<td>$46</td>
</tr>
<tr>
<td>Health</td>
<td>$-</td>
<td>$50</td>
<td>$103</td>
<td>$90</td>
<td>$65</td>
<td>$76</td>
<td>$40</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$8</td>
<td>$-</td>
<td>$18</td>
</tr>
</tbody>
</table>

| Total Fees           | $129 | $178 | $333 | $304 | $221 | $211 | $192 |

**Total Tuition and Fees***

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$2,769</td>
<td>$3,010</td>
<td>$2,767</td>
<td>$3,160</td>
<td>$3,171</td>
<td>$2,666</td>
<td>$3,072</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$2,769</td>
<td>$3,010</td>
<td>$2,767</td>
<td>$5,200</td>
<td>$3,171</td>
<td>$3,206</td>
<td>$4,512</td>
</tr>
</tbody>
</table>

**Percentage Increase over Prior Year**

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>6.8%</td>
<td>3.1%</td>
<td>8.6%</td>
<td>3.0%</td>
<td>7.0%</td>
<td>5.1%</td>
<td>9.0%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>6.8%</td>
<td>3.1%</td>
<td>8.6%</td>
<td>1.0%</td>
<td>7.0%</td>
<td>4.2%</td>
<td>63.6% 1</td>
</tr>
</tbody>
</table>

**Fees**

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>0.0%</td>
<td>-10.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>3.4%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Building</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Incidental</td>
<td>32.4%</td>
<td>0.0%</td>
<td>8.8%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.9%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Health</td>
<td>0.0%</td>
<td>25.0%</td>
<td>6.8%</td>
<td>-10.0%</td>
<td>1.6%</td>
<td>4.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>0.0%</td>
<td>0.0%</td>
<td>80.0% 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Tuition and Fees***

<table>
<thead>
<tr>
<th></th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>6.9%</td>
<td>3.0%</td>
<td>8.2%</td>
<td>2.4%</td>
<td>6.6%</td>
<td>5.3%</td>
<td>8.8%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>6.9%</td>
<td>3.0%</td>
<td>8.2%</td>
<td>0.7%</td>
<td>6.6%</td>
<td>4.3%</td>
<td>59.8% 1</td>
</tr>
</tbody>
</table>

*Excludes Programmatic Resource Fees. Amounts are rounded to nearest dollar.

[1] Increase due to alignment with academic year, and the assessment of tuition based on residency status.

[2] Increase due to growing summer usage of Recreation Center, necessitating additional staffing and services.
### Table 8
Summer Term 2007 Tuition and Fees
Graduate - 15 Credit Hours

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>$3,300</td>
<td>$3,540</td>
<td>$3,034</td>
<td>$3,570</td>
<td>$3,670</td>
<td>$3,061</td>
<td>$3,600</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>$3,300</td>
<td>$3,540</td>
<td>$3,034</td>
<td>$6,120</td>
<td>$3,670</td>
<td>$3,736</td>
<td>$5,400</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fees</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>$50</td>
<td>$54</td>
<td>$75</td>
<td>$72</td>
<td>$60</td>
<td>$40</td>
<td>$90</td>
</tr>
<tr>
<td>Building</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
<td>$34</td>
</tr>
<tr>
<td>Incidental</td>
<td>$45</td>
<td>$40</td>
<td>$136</td>
<td>$100</td>
<td>$62</td>
<td>$43</td>
<td>$46</td>
</tr>
<tr>
<td>Health</td>
<td>$-</td>
<td>$-</td>
<td>$103</td>
<td>$90</td>
<td>$65</td>
<td>$76</td>
<td>$40</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>$-</td>
<td>$-</td>
<td>$8</td>
<td>$-</td>
<td>$18</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Fees</strong></td>
<td>$129</td>
<td>$178</td>
<td>$348</td>
<td>$304</td>
<td>$221</td>
<td>$211</td>
<td>$210</td>
</tr>
</tbody>
</table>

**Total Tuition and Fees***

| Residents        | $3,429 | $3,718 | $3,382 | $3,874 | $3,891 | $3,272 | $3,810 |
| Nonresidents     | $3,429 | $3,718 | $3,382 | $6,424 | $3,891 | $3,947 | $5,610 |

<table>
<thead>
<tr>
<th>Tuition</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>6.8%</td>
<td>3.1%</td>
<td>8.6%</td>
<td>3.0%</td>
<td>7.0%</td>
<td>5.6%</td>
<td>9.4%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>6.8%</td>
<td>3.1%</td>
<td>8.6%</td>
<td>1.0%</td>
<td>7.0%</td>
<td>4.5%</td>
<td>64.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fees</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>0.0%</td>
<td>-10.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>3.4%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Building</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Incidental</td>
<td>32.4%</td>
<td>0.0%</td>
<td>8.8%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.9%</td>
<td>17.9%</td>
</tr>
<tr>
<td>Health</td>
<td>0.0%</td>
<td>25.0%</td>
<td>6.8%</td>
<td>-10.0%</td>
<td>1.6%</td>
<td>4.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Student Services/Rec Ctr</td>
<td>0.0%</td>
<td></td>
<td></td>
<td></td>
<td>80.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Tuition and Fees***</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents</td>
<td>7%</td>
<td>3.0%</td>
<td>8.2%</td>
<td>2.5%</td>
<td>6.7%</td>
<td>5.7%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Nonresidents</td>
<td>7%</td>
<td>3.0%</td>
<td>8.2%</td>
<td>0.8%</td>
<td>6.7%</td>
<td>4.6%</td>
<td>60.7%</td>
</tr>
</tbody>
</table>

*Excludes Programmatic Resource Fees.  Amounts are rounded to nearest dollar.

[1] Increase due to alignment with academic year and the assessment of tuition based on residency status.

[2] Increase due to growing summer usage of Recreation Center, necessitating additional staffing and services.
In addition to the tuition and fees listed above, the following programmatic resource fees may be assessed to specific student groups during the 2007 summer session.

<table>
<thead>
<tr>
<th>Institution</th>
<th>Fee Description</th>
<th>UG Amount</th>
<th>Grad Amount</th>
<th>% Change from 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>EOU</td>
<td>Matriculation Fee (one time - all new and transfer students)</td>
<td>$100</td>
<td>$100</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OIT</td>
<td>Matriculation Fee (one time - all new and transfer students)</td>
<td>$115</td>
<td>$115</td>
<td>0% 0%</td>
</tr>
<tr>
<td>EOU</td>
<td>Transcript Fee (one time on all new students)</td>
<td>$40</td>
<td>$40</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Pre-engineering ($20 per credit hour up to $205 per term)</td>
<td>$205</td>
<td>$205</td>
<td>0% New</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Engineering ($44 per credit hour up to $433 per term)</td>
<td>$443</td>
<td>$430</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>MBA Students ($35 per credit hour up to $350 per term)</td>
<td>$350</td>
<td>$350</td>
<td>0% New</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>College of Liberal Arts upper division courses</td>
<td>$40</td>
<td>$40</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Department of Art</td>
<td>$100</td>
<td>$100</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>College of Science upper division courses</td>
<td>$40</td>
<td>$40</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Department of Human Development &amp; Family Sciences majors</td>
<td>$75</td>
<td>$75</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Department of Design and Human Environment</td>
<td>$100</td>
<td>$100</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Apparel Design</td>
<td>$100</td>
<td>$100</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Interior Design</td>
<td>$100</td>
<td>$100</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Housing Studies</td>
<td>$100</td>
<td>$100</td>
<td>0% New</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Interdisciplinary Studies</td>
<td>$35</td>
<td>$35</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Educational Resources</td>
<td>$50</td>
<td>$50</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Honors College</td>
<td>$250</td>
<td>$250</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Main Campus</td>
<td>Matriculation Fee (one time on all new and transfer students)</td>
<td>$300</td>
<td>$175</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Bend</td>
<td>Department of Art</td>
<td>$100</td>
<td>$100</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Bend</td>
<td>Educational Resources</td>
<td>$50</td>
<td>$50</td>
<td>0% 0%</td>
</tr>
<tr>
<td>OSU - Bend</td>
<td>Matriculation Fee (one time on all new and transfer students)</td>
<td>$300</td>
<td>$175</td>
<td>0% 0%</td>
</tr>
<tr>
<td>PSU</td>
<td>MBA Students ($35 per cr hr up to $350 per term)</td>
<td>$350</td>
<td>$350</td>
<td>0% 0%</td>
</tr>
<tr>
<td>PSU</td>
<td>School of Business ($10/hour up to 100/term)</td>
<td>$100</td>
<td>$100</td>
<td>0% 0%</td>
</tr>
<tr>
<td>PSU</td>
<td>Sch. of Engineering &amp; Computer Science ($35/hr to $350/term)</td>
<td>$350</td>
<td>$350</td>
<td>0% 0%</td>
</tr>
<tr>
<td>PSU</td>
<td>School of Fine &amp; Performing Arts ($5/hr up to $50 per term)</td>
<td>$50</td>
<td>$50</td>
<td>0% 0%</td>
</tr>
<tr>
<td>PSU</td>
<td>Speech &amp; Hearing Sciences</td>
<td>$250</td>
<td>$250</td>
<td>0% 0%</td>
</tr>
<tr>
<td>PSU</td>
<td>Matriculation Fee (one time - all new and transfer students)</td>
<td>$150</td>
<td>$150</td>
<td>0% 0%</td>
</tr>
<tr>
<td>SOU</td>
<td>School of Business</td>
<td>$15</td>
<td>$15</td>
<td>0% 0%</td>
</tr>
<tr>
<td>SOU</td>
<td>School of Science</td>
<td>$20</td>
<td>$20</td>
<td>0% 0%</td>
</tr>
<tr>
<td>SOU</td>
<td>Fine &amp; Performing Arts:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOU</td>
<td>Art, Music, Theater, Communication ($5/cr, $50 cap)</td>
<td>$50</td>
<td>$50</td>
<td>New New</td>
</tr>
<tr>
<td>SOU</td>
<td>Certificate in Nonprofit Management (9+ Credit Hours)</td>
<td>$167</td>
<td>$167</td>
<td>0% 0%</td>
</tr>
<tr>
<td>SOU</td>
<td>Certificate in Nonprofit Management (1-8 Credit Hours)</td>
<td>$85</td>
<td>$85</td>
<td>New New</td>
</tr>
<tr>
<td>SOU</td>
<td>Master's in Management ($20/hr up to $160/term)</td>
<td>$160</td>
<td>$160</td>
<td>0% 0%</td>
</tr>
<tr>
<td>SOU</td>
<td>Master of Arts in Teaching ($15/hr up to $120/term)</td>
<td>$120</td>
<td>$120</td>
<td>0% 0%</td>
</tr>
<tr>
<td>SOU</td>
<td>Master of Applied Psychology:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOU</td>
<td>Mental Health Counseling ($37 per cr hr up to $333/term)</td>
<td>No charge summer term</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOU</td>
<td>Organization Training &amp; Development ($33/cr hr to $300/term)</td>
<td>No charge summer term</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOU</td>
<td>Human Services ($30/hr up to $300/term)</td>
<td></td>
<td></td>
<td>No charge summer term</td>
</tr>
<tr>
<td>SOU</td>
<td>Matriculation Fee (one time - all new and transfer students)</td>
<td>$205</td>
<td>$205</td>
<td>2% 2%</td>
</tr>
<tr>
<td>UO</td>
<td>Matriculation Fee (one time - all new and transfer students)</td>
<td>$250</td>
<td>$150</td>
<td>0% 0%</td>
</tr>
<tr>
<td>WOU</td>
<td>Matriculation Fee (one time - all new and transfer students)</td>
<td>$100</td>
<td>$100</td>
<td>11%</td>
</tr>
</tbody>
</table>
**2007 Room and Board Rates:**
Summer session room and board accommodations on each campus vary according to the need and demand. They may include rates by day, week, multi-week, or term. A combined room and board rate is usually offered, as well as rates for room only, board only, and conference activities. Rates are generally comparable to those for individual terms of the academic year. Student housing facilities operate as auxiliary enterprises and are to be wholly self-supporting.

**Comparison of Basic Residence Hall Rates, Summer 2006 to 2007**

The following table shows comparative samples of room and board rates for a basic dorm room with double occupancy. Each institution offers a variety of room and meal options at rates above and below these listed.

<table>
<thead>
<tr>
<th>Sample Summer Housing Rates</th>
<th>2007</th>
<th>2006</th>
<th>Percent Change from Summer 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>EOU Per Week (includes meals)</td>
<td>$116</td>
<td>$105</td>
<td>10%</td>
</tr>
<tr>
<td>OIT Eight Week - Double (room only)</td>
<td>$535</td>
<td>$535</td>
<td>0%</td>
</tr>
<tr>
<td>OSU Eight Week - Double (includes meals)</td>
<td>$1,186</td>
<td>$1,098</td>
<td>8%</td>
</tr>
<tr>
<td>PSU Per Month - rates vary by location (room only)</td>
<td>$325-1050</td>
<td>$277-913</td>
<td>15-17%</td>
</tr>
<tr>
<td>SOU Eight Week - Multiple (includes meals)</td>
<td>$1,506</td>
<td>$1,424</td>
<td>6%</td>
</tr>
<tr>
<td>UO Eight Week - Multiple (includes meals)</td>
<td>$1,680</td>
<td>$1,568</td>
<td>7%</td>
</tr>
<tr>
<td>WOU Eight Week - Heritage Multiple (includes meals)</td>
<td>$1,170</td>
<td>$1,142</td>
<td>2%</td>
</tr>
</tbody>
</table>

**Public Hearing:**
A public hearing regarding the 2007 Summer Session Fee Book was conducted on December 5, 2005, at 10:00 a.m. in Room B214 of Kerr Administration on the OSU campus. No students attended this hearing.

**Staff Recommendation to the Committee:**
The staff recommends that the Board approve the proposed 2007 summer session tuition, fees, and related policies incorporated in this docket. Specifically, staff recommends that the Board amend OAR 580-040-0035 as follows:

**Summer Session Fee Book**
OAR 580-040-0035
The document entitled "Summer Session Fee Book 2007," dated January 05, 2007, is hereby amended by reference as a permanent rule. All prior adoptions of summer session fee documents are hereby repealed except as to rights and obligations previously acquired or incurred thereunder. Through the OAR amendment, the Board adopts the document entitled Summer Session Fee Book 2007. The Chancellor will be permitted to authorize minor clerical adjustments to the final document, if necessary.

(Board action: roll call vote required.)
OAR 580-020-0020, Repeal of the Annual Salary Calculation Method for Academic Staff

Staff Report to the Board:
OAR 580-020-0020 describes a salary calculation method required by a legacy payroll system that was replaced on all campuses between 1998 and 1999. The replacement payroll system is capable of making precise monthly pro-rations in accordance with the terms of academic staff contracts and pay period variations occurring year-to-year in the academic calendar, eliminating the need for the rule.

December 21, 2006, was the last day for public comment on repeal of the rule; no comment was received.

Recommendation to the Board:
To eliminate the potential for conflicts between this rule and current payroll calculation methods, staff recommends the Board repeal OAR 580-020-0020, effective on filing.

(Board action required: roll call vote)

580-020-0020
Payment of Academic Staff Compensation

Salaries of all Board academic staff with the rank of instructor or above, employed on an academic year basis, unless authorized otherwise by the Chancellor, shall be paid as follows: One-eighteenth of the annual salary shall be paid at the end of September of each year, one-ninth at the end of each succeeding month to and including May, and one-eighteenth at the close of the fiscal year.
Stat. Auth.: ORS 351
Stats. Implemented: ORS 351.070
Hist.: HEB 3-1978, f. & ef. 6-5-78; HEB 5-1996, f. & cert. ef. 12-18-96
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Resolution for the Sale of Articles XI-F(1) and XI-G Bonds

<table>
<thead>
<tr>
<th>2007 Spring Bond Sale for Capital Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four Campuses Served with Fourteen Individual Projects; Three Systemwide Allocation Programs</td>
</tr>
<tr>
<td>A Total of $119,471,590 Recommended for Sale, plus issuance costs for Article XI-F(1) Bonds</td>
</tr>
</tbody>
</table>

Summary:
The staff recommends the Board approve a request to the State Treasurer to issue $70,646,839 of bonds under authority of Article XI-F(1) of the Oregon Constitution and $48,824,751 of bonds for construction projects under authority of Article XI-G of the Oregon Constitution. This sale is currently scheduled to be held in April 2007. The total sale requested is for $119,471,590, plus estimated issuance costs of $1,400,000 for Article XI-F(1) bonds. All projects included in this sale have received both Board and Legislative approval.

Staff Report to the Board:

Background: The 2005 Legislative Assembly has authorized the State Board of Higher Education to issue general obligation bonds, with the proceeds to be used to finance capital construction and facilities repair and renovation projects in higher education. These bonds were authorized under two sections of the Oregon Constitution, Articles XI-F(1) and XI-G.

Article XI-F(1) bonds are issued to construct and repair facilities that are self-financing and self-supporting as determined by the Board, in accordance with Article XI-F(1) of the Oregon Constitution. Bonds of this type have been issued to cover projects for the construction and renovation of auxiliary enterprises space (such as parking facilities or student housing) where the source of debt service is from auxiliary funds. Bonds have also been approved for projects in student facilities (such as student unions, student health facilities, or student recreation facilities) where the debt service is repaid from the student building fee. The preponderance of bonds sold for capital construction in higher education has been under Article XI-F(1).

Article XI-G bonds are issued to construct and repair facilities classified as Education and General (E&G) use, including classroom facilities, libraries, teaching laboratories, and general administrative space. These bonds are matched by an appropriation from the state General Fund and are general obligations of the state; the debt service is paid from the General Fund. The Legislature established a mechanism whereby the General Fund match may be generated through gifts and/or federal and local governmental funds. These are first deposited to special project accounts in the Treasury and then treated as General Fund moneys for purpose of the match.

Request for Board Authorization to Issue. Institutions are now seeking authorization from the Board to issue a total of $119,471,590 in bonds plus estimated issuance costs of $1,400,000 for Article XI-F(1) bonds as part of a sale currently planned by the State Treasurer for April 2007.

Of this amount, a total of $70,646,839 is requested in Article XI-F(1) bond authorization, plus Article XI-F(1) bond issuance costs, and a total of $48,824,751 is requested in Article XI-G bond authorization.

Article XI-F(1) bond issuance costs are estimated at 2 percent ($1.4 million) and will be charged against each project for which Article XI-F(1) bonds are sold under this sale.

Prior to sale, the Board’s bond counsel may designate a portion of the sale as taxable, due to space utilization by private entities in the projects to be financed under this sale.

Several tables are provided herein:

- Table A, included in the resolution, identifies the Article XI-F(1) projects recommended for the April 2007 Bond Sale.
- Table B, also included in the resolution, identifies the Article XI-G projects recommended for the April 2007 Bond Sale.

Three tables are provided after the resolution to display information on debt service issues:

- Table C displays the amount of Article XI-F(1) bonds to be sold as well as the estimated annual debt service requirements associated with the projects proposed to be included in the April 2007 Bond Sale by campus and Systemwide.
- Table D displays information on Article XI-G bonded debt, beginning with 1993-1995 through 2005-2007. It compares the amount of the debt service paid with the total biennial budget for E&G all sources and E&G General Fund.
- Table E projects annual Article XI-G bonded debt outstanding and annual debt service beginning with the 1997-1999 biennium through 2006-2007, assuming approval of the proposed April 2007 Bond Sale.

In addition, summary information on each of the projects included in the proposed sale is provided in a supplement to this item.
Resolution for the Sale of Bonds for Capital Projects. The resolution now before the Board authorizes staff to pursue the sale of bonds for all projects currently identified by the campuses as needing bond financing consistent with the overall bond limitation imposed by the Legislature for the period 2005-2007.

**Staff Recommendation to the Board:**
Staff recommends that the Board adopt the following resolution: (1) finding that the projects for which Article XI-F(1) bonds are proposed meet the self-liquidating and self-supporting requirements of Article XI-F(1), Section 2, of the Oregon Constitution and authorizing the sale of Article XI-F(1) bonds; and (2) authorizing the sale of Article XI-G bonds.

*(Board action required.)*

**RESOLUTION FOR THE SALE OF BONDS FOR CAPITAL PROJECTS**

WHEREAS, ORS 286.031 states, in part, that the State Treasurer shall issue all general obligation bonds of this state after consultation with the state agency responsible for administering the bonds proceeds; and

WHEREAS, ORS 286.033 states, in part, that the state agency shall authorize issuance of bonds subject to ORS 286.031 by resolution; and

WHEREAS, ORS Chapters 351, 288, and 286 provide further direction as to how bonds are sold and proceeds administered; and

WHEREAS, Chapter 787, Oregon Laws 2005 and Chapter 845, Oregon Laws 2001 lists those projects that may be financed pursuant to Articles XI-F(1) and XI-G of the Oregon Constitution; and

WHEREAS, it is appropriate for this Board to authorize the State Treasurer to issue bonds for projects authorized by previous legislation and pending bills, once adopted by the Legislature and signed into law by the Governor, and in amounts not greater than authorized by the bond bill and for other projects as may be provided by law and as otherwise required by law for the 2005-2007 biennium without requiring further action of this Board;

NOW, THEREFORE, be it resolved by the State Board of Higher Education of the State of Oregon as follows:

Section 1. Article XI-F(1) Projects. Pursuant to Section 2 of Article XI-F(1) of the Oregon Constitution, the Board hereby finds that the projects listed below in Table A conservatively appear to the Board to be wholly self-liquidating and self-supporting from
revenues, gifts, grants, or building fees. Bonds are authorized to be sold under Article XI-F(1) to provide funds to pay these projects and costs of issuance of these bonds.

Table A - Article XI-F(1) Projects Recommended for April 2007 Bond Sale

<table>
<thead>
<tr>
<th>Article XI-F(1) Projects</th>
<th>Estimated Bond Cost, excluding issuance costs</th>
<th>Maximum Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systemwide: Capital Repair/Code Compliance</td>
<td>$4,658,820</td>
<td>30 years</td>
</tr>
<tr>
<td>Systemwide: Small Capital Projects</td>
<td>2,930,650</td>
<td>15 years</td>
</tr>
<tr>
<td>Systemwide: Project Reserves</td>
<td>1,752,869</td>
<td>30 years</td>
</tr>
<tr>
<td>OSU: Parking Services Building</td>
<td>1,600,000</td>
<td>30 years</td>
</tr>
<tr>
<td>OSU: Reser Stadium Phase II</td>
<td>17,000,000</td>
<td>30 years</td>
</tr>
<tr>
<td>OSU: UHDS, Residential Upgrades</td>
<td>3,000,000</td>
<td>20 years</td>
</tr>
<tr>
<td>PSU: Retail Development-Various Locations*</td>
<td>1,000,000</td>
<td>20 years</td>
</tr>
<tr>
<td>PSU: Parking Structure</td>
<td>7,100,000</td>
<td>20 years</td>
</tr>
<tr>
<td>PSU: PCAT Redevelopment</td>
<td>25,000,000</td>
<td>30 years</td>
</tr>
<tr>
<td>UO: Food Service Upgrade</td>
<td>2,000,000</td>
<td>20 years</td>
</tr>
<tr>
<td>UO: High St./Baker Building Purchase</td>
<td>4,604,500</td>
<td>20 years</td>
</tr>
<tr>
<td>TOTAL XI-F(1) Projects</td>
<td>$70,646,839</td>
<td>N/A</td>
</tr>
</tbody>
</table>

In accordance with past practice, approximately 2 percent issuance cost for Article XI-F(1) bonds will be added to the total project cost at the time of issuance to cover underwriting and other costs associated with the sale.
Section 2. Article XI-G Projects. Bonds are authorized to be sold under Article XI-G to provide funds for the projects described below in Table B.

**Table B - Article XI-G Projects Recommended for April 2007 Bond Sale**

<table>
<thead>
<tr>
<th>Article XI-G Projects</th>
<th>Estimated Bond Cost, excluding issuance costs</th>
<th>Maximum Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>OSU: Energy Center</td>
<td>$8,000,000</td>
<td>30 years</td>
</tr>
<tr>
<td>PSU: NW Engineering Science Center Phase 1</td>
<td>8,624,751</td>
<td>30 years</td>
</tr>
<tr>
<td>SOU: Instructional Facility, Medford</td>
<td>5,550,000</td>
<td>30 years</td>
</tr>
<tr>
<td>UO: Gilbert Hall Expansion</td>
<td>3,300,000</td>
<td>20 years</td>
</tr>
<tr>
<td>UO: New Education Building</td>
<td>19,400,000</td>
<td>30 years</td>
</tr>
<tr>
<td>UO: Theater Complex</td>
<td>3,950,000</td>
<td>20 years</td>
</tr>
<tr>
<td><strong>TOTAL XI-G Projects</strong></td>
<td><strong>$48,824,751</strong></td>
<td><strong>NA</strong></td>
</tr>
</tbody>
</table>

Section 3. Terms, Sale, and Issuance. The bonds authorized by this resolution (the "Bonds"), shall be issued in such series and principal amounts as the State Treasurer, after consultation with the Chancellor of the Oregon University System, the Chancellor’s designee (the “Designee”) or the Controller shall determine are required to fund the projects described in Sections 1 and 2 of this resolution. The Bonds shall mature, bear interest, and otherwise be structured, sold, and issued as the State Treasurer determines after consultation with the Chancellor, the Designee, or the Controller. The maximum net effective interest rate for the Bonds shall not exceed 8 percent per annum.

Section 4. Maintenance of Tax-Exempt Status. The Chancellor, the Designee, or the Controller of the Department of Higher Education are hereby authorized to covenant, on behalf of the Board, to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), that are required for interest on tax-exempt Bonds to be excluded from gross income for federal income taxation purposes.

Section 5. Other Action. The State Treasurer, the Chancellor, or the Designee, or the Controller of the Department of Higher Education are each hereby authorized, on behalf of the Board, to take any action that may be required to issue, sell, and deliver the Bonds in accordance with this resolution.
### Additional Information on Debt and Debt Service

**Table C – April 2007 Bond Sale for Article XI-F(1) Bonds:**

_Magnitude of Bonds to be Sold and Associated Annual Debt Service_  
_(dollars in millions)_

<table>
<thead>
<tr>
<th>Campus</th>
<th>Bonds Outstanding as of 7/1/06*</th>
<th>Annual Debt Svc as of 7/1/06*</th>
<th>April 2007 Bond Sale</th>
<th>April 2007 Increment of Annual Debt Svc**</th>
<th>Repayment Sources for Projects Proposed in this Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systemwide</td>
<td>$ 50.1</td>
<td>$ 2.8</td>
<td>$9.3</td>
<td>0.9</td>
<td>Various</td>
</tr>
<tr>
<td>EOU</td>
<td>25.4</td>
<td>2.1</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>OIT</td>
<td>19.1</td>
<td>1.5</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>OSU</td>
<td>154.0</td>
<td>12.8</td>
<td>21.6</td>
<td>1.6</td>
<td>Athletics, Parking, &amp; Housing</td>
</tr>
<tr>
<td>PSU</td>
<td>130.8</td>
<td>10.6</td>
<td>33.1</td>
<td>2.5</td>
<td>Rental Income, Student Fees, &amp; Parking</td>
</tr>
<tr>
<td>SOU</td>
<td>27.1</td>
<td>2.4</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>UO</td>
<td>173.0</td>
<td>14.5</td>
<td>6.6</td>
<td>0.6</td>
<td>Housing/Aux Services</td>
</tr>
<tr>
<td>WOU</td>
<td>27.9</td>
<td>2.5</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL DEBT OUTSTANDING</strong></td>
<td><strong>$607.4</strong></td>
<td><strong>$49.2</strong></td>
<td><strong>$70.8</strong></td>
<td><strong>$5.6</strong></td>
<td><strong>N/A</strong></td>
</tr>
</tbody>
</table>

* Excludes OHSU debt outstanding, which is paid by OHSU per OUS/OHSU Debt Service Agreement.

** The majority of the projects to be included in the April 2007 Bond Sale would generate additional revenue necessary to make the projects self liquidating and self supporting.
Table D - Article XI-G Bonded Debt Historical Trends
(dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>Total Biennial E&amp;G All Sources*</th>
<th>Debt Service as Percent of E&amp;G Total</th>
<th>Total General Fund E&amp;G</th>
<th>Debt Service as Percent of General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993-1995</td>
<td>866</td>
<td>1.47%</td>
<td>482</td>
<td>2.64%</td>
</tr>
<tr>
<td>1995-1997</td>
<td>991</td>
<td>1.67%</td>
<td>422</td>
<td>3.79%</td>
</tr>
<tr>
<td>1997-1999</td>
<td>1,062</td>
<td>1.73%</td>
<td>496</td>
<td>3.69%</td>
</tr>
<tr>
<td>1999-2001</td>
<td>1,115</td>
<td>1.67%</td>
<td>530</td>
<td>3.52%</td>
</tr>
<tr>
<td>2001-2003</td>
<td>1,353</td>
<td>1.58%</td>
<td>617</td>
<td>3.46%</td>
</tr>
<tr>
<td>2003-2005</td>
<td>1,534</td>
<td>1.73%</td>
<td>543</td>
<td>4.87%</td>
</tr>
<tr>
<td>2005-2007</td>
<td>1,597</td>
<td>1.90%</td>
<td>565</td>
<td>5.36%</td>
</tr>
</tbody>
</table>

* Excludes non-limited funds (such as sponsored programs).

Table E - Article XI-G Bonded Debt Outstanding Actual and Projected
(dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>Beginning Bonds Outstanding</th>
<th>Annual Debt Service</th>
<th>Biennial Debt Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997-1998</td>
<td>$ 64.2</td>
<td>8.5</td>
<td>$18.0</td>
</tr>
<tr>
<td>1998-1999</td>
<td>73.6</td>
<td>9.5</td>
<td></td>
</tr>
<tr>
<td>1999-2000</td>
<td>75.8</td>
<td>9.7</td>
<td>18.6</td>
</tr>
<tr>
<td>2000-2001</td>
<td>94.4</td>
<td>8.9</td>
<td></td>
</tr>
<tr>
<td>2001-2002</td>
<td>89.3</td>
<td>9.7</td>
<td>21.4</td>
</tr>
<tr>
<td>2002-2003</td>
<td>123.2</td>
<td>11.7</td>
<td></td>
</tr>
<tr>
<td>2003-2004</td>
<td>147.8</td>
<td>12.5</td>
<td>24.4</td>
</tr>
<tr>
<td>2004-2005</td>
<td>155.6</td>
<td>11.9</td>
<td></td>
</tr>
<tr>
<td>2005-2006</td>
<td>175.2</td>
<td>12.8</td>
<td>27.6</td>
</tr>
<tr>
<td>2006-2007</td>
<td>195.1</td>
<td>14.8</td>
<td></td>
</tr>
</tbody>
</table>
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Resolution for the Sale of Refunding Bonds

Authorizes refunding bonds to achieve debt service savings

Summary:
The staff recommends the Board approve a request to the State Treasurer to refund outstanding general obligation bonds to achieve debt service savings. The amount of refunding bonds that are issued will depend on market conditions at the time of the sale.

Staff Report to the Board:
The State Board of Higher Education may have an opportunity to achieve significant debt savings by refunding certain outstanding series of bonds. This will require the issuance of refunding bonds. Authorization for the sale is granted by Oregon Revised Statutes 286.051 and 288.605 through 288.695, inclusive.

For any advance refunding undertaken, the rules of the State Treasury require a minimum 3 percent present value savings net of selling expenses. Current refundings may have lower savings. Maturity lengths will remain unchanged or be shortened. Under no circumstances will maturities be extended.

A sale date has been tentatively set for April 2007. However, Board action to approve the following bond resolution is required before the State Treasurer can arrange for, and proceed with, a refunding sale.

Staff Recommendation to the Board:
Staff recommends that the Board adopt the following resolution authorizing the issuance and sale of general obligation refunding bonds to achieve debt service savings.

(Board action required.)

RESOLUTION FOR THE SALE OF REFUNDING BONDS

WHEREAS, ORS 286.031 states, in part, that the State Treasurer shall issue all general obligation bonds of this state after consultation with the state agency responsible for administering the bond proceeds; and

WHEREAS, ORS 286.033 states, in part, that the state agency shall authorize issuance of bonds subject to ORS 286.031 by resolution; and

WHEREAS, ORS Chapters 351, 288 and 286 provide further direction as to how bonds are sold and proceeds administered; and
WHEREAS, ORS 286.051 authorizes the issuance of current refunding bonds and ORS 288.605 et. seq. authorizes the issuance of advance refunding bonds by the State Treasurer upon finding that certain requirements and conditions have been met; and

WHEREAS, it appears advantageous to this Board to authorize the sale of refunding bonds to achieve debt service savings;

NOW, THEREFORE, be it resolved by the State Board of Higher Education of the State of Oregon as follows:

Section 1. Issue. General obligation refunding bonds are authorized under Articles XI-F(1) and XI-G of the Oregon Constitution to achieve debt service savings. The bonds authorized by this resolution (the "Bonds") shall be issued in such series and principal amounts as the State Treasurer, after consultation with the Chancellor of the Oregon University System, the Chancellor's designee (the “Designee”), or the Controller shall determine. The Bonds shall mature, bear interest, and otherwise be structured, sold, and issued as the State Treasurer determines after consultation with the Chancellor, the Designee, or the Controller. The maximum net effective interest rate for the Bonds shall not exceed 8 percent per annum.

Section 2. Maintenance of Tax-Exempt Status. The Chancellor, the Designee, or the Controller of the Department of Higher Education are hereby authorized to covenant, on behalf of the Board, to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), that are required for interest on tax-exempt Bonds to be excluded from gross income for federal income taxation purposes.

Section 3. Other Action. The State Treasurer, the Chancellor, or the Designee, or the Controller of the Department of Higher Education are each hereby authorized, on behalf of the Board, to take any action that may be required to issue, sell, and deliver the Bonds in accordance with this resolution.
A Report on the Governor’s 2007-2009 Recommended Budget for Higher Education

The Governor’s 2007-2009 Recommended Budget for OUS is a very significant positive step in a new direction for higher education. Although it will be acknowledged as the first of many investments needed, it represents the beginning of a new era in higher education finance that will begin to rebuild the funding base for OUS. This budget demonstrates enlightened leadership and emanates from a vision and commitment to a brighter future for Oregon.

This budget also acknowledges the hard work that the Board, institutions, educational partners, faculty, students, supporters, OUS staff, and staff in the Governor’s office have invested in this process. These individuals and entities have provided compelling advocacy, worked collaboratively, and have challenged the status quo to enhance education funding and therefore Oregon’s future.

The Governor has acknowledged and is supporting all the major priorities as identified by the Board during their recent planning sessions. He invests in the System’s most important assets: its students, faculty, and facilities, and invests in research and economic development that will create opportunities for Oregon’s growth industries, including healthcare, sustainability, metals, and other emerging enterprises. This budget acknowledges the work of the Board and suggests the creation of an education enterprise that is unified and state of the art in terms of its synchronization and coordination between and among the sectors. Although structural, funding, and governance differences between the sectors abound, this diversity has created strength and has unified the education enterprise in a manner that is unique and will create synergies for all Oregonians.

However, this recommended budget is only the first step of many needed to rebuild Oregon’s capacity to educate its citizens, provide cutting edge research, offer value adding services and enhance the state’s economy to ensure Oregon’s future competitiveness and sustainability. Despite significant recommended improvements in state funding in 2007-2009 many OUS institutions will continue to need to make budget reductions in 2007-2009 as many OUS institutions are currently spending well in excess of their revenues and have significantly reduced reserves in the current biennium. Increasing costs coupled with declining enrollments at some institutions and tuition and fee limitations have taken their toll and will require significant reductions in recurring expenditures for these spending plans to come into alignment with recurring revenues.

Highlights of the 2007-2009 Governor’s Recommended Budget include the following:

An enhanced operating budget with investments in instruction; research; public service; preservation of access to a high quality, yet affordable education for all qualified Oregonians; and investments in alignment of the PreK-20 education continuum ($827.1 million General Fund and $31.5 million in Lottery Funds):
• Funding for the essential budget level (EBL—$35.2 million);
• Limiting resident UG tuition increases to projected changes in median family income;
• Funding for utility increases ($2.2 million);
• Funding enrollment growth ($14.6 million);
• Investments in quality through investments in faculty and academic capacity (salary increases $8 million as well as reductions in the student faculty ratio $6.9 million);
• Funding to enhance the financial sustainability of the regional campuses and the OSU-Cascades campus ($9 million);
• Investments in key priorities identified by the Board:
  - ETIC ($17 million) – plus $11.8 million in COP authority;
  - Healthcare ($7.4 million);
  - Statewide Public Services—Agriculture Experiment Station, Extension Service and Forest Research ($5.5 million);
  - Rural access ($1.6 million);
  - OSU Natural Resources Institute ($2.25 million);
  - Oregon Solutions project at PSU 1.5 million); and
  - Atlas/Integrated Data Transfer System ($0.8 million).
• Sports and scholarship Lottery funding that is double current funding levels (net after a $4.9 million General Fund offset).

In addition, the Governor’s Recommended Budget includes funding for other programs that both complement and support OUS initiatives, including investments in student aid, research, economic development, healthcare education programs, and reserves for salary and benefit cost increases in affiliated budgets, including:

• Significant investments in student aid in the OSAC budget with the proposed adoption of the shared responsibility model;
• Investments in collaborative research and economic development programs funded through Oregon Economic and Community Development Department budget ($38.2 million), including:
  - ONAMI ($10 million);
  - Oregon Transitional and Drug Discovery Institute (OTRADI—$7 million);
  - Wave energy research ($5.2 million);
  - Bio-economy and Sustainable Technologies (Oregon BEST—$3.0 million); Manufacturing 21 and metals initiatives ($3.4 million);
  - Food Processing/Seafood ($4.6 million); and
  - Innovation Accelerator Funds ($5.0 million).
• Other investments in healthcare education through collaborative programs with OHSU (included in OHSU’s budget):
  - Medical education collaborations with UO and OSU (Eugene and Corvallis); and
  - Nursing education at WOU.
• Significant reserves in the emergency fund budget for salary and benefit cost increases $130 million statewide with OUS representing approximately 25 percent of the total state employees.
Legislative Concepts:
The Governor’s Recommended Budget also includes a recommendation to proceed with the following OUS legislative concepts as previously submitted by the Board:
- Investment earnings (less General Fund offset of $19.1 million);
- Variable rate and synthetic fixed rate financing mechanisms; and
- Efficiencies in capital budgeting and project approval for self-funded projects.

A very significant capital budget with investments in new capital projects on each campus, capital repairs, deferred maintenance backlogs, and sustainability demonstration projects ($594.5 million, including $91.3 million Article XI-G bonds, $127.6 million Article XI-F(1) funds, $174.9 million Lottery bonds, $47.6 million state Energy Loan Program funds, $11.0 million COPs, and $142.2 million Other Funds):

The recommended 2007-2009 capital budget is one of the best capital budgets for OUS in recent history, including strategic investments in new facilities and full funding for capital repairs and investments in deferred maintenance projects that will significantly reduce the maintenance backlog in OUS and strategic investments in five sustainability demonstration projects:
- New facilities:
  - EOU–Regional Information Center;
  - EOU–Creation of a Hermiston University Center in collaboration with BMCC;
  - OIT–Center for Health Professions–Phase II;
  - OSU–Pauling Research and Education Building;
  - PSU–Science Research and Teaching Center/Hazardous Waste Facility;
  - SOU–Theatre Arts Expansion and Remodel;
  - UO–Integrative Science Complex, Phase II; and
  - WOU–Business/Math/Computer Science Facility.
- Full funding for capital repairs $83.5 million up from $23.6 million in 2005-2007.
- $90 million for deferred maintenance projects reducing maintenance backlogs by 14 percent (from $640 million to $550 million).
- Funding for five sustainability demonstration projects, including:
  - OIT–Geothermal electrical generation ($5 million);
  - OSU–Bio-fuels, wave energy and wind power ($15 million); and
  - Solar power at UO, PSU and multiple regional campuses ($5 million).

The full text of the Governor’s Recommended 2007-2009 higher education budget is included in the appendices as Appendix D.

Summary:
This budget represents one of the most significant investments in higher education in recent history. It will allow the System to preserve access, affordability and serve more students; enhance academic quality; provide greater research and service; invest in economic development; and facilitate the continued collaborative with K-12, community
colleges and OSAC. It demonstrates confidence in the System, its institutions, and its people and it represents a commitment to the students and the economy of this state.
APPENDIX A:

A1: Emerging SRC: Bio-Economy & Sustainable Technologies (BEST) Center (Oregon InC Summary and Presentation)

A2: Meyer Memorial Trust: Oregon BEST Initial Inquiry

A3: Oregon Best: Letter of Inquiry to the Oregon Community Foundation
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Meyer Memorial Trust: Oregon BEST
Initial Inquiry

- Describe your organization, its purpose, brief history, current major programs and/or activities, and the demographics (e.g., number, ethnicity, age, income levels, geographic area, etc.) of the people you serve.

   The Oregon Innovation Council (Oregon InC) recently endorsed creation of the Oregon Bio-Economy and Sustainable Technologies research center (Oregon BEST) as Oregon’s third signature research center. Following a rigorous evaluation of 14 highly competitive proposals, the Oregon BEST proposal was one of two recommended for legislative funding. Pending Oregon BEST’s incorporation as a non-profit, the Oregon University System serves as its fiscal agent.

   Oregon BEST’s mission is to grow high wage jobs, create new businesses, energize resource-based producers, and help promote a vibrant and sustainable economy throughout Oregon. Oregon BEST will achieve this mission by building on the combination of Oregon’s academic and industry expertise and rich natural resource base to make the state a leader in the development and application of clean technologies and services that can lead the region and the world to a more sustainable future. Oregon BEST will focus on research and commercialization in the areas of clean energy, bio-based products, and green development.

- Describe the project for which funds are requested. Explain the need for the project in the local context, why your organization decided to address it as you propose, and your expected outcomes.

   Funds are requested to support Oregon BEST’s institutional start up. An initial business plan has been prepared by volunteer experts from the OUS system, industry and non-profits. The process of developing Oregon BEST has fostered new partnerships between leading researchers at OSU, PSU and UO. OIT also contributed to the proposal, and there are opportunities to engage Eastern Oregon and Southern Oregon as well. The process has also introduced researchers to leaders in the sustainable business community, setting the stage for a successful start-up.

   However, due to the fast pace of the Oregon InC process it has not been possible to fully engage all interested faculty, firms and non-governmental organizations in identifying research priorities, investment opportunities, and commercialization strategies. This step is crucial to ensure Oregon BEST’s success.

   By developing relationships across institutions and disciplines, Oregon BEST will catalyze formation of the interdisciplinary research teams needed to solve sustainability problems and take advantage of the opportunities available to Oregon businesses. By tying research teams to community outreach programs such as OSU Extension, UO’s RARE program, and PSU’s Institute of Metropolitan Studies, Oregon BEST’s research will address community needs and opportunities in new, innovative ways. Oregon BEST is also seeking to engage
Oregon’s community colleges to achieve better alignment between their workforce development efforts and university research and education programs.

Oregon BEST will build on the signature research center model developed by ONAMI, linking Oregon’s centers of research excellence with key industry clusters. Oregon BEST will, however, place greater emphasis on (1) working with a diversity of businesses throughout the state to define the research agenda; (2) developing broad faculty participation; and (3) removing barriers to commercialization of sustainable technologies. Many of the product and process innovations in these fields are particularly promising for Oregon’s small and medium sized businesses and rural communities, which will be a priority focus for Oregon BEST.

Oregon BEST can help create an economic system that better integrates rural communities with urban and export markets by providing businesses state-wide with access to new technologies and management practices that take advantage of the growing markets for sustainable, non-toxic products and services. An OECD analysis shows a potential 500% return on Oregon’s initial proposed investment in Oregon BEST, indicating significant benefits in both wealth creation and jobs.

Oregon BEST will foster the technology discoveries needed to give Oregon a leadership role in the globally expanding sustainability marketplace; by engaging business schools and business accelerators it will create mechanisms to connect university research and technology development to local businesses and communities, helping grow jobs for Oregonians. While Oregon is already a leader in green building and innovative green development, for example, no comprehensive strategy exists to develop the local supply chain to take advantage of burgeoning market opportunities for high performance building materials and technologies. Architects specify green products like non-toxic wheat board in their designs, but cannot find these products in the marketplace. Oregon BEST can take the lead in developing a more explicit strategy to engage Oregon’s businesses in these supply chains.

Building bridges to facilitate successful commercialization of products and services is not a simple task, particularly as Oregon BEST is seeking to engage relevant businesses of all sizes in both urban and rural communities rather than just a few large companies. We seek support from the Meyer Memorial Trust (MMT) to establish a strong and effective institutional foundation to ensure that Oregon BEST can deliver the full range of benefits to the state through innovative sustainability research that fosters economic development.

- Provide a summary overview of the project budget. Briefly describe the project expenditures and the sources and amounts of committed and projected revenue. Indicate the amount requested from MMT and how funds would be expended over time. (Your response should primarily consist of a verbal description. If your organization is invited to submit a full proposal, you will have an opportunity to submit detailed budget information. Please do not include tables and charts here; this application does not properly display formatted data and likely we will not be able to read it.)

Oregon InC will seek $3 million from the 2007 Oregon Legislature to support Oregon BEST. The Oregon InC selection process was strongly bipartisan, with legislative members
from both parties represented on the Council; the Council’s full legislative package will also be included in Governor Kulongoski’s budget. There is therefore a strong likelihood that this proposal will be favorably received by the 2007 legislature.

Legislative funds are unlikely to be available prior to July 1, 2007. The Chancellor of the Oregon University System and the Board of Higher Education is considering a seed grant of $250,000 to hire an interim director and business development manager. A matching investment of $250,000 has also been requested from OCF to support outreach to rural communities and small- to medium-sized businesses.

The $250,000 requested from MMT would support the following activities:

- Further developing Oregon BEST’s institutional structure and business plan, building on the activities noted above: $50,000
  - Oregon BEST is committed to being outcome oriented, and the diversity of businesses and communities that Oregon BEST aspires to serve requires new and innovative approaches to partnership development. Funding is requested to support a working group to develop more detailed answers to the following questions: How do we structure the board and staff and conduct communications and outreach to ensure Oregon BEST is an effective engine for innovation and partnership? What are best practices for similar organizations? What indicators should be used to assess Oregon BEST’s success?

- Convening businesses, community partners and faculty from multiple disciplines and institutions to foster effective collaboration on Oregon BEST projects: $25,000.
  - Without the full engagement of these players, Oregon BEST cannot achieve its full potential. While there has been strong support and involvement from OUS research institutions, PNNL, the Governor’s office, state agencies, and the business community in developing the Oregon BEST proposal, a more proactive effort to systematically engage these institutions in the Center’s design and strategic focus is crucial to establish a strong foundation for research and partnerships. Funding will be used for strategic planning events - like ONAMI’s successful “mega-mixers” - to develop the “civic space” where effective collaboration can grow across diverse disciplines and institutions.

- Establishing a seed research fund to foster multidisciplinary, inter-institutional, and university-community projects: $150,000
  - Building on the activities described above, representatives from the business community would work with university faculty to identify priority research and development needs such as gaps in supporting technologies or in the availability of locally sourced products. A competitive grant process would catalyze relevant solutions by creating multi-disciplinary, multi-institution teams to address these gaps. Such seed funding is essential to support the development of collaborative, outcome-oriented project teams. Without such a “carrot,” faculty and businesses are likely to remain in their disciplinary and industry silos, isolated from business and community needs.
• Developing the institutional capacity to raise funds to support inter-disciplinary research and commercialization and provide for outreach to businesses and communities: $25,000.
  o The inter-disciplinary and inter-institutional nature of Oregon BEST will require an innovative business plan and long term funding strategy that provide incentives for ongoing collaboration and that move Oregon BEST toward self-sustaining status. Funding is requested to guide further development of Oregon BEST’s business plan and funding strategy, focused on the following questions: What public (federal and non-federal) and private funds are available to support Oregon BEST’s research and outreach activities over the short, medium, and long term? How can Oregon BEST be self-sustaining in the long term? What will its relationship be to private businesses? What funding models should be considered? Where are the greatest opportunities for grants/contracts?

• If appropriate, explain how your organization would sustain the project after the period of the grant.

Oregon BEST aspires to be self-sustaining through research grants, contracts, and other outcome-oriented activities. As evidenced by OECDD’s economic analysis, Oregon BEST should be a good investment from the outset. Legislative funding would likely continue for the next 2 or 3 biennia to ensure a foundation of external research funding is well established. The funding requested from MMT is crucial to develop a robust funding strategy and business model to achieve this goal. By building the internal capacity to develop and implement a self-sustaining business plan and funding model, Oregon BEST will be positioned to mobilize external resources that ensure a cutting edge, proactive long term research agenda that will provide benefits to workers, businesses and communities across the state. MMT’s early support of BEST will help Oregon move to the forefront of sustainable economic development and become a model for others regionally, nationally, and internationally.
Annex Three  December 21, 2006 Proposal to the Board of Higher Education

October 19, 2006

Gregory A. Chaillé, President
The Oregon Community Foundation
1221 S.W. Yamhill St., #100
Portland, OR 97205-2108

Dear Mr. Chaillé:

Thank you for your invitation to submit a letter of inquiry on behalf of the Oregon University System regarding the establishment of the Oregon Bio-economy and Sustainable Technologies Research center (Oregon BEST). The development of this proposal has been a collaborative effort involving Oregon State University, Portland State University, and the University of Oregon, with input from a broad range of public and private sector partners. We believe that Oregon BEST can significantly enhance both the economy and the quality of life for Oregon’s businesses and communities by making the state a leader in the areas of clean energy, bio-based products, and green development. We hope that the Oregon Community Foundation will consider a grant to help ensure that Oregon can take full advantage of this important and timely opportunity.

Please feel free to contact me (Jennifer Allen, 503-312-5801, jhallen@pdx.edu), or Susan Bragdon (503-772-9595, bragdonsh@gmail.com) if you have any questions or would like additional information regarding this initiative, which is described in detail below. Thank you in advance for your time and attention.

What is the Oregon Bio-Economy and Sustainable Technologies Center?

The Oregon Innovation Council (Oregon InC) recently endorsed the creation of the Oregon Bio-Economy and Sustainable Technologies research center (Oregon BEST) as Oregon’s third signature research center. Oregon BEST will focus on research and commercialization in the areas of clean energy, bio-based products, and green development. Oregon InC will seek $3 million from the 2007 Oregon Legislature to start Oregon BEST, but those funds will not be available until July 1, 2007 at the earliest.

The Chancellor of the Oregon University System (OUS) believes that earlier start up funding will ensure that Oregon can quickly take a leadership role in this rapidly emerging field, and is requesting $250,000 from the Board of Higher Education at its November 2006 meeting. OUS seeks a matching grant of $250,000 from the Oregon Community Foundation – $50,000 to conduct a state-wide needs assessment and $200,000 to implement the findings of this assessment - to jump start Oregon BEST, and in particular to help ensure that the center effectively engages communities and businesses across the state.

Following a rigorous evaluation of research center proposals, Oregon InC recognized the potential for Oregon BEST to contribute to a vibrant and sustainable economy in Oregon because
of the competitive advantage inherent in Oregon’s rich natural resource base and its academic and industry strengths. An initial investment of seed funding would permit Oregon BEST to more fully develop its business strategy to ensure effective communication, coordination and cooperation between the Oregon University System and the businesses and communities throughout Oregon that can benefit from research and commercialization in the center’s areas of focus.

The importance of launching Oregon BEST in the near term is imperative. Oregon is now positioned to take a leadership role in the fields of bio-based products, clean energy and green development, but the state risks losing this edge if it does not invest now to engage OUS faculty with business and community leaders in: (1) identifying key research priorities, (2) helping them compete for the large new federal and private investments now becoming available; and (3) translating research results into new businesses and jobs for Oregonians.

Building bridges to facilitate successful commercialization of products and services is not a simple task, particularly as Oregon BEST is seeking to engage businesses of all sizes in both urban and rural communities rather than just a few large companies. The work over the past year to develop the Oregon BEST proposal has built a strong partnership between Oregon State University (OSU), Portland State University (PSU) and the University of Oregon (UO). Although discussions have occurred between the universities and the private sector (including businesses and non-governmental organizations (NGOs)), however, more outreach is needed to engage faculty throughout the OUS system and to reach a wider complement of Oregon businesses, communities and NGOs that would benefit from partnerships with the center. This statewide, public-private engagement is vitally needed to make Oregon a leader in creating the bio-economy and sustainable technologies of the future.

**Economic Benefits: How BEST can make Oregon better**

Oregon BEST can help create an economic system that better integrates rural, natural resource communities with urban and export markets by providing businesses across the state with access to new technologies and management practices that can take advantage of the growing markets in sustainable, non-toxic products and services. Working with other partners in the public and private sector, Oregon BEST will help develop “value chains” linking Oregon producers and businesses of all sizes with growing, high value market opportunities for environmentally friendly products and services. Currently, small and medium sized businesses lack access to both the information and the appropriately scaled technologies that would allow them to access markets in an efficient manner; Oregon BEST can help facilitate this knowledge exchange and technology transfer. Larger businesses would also benefit from stronger university collaborations in research and development. For example, OSU’s collaboration with Columbia Forest Products to develop a formaldehyde-free wood adhesive illustrates how such partnerships can transform markets and enhance Oregon’s leadership in sustainable industries.

Oregon BEST will foster the technology discoveries needed to place Oregon in a leadership role in the sustainability marketplace and will create mechanisms to connect university research and technology development to local businesses and communities to grow jobs for Oregonians. While Oregon is already a leader in the area of green building and innovative green...
development, for example, there is as yet no comprehensive strategy to build the supply chain in the state to take advantage of the burgeoning market opportunities for high performance materials and technologies. While there is a current shortage of non-toxic building materials that could be manufactured by Oregon’s agricultural and forest products industries, the scalable technologies and market partnerships needed to facilitate product development are lacking. Oregon BEST can take the lead in developing a more explicit strategy to engage the state’s communities and businesses in these supply chains.

Oregon also is endowed with a rich and diverse natural resource base uniquely well-suited for the development of biofuels and other bio-based products, in part due to the availability of low cost feed stocks. Market demand is surging regionally, nationally and internationally in both of these areas, but because the connections between our resource base, our business community, our community organizations and our researchers are weak we are not well-positioned to take advantage of these opportunities. Oregon BEST can create institutional relationships to ensure the state can move ahead on these and other opportunities.

Oregon BEST will provide a variety of economic benefits to Oregon businesses and communities, through both increased business profits and job creation. For example, creating the informational and institutional linkages that facilitate more efficient markets can provide better signals between supply and demand, thus expanding market opportunities. In addition, Oregon BEST’s role in discovering and inventing new technologies that enable the development of products or processes with a lighter environmental footprint will provide economic benefits to a range of economic players, including the following:

1. Raw material (feedstock) suppliers who have a new demand for their resource, thus expanding their market revenues;
2. Manufacturers who use a new technology to produce a higher quality or lower cost intermediate product, therefore earning greater profits from higher prices or increased market size;
3. Users of the higher quality or lower cost intermediate products to build high performance end-products – for example, green builders who can use non-toxic, biobased products or more efficient energy systems to meet the growing demand from owners and developers for green buildings.
4. Consumers of final products who will enjoy a greater “consumer surplus” – for example, improved indoor air quality resulting from furnishings and cabinetry manufactured with low or no formaldehyde components, or enhanced contributions to sustainability through substitution of renewable raw materials for petroleum-based materials.

Other economic benefits may accrue from the development of intermediate processing as well as from the increased need for capital which can create new profitable lending opportunities. Finally, there are the indirect and multiplier effects that would result from enhanced economic activity related to the green sectors across the state.

While the specific outcomes of Oregon BEST’s research and commercialization investments cannot be predicted, the examples below illustrate the types of economic activities Oregon BEST seeks to foster and how they will benefit Oregon’s communities and businesses.
Bio-Based Product Processing: An initial research focus for Oregon BEST will be on developing biofuels from cellulosic materials. As recognized in the Oregon Forest Resources Institute report, *Biomass Energy and Biofuels from Oregon’s Forests* (2006), the conversion of woody biomass to energy addresses three challenging problems simultaneously: restoring Oregon’s forest health, developing renewable energy, and revitalizing rural communities. Oregon has 4-6 million tons/year of biomass residue resource from agricultural field residues, forest residues and forest thinning. Using energy crops in rotation and better utilizing agricultural and forest residues could meet as much as 20 percent of Oregon’s fuel needs.

If research and new technologies can be developed to reduce the cost of transporting biomass from the woods and the cost of converting woody biomass to biodiesel or ethanol, high paying jobs could be restored in Oregon’s rural timber dependent communities, particularly in southern and eastern Oregon where forest health concerns and wildland fire risks are highest. The OFRI report referenced above estimates that producing 150 MW of electric power from biomass would create 900 direct jobs. The Oregon Farm Bureau Federation has launched a similar initiative that recognizes the opportunities for Oregon farmers to add high value crops and to increase their incomes through utilization of what are now waste products if cellulosic biofuel technology improves.

Bio-based Product Development: The second research focus proposed for Oregon BEST in the near term is bio-product development and commercialization, specifically the development of non-toxic replacement products for building materials and extraction of high-value compounds and materials from agriculture and forest materials at economically appropriate scales.

Oregon has significant opportunity to impact emerging markets and provide leadership in new product development in the following three areas:

1. low-toxicity adhesives, materials and surface coatings from renewable resources for green building products and other markets,
2. natural rubber products from Oregon-grown plant materials, and
3. feedstocks and high-value compounds derived from bioengineered short-rotation crops such as hybrid poplar and waste materials from conventional cropping or manufacturing systems.

Some specific product development opportunities that Oregon BEST could pursue include the development of renewable-resource based adhesives for wood and other consumer products; additives to create advanced wood-plastic materials that could combine renewable and recycled materials; and, the development and use of Russian dandelions as a replacement for natural and synthetic rubber.

Educational Benefits: How BEST will build new alliances

The process of developing the Oregon BEST proposal for the Oregon Innovation Council has already fostered new partnerships between leading researchers at OSU, PSU and UO. OIT also contributed to the proposal process, and there may be opportunities to engage Eastern Oregon University and Southern Oregon University as well. With seed funding from OCF, the Oregon BEST steering committee will be able to reach out to and engage these and other partners within...
the OUS system, such as OSU’s Extension Service, PSU’s Institute for Portland Metropolitan Studies and UO’s RARE program. The knowledge and expertise represented in these programs will be essential to the development of a sound strategic foundation for Oregon BEST.

Oregon BEST will leverage several emerging initiatives to develop better alignment and coordination between community college workforce development efforts and university research and education programs. For example, there are many potential synergies with Cascadia RISE, an initiative led by Portland Community College, Lane Community College, and Portland State University that is focused developing the workforce needed to implement sustainable practices related in building design, construction, and maintenance, energy technology, landscape technology and development-related natural resource management. By coordinating with such initiatives Oregon BEST can help ensure that the state’s resources are strategically aligned to ensure a competitive, innovative and adaptive workforce for the 21st century.

Why Seed Funding Is Needed Now

The Chancellor of the Oregon University System and the Board of Higher Education is considering a seed grant of $250,000 to support the organizational development of Oregon BEST – specifically to bring on an interim director and business development manager and to begin the lay the foundation for a longer term institutional structure that fosters collaboration, coordination and communication between the three universities and other partners.

A matching investment from OCF of $250,000 would allow Oregon BEST to further develop its business model, identify strategic opportunities, and launch the Center’s collaborative programs. Such an initial investment would allow Oregon BEST to move forward on the following action items in order to ensure statewide engagement in the center and help lay the organizational foundation to ensure long term success:

- Bringing key stakeholders on board in rural and urban communities, particularly NGOs working on renewable energy and sustainability and key business organizations.
- Strengthening the emerging faculty alliances across OUS universities in each identified strategic area

An initial investment of $50,000 from the Oregon Community Foundation in the near term will enable the Oregon BEST planning team to support university staff time to conduct initial outreach to rural communities, NGOs such as Sustainable Northwest and the Cascadia Chapter of the US Green Building Council, and small- and medium-sized businesses, and OUS faculty to determine what additional steps might need to be taken to create a strong partnership framework. Based on these findings, a budget and work plan for an additional $200,000 would be submitted to OCF to support activities that will strengthen these partnerships and create effective mechanisms for product commercialization. Oregon BEST would work closely with OSU Extension, OFRI, the Oregon Farm Bureau, the Oregon Sustainable Agricultural Research Center (OSARC) and the Governor’s Rural Policy Office to arrange targeted focus groups around the state with key community, business and NGO leaders to inform them about the Oregon, InC initiative and engage them in methods of long term involvement of rural
stakeholders (See Table 1 below for budget details for both the OUS and Oregon Community Foundation grants).

To seize the present opportunities to garner national and international research support and to fill the growing market demand for sustainable products and service, Oregon needs to provide adequate resources to the Oregon BEST initiative to allow successful development of a business model, a collaborative research program, and successful public-private partnerships. States and institutions which invest in such research areas now will have a competitive advantage as opportunities grow, will be able to compete for the increasing R & D dollars, and will be able to provide the products and services that supply these burgeoning markets. We believe that the potential return on investment for Oregon will increase if we choose to move on these opportunities now.
Table 1: Proposed Budget for Oregon BEST, January 2007 – June 2008

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<td>2) Cover travel costs, office support, legal assistance; and</td>
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<td>3) Develop communication plan</td>
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<td>1) Outreach to Oregon communities, businesses, and NGOs to assess needs and opportunities</td>
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<td>Oregon Community Foundation</td>
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<td>2) Based on needs assessment, develop mechanisms that foster knowledge exchange and technology development and transfer for communities across the state</td>
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Supplemental Material
OCF Proposal
Oregon BEST
14 December 2006
Susan Bragdon bragdonsh@gmail.com

Needs Assessment.
The business plan for Oregon BEST was developed by university faculty and business leaders in the Willamette Valley. Every effort was made to engage businesses, faculty, government and non-government organizations statewide, but the time constraints of the Oregon, InC process severely limited the ability of anyone outside the Valley to participate in the planning process. Preparation of the plan required analysis of (1) Oregon’s core competencies related to sustainable development from the business and university research perspective; (2) market opportunities; and (3) Oregon’s competitive advantage in terms of economic development based on building a bio-economy and sustainable technology. To refine and focus the business plan in order to create jobs, especially jobs in rural Oregon, requires outreach to communities outside the Valley and the Metro area in order to gain their insights on core competencies, market opportunities, competitive advantage and opportunities for collaboration.

A $50,000 investment from the Oregon Community Foundation would be used to do prepare and conduct a statewide needs, competencies and opportunities assessment in community workshops in and outside the Metro area. Workshops or interviews would engage economic development officials, NGOs, small and medium-sized businesses and faculty from regional OUS units and community colleges. Invitation lists would be developed in conjunction with OSU Extension, OECDDD and statewide organizations like the Farm Bureau and the Oregon Environmental Council. Questions to be addressed would include:

- Who is engaged in sustainable economic development or research now in your community? This will help us create an inventory of people, companies, NGOs and faculty who may contribute to or need the services of Oregon BEST.
- What businesses are now engaged in the bio-economy or sustainable technology sectors? What are their research and development needs?
- What other organizations, if any, are providing the kinds of services Oregon BEST proposes to offer? This will allow us to avoid duplication of services.
- What gaps or deficiencies in the research to commercialization chain for clean energy, bio-based products and green building technologies require attention and resources?

Strategy Development
Based upon the needs assessment, the Oregon BEST business plan would be refined and focused. The ultimate objective of the Oregon Innovation Council is to create new jobs for Oregonians. The assessment would be used to:

- Develop a broader inventory of technologies and/or products that could be invented, produced and marketed in Oregon if a research center (Oregon BEST) were able to discover the needed new technology, remove market barriers or help obtain outside venture capital or federal research funds.
• Structure Oregon BEST to meet the information needs of rural economic development organizations, take advantage of and leverage work already occurring around the state to encourage sustainable economic development and avoid duplicating existing efforts.
• Connect OUS faculty members and teams working on sustainable technologies with businesses and other organizations in rural areas who have expertise and needs related to those technologies.
• Prioritize and focus Oregon BEST’s initial research and development work in order to deliver new jobs and new business to Oregonians as soon as possible—in other words, pick the low hanging fruit in order to start building a technology transfer program that works throughout the state.

The strategy development would be aided by parallel efforts of the new Oregon BEST staff using funds provided by the Chancellor. They would visit with major national and international companies and venture capital firms investing in clean energy, green building and bioproducts research and development in order to gain a better understanding of their needs. They would also be meeting with key federal agencies investing in these technologies, like the U.S. Department of Energy, the U.S. Department of Agriculture and the national laboratories. They will also be doing additional market analysis.

Solutions

The revised and refined business plan should be completed by July 1, 2007 when funds are expected to be available from the Legislature ($3 million is requested for Oregon BEST in the Governor’s proposed budget). The business plan will identify potential high opportunity research questions that can be answered and turned into new businesses within a three to five year period.

Three areas of interest have been identified at this point. First, the potential of biodiesel production for local consumption either on farms or in rural cities will be examined. The key research questions are related to optimization of crop selection and minimization of production costs through use of advanced technologies. This research area could result in substantial reduction in farm energy costs and reduce the risks to rural communities from rising energy prices.

The second area of interest is the production of cellulosic ethanol from both waste biomass and production crops. There are about 8 million tons of waste biomass produced in Oregon each year (wheat straw, grass straw, and forest residue) which could be potentially converted to 0.5 billion gallons of ethanol worth about $1 billion. The key research questions are related to production methods to pre-treat biomass to allow for enzymatic conversion of the cellulose.

The third area of interest is the production of a variety of high value products through the development of “refineries” with bio-feedstocks. This approach will depend heavily upon growing crops that can be readily converted to the refinery product of interest. Oregon’s agricultural and forestry industries envision the strategy of using biorefineries to add value to their products are an essential part of their economic future.
In addition to this focus on transforming bio-based materials, we want to examine the myriad of opportunities related to developing a green building/infrastructure industrial sector in Oregon. A major focus will be upon how to build a continuum of expertise related to design, building, manufacturing of components, and maintenance of green building that could be marketed both regionally and nationally.

The planning part of this grant would be used to further develop our approach to these areas including how Oregon BEST connects current focus with emerging opportunities.
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APPENDIX B:

B1: 2006 Audit Results Report to the Oregon State Board of Higher Education, January 5, 2007: Required Communications


APPENDIX C:

Resolution for the Sale of Articles XI-F(1) and XI-G Bonds—Supplemental Materials
APPENDIX D:

2007-2009 Governor’s Recommended Budget

January 5, 2007
Oregon State Board of Higher Education
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### Department of Higher Education

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### Overview:

The Department of Higher Education is the state agency name for the educational institutions, governing board, central administration, support services, and public services that make up the Oregon University System. The institutions consist of the University of Oregon (UO), Oregon State University (OSU), Portland State University (PSU), the three regional universities (Eastern [EOU], Western [WOU], and Southern Oregon [SOU] universities), and the Oregon Institute of Technology (OIT). OSU also operates the new Cascades campus in Bend and the three statewide public service programs: the Agricultural Experiment Station, the Extension Service, and the Forest Research Laboratory.

The state’s contribution to postsecondary education has declined significantly since the adoption of Ballot Measure 5 (1990). During the 1989-1991 biennium, the Department of Higher Education budget included over 13 percent of total General Fund and Lottery Fund expenditures. In the 2005-2007 biennium, the Department budget was 6 percent of the total. In the Education and General Services program unit, which includes funding for campus and Chancellor’s Office operations, state General Fund constituted 35.5 percent of operating budgets in the 2005-2007 close of session budget, reduced from 45.6 percent in 1999-2001 and 40.2 percent in 2001-2003.

The Governor’s Education Enterprise funding model is beginning to reverse the decline. The 2007-2009 recommended General Fund and Lottery Funds budget is increased from the 2005-2007 Legislatively Approved Budget by 19.6 percent. The Department’s share of these expenditures is increased to 6.3 percent of the statewide total and the General Fund share of Education and General Services expenditures holds at 35.5 percent.

Since the 2001-02 academic year, average tuition for full-time students at Oregon public universities increased by 38.3 percent; average rates have increased by 52.7 percent since 1999-00. Comparatively, OUS reports that the three regional universities ranked
second, fourth, and ninth highest in tuition charges among 15 comparator schools in the western states in 2006-07. The three large universities ranked sixth, seventh, and eighth highest among 23 western comparator schools during the same period and OIT ranked third highest out of nine schools. In response to the impact of rising tuition rates on access, the legislature established caps in each of the last two biennia, limiting increases in 2005-2007 to 3.25 percent in the first year of the biennium and 3.5 percent in the second year. With the additional funding provided in the Governor’s recommended budget, tuition and fee increases are limited to 3.4 percent per year during the 2007-2009 biennium.

**Recommended Budget:**
The Governor’s recommended budget is $4.9 billion total funds, an 11.4 percent increase from the 2005-2007 Legislatively Approved Budget. The General Fund budget of $827.1 million is increased by 17.1 percent. The recommended budget includes $40.7 million General Fund to support campus operations. This amount includes:

- $9 million for the four regional campuses and the OSU branch campus in Bend;
- $8 million to increase faculty salaries, which are estimated to average from 2 to 32 percent below national averages depending on type of institution and faculty rank;
- $6.9 million to reduce the faculty-student ratio, which currently averages 27 students to one faculty member Systemwide;
- $14.6 million for projected enrollment increases in the 2007-2009 biennium; and
- $2.2 million for energy cost increases over the past six years.

At this funding level, tuition and fee increases will be limited to the growth in median family income, approximately 3.4 percent per year.

A total of $594.5 million Other Funds is provided for 45 capital construction projects and Systemwide capital repair expenses. This amount includes six deferred maintenance projects at $89.5 million, including renovation of Lincoln Hall at PSU, Fenton Hall at the UO, Inlow Hall at EOU, and Nash Hall at OSU.

New capital projects include development of a Regional Information Center at EOU, renovation of the Sciences II building at PSU, construction of the Linus Pauling Research and Education Building at OSU, expansion and remodel of the Theatre Arts building at SOU, construction of a second building for the OIT Health Professions Center, construction of an interdisciplinary science and research complex at UO, and construction of new math, science, and computer sciences facility at WOU. Funding for a new university center in Hermiston, a joint project of EOU and Blue Mountain Community College, is included in the budgets for the Department of Higher Education and the Department of Community Colleges and Workforce Development.

Funding for Systemwide capital renewal of education and general services facilities is increased from $23.6 million total funds to $83.5 million Other Funds. This amount will allow the Department to remain current with capital repair, code compliance, and safety issues and keep the deferred maintenance backlog from growing.
The budget includes $25 million Other Funds for renewable energy demonstration projects at most of the campuses. Projects include research into geothermal electrical generation at OIT, bio-fuels, wind power, and wave energy at OSU, and solar power at UO, PSU, and several regional campuses.

The capital budget is funded with $91.3 million in Article XI-G bonds, $174.9 million in Lottery bonds, $47.6 million in energy loans, $11 million in Certificates of Participation (COPs), $127.6 million in Article XI-F(1) bonds, and $142.2 million in donations, grants, and other revenues. An additional $19 million in COPs will be sold for operational expenditures for telecommunications, information technology, and engineering.

The General Fund budgets for the Agricultural Experiment Station, Extension Service, and Forest Research Laboratory are increased by $15.3 million, or 16.2 percent, from the 2005-2007 Legislatively Approved Budget. The increase will support new and expanded research, education, and public service efforts at each of the three programs.

The budget includes a $17 million General Fund enhancement for the Engineering and Technology Industry Council (ETIC) program, bringing total General Fund support for the program to $39.2 million. An additional $11.8 million Other Funds for facilities and equipment is funded with the sale of COPs.

Funding is included in the budgets of the Department of Higher Education, the Department of Community Colleges and Workforce Development, and the Oregon Health & Sciences University to address the statewide shortage of healthcare professionals. The $7.4 million General Fund included in the Department of Higher Education’s budget will increase the number of nursing, sonography, clinical lab technology, and dental hygiene graduates.

Investments in alignment of the PreK-20 educational continuum include $1.6 million General Fund to increase college attendance in rural areas of the state. EOU will act as the lead institution in establishment of a consortium involving OIT, SOU, and several community colleges. The funds will be used to establish outreach centers throughout rural Oregon and mentor programs in high schools staffed by university counselors. College courses will be offered on high school campuses in traditional, residential, and/or distance learning environments. The program will focus on students in the seventh to the ninth grades and include outreach to parents regarding admissions, financial aid, and other post-secondary educational processes. An additional $0.9 million General Fund is dedicated to continue technology projects related to PreK-20 alignment, including the Information Data Transfer and the ATLAS Systems linking colleges and universities throughout the state.

Funding for the OSU Natural Resources Institute is increased by $250,000 General Fund. The Oregon Solutions project at PSU is funded at $1.5 million General Fund.
The budget shifts $19.1 million from General Fund to Other Funds in support of a legislative concept to allow the System to retain interest on cash balances. Currently, interest earned on a variety of funds, including student tuition and fees, is transferred to the General Fund. In addition, General Fund is reduced by $4.9 million as a result of the nearly three-fold increase in Lottery Funds to be deposited into the Sports Action account. The reduction captures General Fund that has been allocated for the support of intercollegiate athletics.

**Revenue:**
The System’s General Fund appropriation is distributed to the campuses and centralized services by the Resource Allocation Model (RAM). The RAM distributes the majority of the General Fund that campuses receive for their Education and General programs based on full-time equivalent student enrollment. The remaining General Fund support to campuses, and all General Fund support for centralized services, is distributed in the RAM through targeted programs. Targeted programs, which include all funding that is not on a direct enrollment basis, are designed to address the costs of the System that are not directly related to enrollment levels.

Beginning in July 2007, 1 percent of Lottery Funds deposited into the Department of Administration Services Economic Development Fund will be transferred to the Sports Action account. These funds are used to finance intercollegiate athletics and graduate student scholarships. Currently, the System receives revenues from specific sports betting games operated by the Lottery. House Bill 3466 (2005) made the change to allow the state to compete for National Collegiate Athletic Association events that are not held in states that allow betting on sporting events. Lottery proceeds are also allocated for debt service on Lottery-backed bonds.

The primary sources of Other Funds for the Education and General Program are tuition and fees. Other sources include sales and charges for services, indirect cost recovery on grants, and other miscellaneous revenues. Federal grant funds received by the System are expended as Other Funds.

Oregon State University’s statewide public service programs receive Other Fund revenues from sales and service fees, indirect cost recovery on federal grants, interest earnings, donations, research contracts with private entities, and miscellaneous income.

Nonlimited revenues are dedicated to a specific purpose and are independent of programs supported by General Fund and limited Other Funds. Sources include student aid funds, food service and other enterprise sales, dormitory fees, health service fees, and course fees for non-credit continuing education programs, among others. Nonlimited funds also include gifts and sponsored research financed by the federal government, private industry, and other private groups. These nonlimited funds, the major source of support for research, also directly benefit and enhance the instruction and research programs supported by the General Fund and tuition revenue.
The construction, renovation, and acquisition of instructional and public service buildings are financed by Article XI-G general obligation bond proceeds, with constitutionally-required matching funds provided from the sale of Lottery bonds, donations, grants, and other revenues. Debt service on Article XI-G bonds is paid with General Fund. Bond sales will be scheduled towards the end of the biennium, deferring debt service on these bonds until the 2009-2011 biennium.

Article XI-J (State Energy Loan Program) bonds and Lottery-backed bonds are recommended for deferred maintenance projects. Debt service on energy bonds is paid with General Fund and campus energy savings generated by the project. Debt service on Lottery bonds is paid with general purpose Lottery Funds.

Construction of student unions, dormitories, parking structures, and similar projects are generally financed from auxiliary enterprise balances and the proceeds of Article XI-F(1) bonds. In addition, revenue from self-supporting projects, gifts, grants, and donations are a major funding source for Capital Construction. Debt service on Article XI-F(1) bonds is generated from revenues from self-supporting programs and student building fees.