Oregon State Board of Higher Education
Governance & Policy Committee

Docket Materials

March 18, 2010
11 a.m. – 2 p.m.
Teleconference / Board Room, PSU ASRC 515
Meeting Agenda

1. Issues Discussion
   a. Tuition Guidelines ................................................................. 1
   b. Need-based Grant Aid .............................................................. 3
   c. Existing Campus Performance Framework .................................. 5
   d. Performance Framework—OUS Total ........................................ 6
   e. Campus Enrollment Targets .................................................... 9
   f. Campus Degree Targets .......................................................... 11
   g. Campus Research Targets ....................................................... 13
   h. Meeting on April 1, 2010

2. Adjournment
1. Should the Board even have a set of tuition guidelines or should each university be free to adopt its own tuition independently (just as each of Oregon’s community colleges may do now)?

2. If the Board does enunciate guidelines, should it first determine its overall approach (such as high tuition-high financial aid, low tuition-low financial aid) or should it permit its framework to evolve in a different fashion?

3. If the Board chooses to adopt tuition guidelines, what might they be?

4. Example of possible general guidelines for resident undergraduate tuition and fees:
   a. Tuition and fees shall continue to be combined
   b. What is the starting point for each campus? (current, premium, or market)
   c. Tuition rates charged by campuses could increase by the sum of:
      (1) Rate of inflation or rate of growth in Oregon household income plus
      (2) Per-student reduction in-state funding plus
      (3) 30% of increase to be diverted to need-based grant aid

   Example:
   - Current rate: $7,000 per year
   - 3% inflation: $210
   - 10% state cut: $346 (based on 2009-10)
   - $556
   - Increase for aid $239
   - New rate: $7,795 per year (with $239 of that to be used for need based grants)

   d. Aid amounts from prior years’ remissions must be sustained
   e. Tuition rates always shall be discounted by 1% for increased efficiency and cost control
      (Effect in example would be to reduce the rate from $7,795 to $7,717)

5. Program tuition
   a. High cost premium
   b. High market value premium
   c. Would income from these sources be used to reduce general tuition?

6. Premium tuition or quality surcharge or other mechanism to permit improvements in faculty salaries, reduced class sizes, more opportunities for internships or undergraduate research, etc. Should such premiums be permitted, for what purposes, and using what approval process?

7. Use of tuition to pay for capital (directly or via debt service). Process and limitations, if any.

8. Graduate, nonresident, and international student tuition
   a. Should Board have an interest or policy?
   b. If so, should such tuition be market-based?
   c. Remission for state goals? (Who pays for remission?)
9. Continuing education, off-site, and other tuition: Should the Board have any policies?

10. What process would the Board want to mandate or encourage for each campus and what involvement would students and other stakeholders have in that process? Would such a process be required even if the Board did not have any other tuition guidelines?

Governance—tuition guidelines-feb19
In order to ensure that every qualified Oregonian has an opportunity to attend and succeed in every OUS university:

1. 30% of any resident undergraduate tuition increase above the growth in average/median family income must be used for need-based grant aid
   a. Kept by campus generating tuition?
   b. Centralized at OUS and reallocated to campuses based on student need (UC model)
   c. Centralized at OSAC and reallocated to OUS students based on need
   d. Centralized at OSAC and reallocated to all OOG students based on need
   e. Change distribution of state funds to account for lower tuition generating capability of campuses serving lower income students

2. Would there be similar requirements for program tuition for high-cost or high-market value programs?

3. Should the Board not require any need-based aid, relying on the state instead?

4. What about graduate tuition and remissions?

5. Merit aid?

6. Is 30% the right number?

_Issue:_ What about differential ability to pay of student bodies at different campuses? (Data from 2007-08 suggest about a 40% difference among the incomes of Oregon dependent students on financial aid at different OUS campuses.)
## Median Family Income for Dependent Students on Financial Aid by Campus

### 2007-08

1. **Oregon Resident Undergraduate Students**

<table>
<thead>
<tr>
<th>University</th>
<th>Median Family Income</th>
<th>Number of Students in Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portland State University</td>
<td>$50,514</td>
<td>2,127</td>
</tr>
<tr>
<td>Southern Oregon University</td>
<td>$61,402</td>
<td>988</td>
</tr>
<tr>
<td>Eastern Oregon University</td>
<td>$65,500</td>
<td>443</td>
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<tr>
<td>Oregon Institute of Technology</td>
<td>$69,847</td>
<td>606</td>
</tr>
<tr>
<td>University of Oregon</td>
<td>$70,147</td>
<td>4,416</td>
</tr>
<tr>
<td>Western Oregon University</td>
<td>$71,026</td>
<td>1,724</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>$71,354</td>
<td>5,022</td>
</tr>
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</table>

2. **Oregon Resident Independent Students**

<table>
<thead>
<tr>
<th>University</th>
<th>Median Family Income</th>
<th>Number of Students in Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Oregon</td>
<td>$ 8,875</td>
<td>833</td>
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<tr>
<td>Southern Oregon University</td>
<td>$ 9,995</td>
<td>459</td>
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<td>Oregon State University</td>
<td>$10,302</td>
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<tr>
<td>Portland State University</td>
<td>$12,054</td>
<td>2,330</td>
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<tr>
<td>Eastern Oregon University</td>
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<td>Western Oregon University</td>
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<tr>
<td>Oregon Institute of Technology</td>
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Governance—medianfamilyincome—feb25
Existing Campus Performance Framework

Note: Targets for Future Years are being established this spring through regular Board performance measure process.

* Designates a targeted measure. Other measures are for illustration. Performance on all measures is discussed in presidential evaluations each year.

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
<th>WOU</th>
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<tbody>
<tr>
<td>Total Credit Enrollment</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>New Undergraduate Enrollment</td>
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<td>X</td>
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<td>X</td>
<td>X</td>
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<tr>
<td>Freshman Retention at Institution*</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<td>X</td>
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<tr>
<td>Freshman Retention within OUS</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<td>Graduation Rate</td>
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<td>Graduation Rate within OUS</td>
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<td>Graduate Satisfaction*</td>
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<td>Graduate Success</td>
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<td>Internships</td>
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<td>X</td>
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<tr>
<td>Student to Faculty Ratio</td>
<td>X</td>
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<td>X</td>
<td>X</td>
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<td>Total Degrees Awarded*</td>
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<td>X</td>
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<tr>
<td>Degrees in Designated Areas*</td>
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<td>X</td>
<td>X</td>
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<td>Sponsored Research Expenditures*</td>
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<td>Foundation Assets</td>
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<td>X*</td>
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<td>Faculty Compensation</td>
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<td>Transfer Enrollment</td>
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<td>High School Graduate Yield</td>
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<td>Women in Engineering</td>
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<td>Transfer Student Retention</td>
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<tr>
<td>High Achieving Oregon HS Grads</td>
<td>X*</td>
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<tr>
<td>Student Diversity</td>
<td>X*</td>
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<tr>
<td>R&amp;D in Science/Engineering</td>
<td>X*</td>
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<tr>
<td>Community-Service Learning</td>
<td>X*</td>
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<tr>
<td>Transfer Student Grad Rate</td>
<td>X*</td>
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<tr>
<td>Faculty Salaries Compared to Peers</td>
<td>X*</td>
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<tr>
<td>Research/Economic Development Index</td>
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<tr>
<td>Community College Transfer Completion</td>
<td>X*</td>
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<tr>
<td>First Generation Retention</td>
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<td>X*</td>
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Governance—existingperformanceframework—feb10
## Performance Framework—OUS Total

**WHAT WOULD THE STATE PAY FOR?**

(Operating and Capital Funds)

These examples may be adjusted after completion of portfolio work on mission and programs now underway in Provosts’ Council and due for discussion with Academic Strategies Committee in March and April.

### EXAMPLES ONLY

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<tr>
<th></th>
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<tbody>
<tr>
<td>1. RAM fundable enrollment (OUS target and campus target)</td>
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<tr>
<td>a. Total Enrollment</td>
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<tr>
<td>b. RAM fundable enrollment*</td>
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<tr>
<td>c. Enrollment by program/level</td>
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<tr>
<td>d. 1st generation enrollment*</td>
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<tr>
<td>e. Transfer enrollment*</td>
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<tr>
<td>f. Credit in high schools*</td>
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<tr>
<td>g. Enrollment—Students of Color*</td>
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<tr>
<td>h. Rural Students*</td>
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<tr>
<td>i. Students in dual enrollment agreements*</td>
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<tr>
<td>2. Retention</td>
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<tr>
<td>a. First-time freshmen*</td>
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<tr>
<td>b. Retention—transfer students*</td>
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<tr>
<td>c. Retention—students of color*</td>
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<td>d. Retention—1st generation*</td>
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<tr>
<td>3. Time to degree</td>
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<tr>
<td>a. First-time freshmen*</td>
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<tr>
<td>b. Transfer students*</td>
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<tr>
<td>c. Students of color*</td>
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<tr>
<td>d. 1st generation students*</td>
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<tr>
<td>4. Total degrees earned by Oregonians (OUS target and campus target)</td>
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<tr>
<td>a. Engineering degrees (special funding target)</td>
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<tr>
<td>b. Healthcare degrees (special funding target)</td>
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<tr>
<td>c. Teaching degrees</td>
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<tr>
<td>d. Teaching degrees: math, science, bi-lingual, etc. (special funding target)</td>
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<tr>
<td>e. Other (special funding target)</td>
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<tr>
<td>5. Employment/continuing enrollment of grads (OUS target and campus target)</td>
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<td></td>
</tr>
</tbody>
</table>
6. Externally funded research (OUS target and campus target for certain campuses)
   a. Federal research $
   b. Private research $

7. Technology transfer/economic development
   a. IP to Oregon companies (reported to state)
   b. Companies started (reported to state)
   c. Jobs created (reported to state)

8. Affordability
   a. Cost per student*
   b. Cost per student compared to national average
   c. Institutional and institution-related financial aid*
   d. Tuition restraint*
   e. Average debt load for new graduates who received aid*

9. Faculty salaries and total compensation*

10. Private donations*

11. Capital

12. Deferred maintenance* (report to state)

13. Diversity
   a. Student enrollment*
   b. Faculty*
   c. Staff*
   d. M/WESB/DBE Contracting* (report to state)

Note: Items in bold are those suggested for state compact. Campuses may be rewarded by Board for performance on items denoted with asterisk but no targets will be set. Items with special funding targets may receive additional funding from state or Board. Items reported to state do not carry funding. This possible framework is suggested merely to organize thinking and discussion.

These are examples of categories. Others must be developed for the statewide public services.

Question: Would specific state investments be tied to each category?

Question: How would funds be distributed by category to each campus?

Question: Would campuses be required to enroll a certain number or percentage of Oregon students?

Question: What about campus public services?
Question: How would goals be allocated to campuses and how would performance be rewarded?

Question: How would collaboration (with other OUS universities, with OHSU, with Oregon community colleges, and with Oregon K-12) be measured and rewarded?

Question: If we could have just four key measures, what would they be?

**Issue:** Simplicity

Governance—performance framework-mar15
Campus Enrollment Targets

Some Questions

1. Should campuses have targets or should targets be for OUS only?

2. If campuses have targets, on what basis should campus enrollment targets be set?
   a. Current methodology and targets
   b. Current proportion of OUS enrollment at a university as related to 40% goal
   c. Amount of expected or actual state funding
   d. Other

3. Should targets be established for (and, if so, how):
   a. Total enrollment
   b. Resident enrollment
   c. Undergraduate and graduate enrollment
   d. Lower division/Upper division, masters, doctoral, and professional enrollment
   e. Enrollment by underrepresented or targeted groups
   f. Enrollment of transfer students
   g. Dual enrollment with high schools or community colleges
   h. Enrollment in programs of need to state

4. What should be time frame?
   a. Upcoming biennium
   b. 6 years
   c. 15 years to 2025

5. Is there funding awarded for enrollment or just for degree completion? If for enrollment, on what bases and in what proportion of either cost of education or of state funding share between degree attainment and enrollment? (Currently, universities are funded [for residents and selected nonresidents] based on completed credit hours by discipline and level. No distinction is made by type of fundable student that recognizes other differences in cost to educate.)

6. What about retention? Should there be targets and rewards for that? Would they be by group (freshmen, transfer students, students of color, first generation students, etc.)?

Related Presidents’ or IFS Principles:
   a. Presidents’ Consensus Principle #1: “Continued commitment by all seven universities to work individually and in concert to meet the public higher education needs of Oregonians as defined by state law and Oregon University System (OUS) policies.”
   b. Presidents’ Consensus Principle #2: “Establishment of a state-funding floor per student to ensure that state contributions do not continue to decline. Funding would be
provided as long as the universities meet relevant, measurable performance goals and would be based on student enrollment.”

c. Interinstitutional Faculty Senate Principle A: “Any restructuring of Public Higher Education must improve the education of all Oregon students.”

d. Interinstitutional Faculty Senate Principle E: “Public Higher Education institutions in Oregon should function collaboratively as a unified system for the benefit of Oregon.”

Governance—enrollment targets—mar15
Campus Degree Targets

Some Questions

1. Should campuses have targets or should targets be for OUS only?

2. If campuses have targets, on what basis should campus degree targets be set?
   a. Current methodology and targets, trended to meet 40% goal
   b. 50-year and 15-year patterns, trended to meet 40% goal
   c. Current proportion of OUS degrees awarded by a university as related to 40% goal
   d. Other

3. Should targets be established for:
   a. Total degrees
   b. Degrees by level (B.A./B.S.; M.A./M.S.; Ph.D.; professional)
   c. Degrees by discipline (currently some campuses have targets for engineering, computer science, teacher education) (other possibilities include healthcare)

4. What should be the time frame?
   a. Upcoming biennium
   b. 6 years
   c. 15 years to 2025

5. Should funding for degree target achievement be tied also to employment/employability or admission to and attendance at graduate school of graduates?

6. Which institution counts the graduate that starts at another university? At a community college? Are rewards and targets shared? Issues of clarity.

7. What about students who are less well prepared or are members of an underrepresented group? Does their success carry a premium?

8. Is there a distinction in Oregon’s policy and institutional rewards between Oregon citizens and nonresidents?

9. What is the balance between rewarding performance and rewarding effort and how does this ensure opportunity and success for Oregonians? (Consider the relative costs and success likelihood of educating the 4.0 high school GPA, 2100 SAT student who comes in with 50 college credits from AP/IB/dual enrollment versus the English Language Learner from a low income family who meets minimum admissions criteria at the least selective university.)
Related Presidents’ or IFS Principles:

a. Presidents’ Consensus Principle #1: “Continued commitment by all seven universities to work individually and in concert to meet the public higher education needs of Oregonians as defined by state law and Oregon University System (OUS) policies.”

b. Interinstitutional Faculty Senate Principle A: “Any restructuring of Public Higher Education must improve the education of all Oregon students.”

c. Interinstitutional Faculty Senate Principle C: “Any restructuring plans of Public Higher Education must strengthen the values that these individual Public Institutions bring to Oregon.”

d. Interinstitutional Faculty Senate Principle E: “Public Higher Education Institutions in Oregon should function collaboratively as a unified system for the benefit of Oregon.”

Governance—degree targets—mar15
Campus Research Targets

Some Questions

1. Should all campuses have research requirements and research targets?

2. Should all campuses be required to undertake and rewarded for performing externally funded research and providing specific economic development outcomes from that research?

3. For any campus required to seek or rewarded for performing externally funded research, what measures should be used?
   a. Externally funded research expenditures (total and/or average by faculty member)
   b. Income from patents, royalties, copyrights, and private partnerships
   c. Patents and disclosures
   d. Number of Oregon start-ups/spin-offs/joint ventures
   e. Employment in Oregon at spin-offs/start-ups related to OUS research
   f. Private sector or federal jobs/payroll in Oregon related to OUS research
   g. Connection to state economic development initiatives
   h. Other

4. Should collaborative research involving multiple universities in Oregon be recognized and rewarded and, if so, how?

Related Presidents’ of IFS Principles:
   a. Presidents’ Consensus Principle #1: Continued commitment by all seven universities to work individually and in concert to meet the public higher education needs of Oregonians as defined by state law and Oregon University System (OUS) policies.”

   b. Interinstitutional Faculty Senate Principle C: “Any restructuring plans of Public Higher Education must strengthen the values that these individual Public Institutions bring to Oregon.”

Governance—research targets—mar15