June 28, 2011

TO: MEMBERS OF THE STATE BOARD OF HIGHER EDUCATION

Meetings of the State Board of Higher Education will be held on July 7-8, 2011.

On Thursday, July 7, the Board will convene in an executive session pursuant to ORS 192.660(2)(i) to review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee, or staff member who does not request an open hearing for the purpose of discussing personnel matters. Pursuant to ORS 192.660(4), representatives of the news media are allowed to attend, but the Board requires that the discussions and any reports received in the executive session be undisclosed. Pursuant to ORS 192.660(6), no final action will be taken or final decision made in the executive session.

On Friday, July 8, the Board invites faculty to meet with them at 7:30 a.m. in the Chancellor’s Office conference room (ASRC 520) for coffee and conversation.

At 8 a.m., the Finance and Administration Committee will convene. Agenda items include approval of the University of Oregon’s request for a ground lease between the UO and TC Eugene in the Riverfront Research Park and the OUS Internal Audit Division’s quarterly progress report. The Committee will also be discussing legal services transition planning and 2011-12 budget allocations.

Immediately following the Committee meeting, the full Board will convene in open session. The Board will take action to approve the UO ground lease request (pending approval by the F&A Committee), the use and implementation of the mission alignment/metrics work, and the policy and procedures pertaining to equity purchasing and contracting.

Additionally, Board Committee chairs, the Chancellor, the president of the Interinstitutional Faculty Senate, and the chair of the Oregon Student Association will provide informational reports to the Board.

Immediately following the Board meeting, pursuant to ORS 192.660(2)(d), for the purpose of discussing deliberations with its labor negotiator(s), the Board will meet in executive session wherein the public is excluded. Pursuant to ORS 192.660(4), representatives of the news media are also excluded from this executive session. Pursuant to ORS 192.660(6), no final action will be taken or final decision made in the executive session.
These meetings will be held in accordance with the time, location, and schedule listed below:

**Thursday, July 7, 2011**
12:00-5:30 pm Executive Session (public is excluded), ASRC 515 (Boardroom)

**Friday, July 8, 2011; ASRC 515 (Boardroom), PSU**
7:30-8:30 a.m. Faculty Coffee (conference room)
8:00-10:00 a.m. Finance & Administration Committee
10:00 am-1:00 p.m. Full Board Meeting
1:00 p.m. Executive Session (public is excluded, 520 conference rm)

The Academic and Student Recreation Center (ASRC) building is located at 1800 SW 6th Avenue. Telephone messages for Board members and institution officials attending the meetings may be called to (503) 725-5700. If special accommodations are required, please contact the Board's Office at (541) 346-5749 at least 72 hours in advance.

Cordially,

[Signature]

Charles L. Triplett III
Board Secretary
Oregon State Board of Higher Education
Committee Assignments, 2011-12

Academic Strategies Committee
- Francesconi (chair)
- Eiland
- Fisher
- Powers
- Pulliams

Governance & Policy Committee
- Kelly (chair)
- Donegan
- Ford
- Powers
- Schueler
- Yaden
- (Francesconi)

Finance & Administration Committee
- Schueler (chair)
- Ciuffetti
- Ford

Delegation Assignments

Joint Boards
- Unified Education Enterprise
  - Fisher
  - Pulliams
  - Yaden
- Budget Alignment
  - Powers
  - Schueler

State
- College Savings Board
  - Kelly

Education
- OHSU Board
  - Yaden
- Governor's Reset
  - Kelly
  - Yaden
- Research Council
  - Eiland
BOARD MEETINGS OF THE STATE BOARD OF HIGHER EDUCATION (#848)
PORTLAND STATE UNIVERSITY
ACADEMIC AND STUDENT RECREATION CENTER, BOARDROOM SUITE 515
JULY 7-8, 2011

Executive Session of the Board
July 7, 2011
12:00–5:30 p.m.

AGENDA

1. CALL TO ORDER/ROLL CALL

2. DISCUSSION ITEMS

   a. Presidential Evaluations
      The Board will convene in an executive session pursuant to ORS 192.660(2)(i) to review
      and evaluate the employment-related performance of the chief executive officer of any
      public body, a public officer, employee, or staff member who does not request an open
      hearing for the purpose of discussing personnel matters. Pursuant to ORS 192.660(4),
      representatives of the news media are allowed to attend, but the Board requires that
      the discussions and any reports received in the executive session be undisclosed.
      Pursuant to ORS 192.660(6), no final action will be taken or final decision made in the
      executive session.

3. ADJOURNMENT
Meeting of the Finance and Administration Committee

July 8, 2011
8:00–10:00 a.m.

AGENDA

1. CALL TO ORDER/ROLL CALL

2. ACTION ITEMS

   a. UO, Ground Lease between UO and TC Eugene, 1700 Millrace Drive, Riverfront Research Park (Simonton/Dyke) ................................................................. 1
      The University of Oregon seeks Board approval to enter into a long-term ground lease with TC Eugene LLC, a private developer, consisting of approximately 4.2 acres of property located at 1700 Millrace Drive in the Riverfront Research Park.

   b. OUS, Internal Audit Division Progress Report (Snopkowski) ................................................................. 5
      IAD will present the quarterly progress report; IAD notes that the audit report recommendations made over the past quarter were all adequately addressed by management.

   c. Allocation of Additional 2009-2011 General Fund Appropriation for E&G (Kenton/Lewis)
      In order to be in compliance with federal “maintenance of effort” (MOE) requirements associated with federal stimulus funding, the state appropriated an additional $30 million General Fund for 2009-2011 for Education and General in HB 5055. The proposed allocation is proportional to all earlier allocations of General Fund for 2009-2011.

3. DISCUSSION ITEMS

   a. Legal Services Transition Planning (Hagemann)
      Consideration of concepts and policy steps necessary to make the transition from the Oregon Department of Justice as the provider of legal services to the OUS as provider of legal services as authorized by Senate Bill 242.

   b. Update on 2011-2013 Budget and FY2012 Allocation Planning (Kenton/Lewis)

4. ADJOURNMENT
Meeting of the Full Board

July 8, 2011
10:00 a.m.–1:00 p.m.

AGENDA

1. CALL TO ORDER/ROLL CALL/WELCOME

2. REPORTS

   a. Chancellor’s Report
      i. Legislative Update

   b. Interinstitutional Faculty Senate (IFS) President

   c. Oregon Student Association (OSA) Chair

   d. Committee Action Reports ...................................................... 27
      i. Academic Strategies
      ii. Finance & Administration
      iii. Governance & Policy

3. CONSENT ITEM

   a. UO, Ground Lease between UO and TC Eugene, 1700 Millrace Drive, Riverfront Research Park ................................................................. 1

      The University of Oregon seeks Board approval to enter into a long-term ground lease with TC Eugene LLC, a private developer, consisting of approximately 4.2 acres of property located at 1700 Millrace Drive in the Riverfront Research Park.

4. ACTION ITEMS

   a. OUS, Mission Alignment/Metrics, Use and Implementation (Andrews) .................. 29

      In June 2011, the Board approved the mission alignment/matrices with accompanying metrics. Proposed are the procedures for the use and implementation of the mission alignment document for campuses and the System, as a whole, to ensure the Board’s goals are met and that resources are effectively managed.
b. OUS, Equity Purchasing and Contracting Policy and Procedures (Bounds)............................ 45
   It is the policy of the Oregon University System (OUS) that all businesses, including
   small, minority and women-owned businesses, shall be given the maximum practicable
   opportunity to compete for and be awarded contracts by the Institutions within OUS.
   The goal of this policy is to expand economic opportunities for historically
   underrepresented businesses by encouraging participation in OUS contracting and
   purchasing.

5. Public Input

6. Board Comments

7. Adjournment

Executive Session of the Board

July 8, 2011
1:00–2:00 p.m.

AGENDA

1. Call to Order/Roll Call

2. Discussion Items
   a. Collective Bargaining Update (Kenton)
      Pursuant to ORS 192.660(2)(d), the Board will meet in executive session wherein the
      public is excluded for the purpose of discussing deliberations with its labor negotiator(s).
      Pursuant to ORS 192.660(4), representatives of the news media are excluded from this
      executive session. Pursuant to ORS 192.660(6), no final action will be taken or final
      decision made in the executive session.

3. Adjournment
Board Materials
July 8, 2011
Portland, Oregon
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### Finance & Administration Committee

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- **OUS, Internal Audit Division Progress Report** ................................................. 5

### Full Board

- **Committee Action Reports** .................................................................................. 27
- **OUS, Mission Alignment/Metrics, Use and Implementation** .............................. 29
- **OUS, Equity Purchasing and Contracting Policy and Procedures** ..................... 45
Finance & Administration Committee
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UO, Ground Lease between UO and TC Eugene, 1700 Millrace Drive, Riverfront Research Park

SUMMARY
The University of Oregon (UO) seeks Board approval to enter into a long-term ground lease with TC Eugene LLC, a private developer, consisting of approximately 4.2 acres of property located at 1700 Millrace Drive (1700 Millrace) in the Riverfront Research Park (RRP). The ground lease must be fully executed prior to commencing construction of the planned 79,800 square feet (SF), LEED Silver building, estimated to cost $17 million. The building will be 100 percent pre-leased; the Oregon Research Institute (ORI) will lease 69,000 SF and the Educational Policy Improvement Center (EPIC) will lease 10,800 SF.

PROJECT BACKGROUND
In July 2009, the UO and TC Eugene entered into a ground lease, approved by the State Board of Higher Education, to construct this building on a Research Park site located at 855 Riverfront Parkway, a former EWEB pole yard north of the railroad tracks. While approved for development as part of the Research Park’s Conditional Use Permit and Master Plan, the site was controversial due to its proximity to the Willamette River. Since 2009, three development-related decisions of the City of Eugene have been appealed to the State Land Use Board of Appeals, which have delayed commencement of construction on the 855 Riverfront Parkway site.

In April 2011, UO President Richard Lariviere asked TC Eugene to examine the feasibility of developing another RRP parcel at 1700 Millrace Drive, south of the railroad tracks, for the planned ORI and EPIC building. Since that time, TC Eugene has conducted site due diligence including property studies encompassing environmental, wetland, arborist, and geotech analysis, surveying, and other technical studies; redesign work including an entirely new site plan and updates to the designed building systems based on the City’s newly adopted energy code; creation of this new ground lease for 1700 Millrace; and worked to reconfigure parking with the adjacent owner of the 1600 Millrace Drive building for the benefit of both sites.

The above studies and related investigations have proceeded quickly, and the building’s redesign has been completed and submitted for review to the City of Eugene. While certain aspects of the site due diligence still are being completed, the UO requests Board approval to enter the ground lease subject to finalization of certain exhibits, including the site’s legal description and approved development plans. The UO and TC Eugene want to enter this Lease for 1700 Millrace as an alternative to the 855 Riverfront Parkway site; then, when TC Eugene closes its financing under this lease, the UO and TC Eugene will terminate the 855 Riverfront Parkway Lease.

BUILDING PROJECT
TC Eugene, LLC, a single purpose entity of the Trammell Crow Company (TCC), is developing this privately-owned building. Founded in 1948, TCC is one of the nation’s leading developers and investors in real estate. It has developed or acquired over 500 million square feet of buildings.
with a value exceeding $50 billion. TCC is an independently operated subsidiary of CB Richard Ellis Group, Inc., the world's largest real estate services firm.

TC Eugene plans to start construction in August 2011 and complete the four-story building, parking, and landscaping for occupancy no later than October 2011.

**Tenants:** The building's primary tenant company is the Oregon Research Institute (ORI), a major behavioral science research organization. Founded in 1960, with 250 employees, ORI conducts research and develops products focusing on adolescent depression, tobacco and drug use and prevention, chronic pain, and diet and exercise. Due to the specialized nature of ORI's work with families, youth, children, and aging populations, the new facilities will provide features such as one-way observation rooms, kitchen for clients to learn more about diet and healthy cooking techniques, equipment and machines for mental and physical exercise, small interview rooms, confidential areas, and other unique spaces. ORI and University faculty collaborate on research grants, ORI provides UO students with internship and employment opportunities, and together, ORI and the UO form the nucleus of a vibrant behavioral science-based community of organizations in the Eugene-Springfield community.

The second tenant is the Educational Policy Improvement Center (EPIC), a successful UO College of Education spin-off with approximately 75 employees that consults with school systems nationwide on ways to modify and improve high school curriculum to better prepare students for the transition college.

**Design Features:** TCC is constructing a 79,800 SF LEED Silver building. The building, designed by Soderstrom Architects of Portland, Oregon, will meet the LEED Silver nationally accepted benchmark for design and construction of the world's greenest, most energy efficient, and high-performing buildings. Among other features, it will use reduced-flow fixtures reducing water usage; landscape with native vegetation and efficient irrigation systems; install high-efficiency lighting, roof insulation, and low-e insulated windows to reduce overall energy consumption; use low VOC products to eliminate pollutant sources during and after construction; and divert on-site generated construction waste from landfills, among other features.

**TERMS OF THE PROPOSED GROUND LEASE BEING CONSIDERED**
The UO's ground lease is typical in that it covers many topics related to the long-term nature of allowing private developers to construct and manage buildings, parking, and landscaping on University property. The ground lease income is used to manage and operate the Riverfront Research Park as an auxiliary and for infrastructure improvements—including the extension of streets, utilities, and bike bath and related improvements. The following is a brief overview of certain key terms and conditions:

- **Premises:** 4.2 acres (approximate gross acreage, with approximately 3.75 net acres, depending on final design).
- **Term:** 55 years, with possibility of four 10-year renewals.
• **Rent**: Prepaid rent of $1,466,608 for initial 55-year term, with a credit of up to $550,000 for Lessee’s Property Studies, Redesign Expenses, and Parking Expenses due to additional costs Lessee has incurred in changing sites. Prepaid rent will be paid in four installments between close of financing and end of construction; in renewal terms, rent is based on fair market value of land.

• **Covenants**: Tenants must engage in research and/or development or author ideas, inventions, services or products that complement the research and educational activities of the UO. Research, development, or production that destroys or injures human life and the design, development, production, or deployment of offensive or defensive weapons are prohibited.

• **Design Review**: Schematic and Design Development phases of design are reviewed by a University-appointed Design Advisory Committee.

• **Construction/Repair**: Lessee is obligated to construct, repair, and maintain building and site in accordance with strict standards.

• **Insurance/Lien Free**: Lessee is required to provide general liability and casualty insurance and maintain the site free from liens.

• **Condemnation**: Lease sets forth rights/responsibilities of each party in event of a taking.

• **Default/Waiver and Remedies**: Lease covers acts of Lessee default, waivers, performance by Lessor, and various Lessor remedies.

• **Assignment, Sublease, Sale**: Voluntary assignment requires Lessor's prior written consent; in event of sale, Lessor has right of first offer.

• **Subleases**: Requires tenant subleases to conform to applicable provisions of the Ground Lease.

**RIVERFRONT RESEARCH PARK BACKGROUND**

The Riverfront Research Park (RRP) project is a cooperative effort of the UO and private developers to build a University-related research park on a state-owned site adjacent to the University campus. The 67-acre science and technology park, including business technology incubator, is a catalyst for commercializing technology and connecting research with industry, in an environment that fosters innovative technology businesses and start-up companies.

With 29 current tenants and over 400 employees, RRP companies are expanding the regional economy in diverse fields including neuroscience, informatics, biotechnology, nanotechnology, behavioral science, disability research, and healthcare. These companies are addressing important societal concerns facing our future by developing products sold worldwide, including brainwave sensor nets used to diagnose medical conditions including stroke, epilepsy, and monitor neonatal activity; marker genes used to target tumors in breast cancer research; and assays testing cell reaction to improve the development of new drugs with fewer side effects.

Previously, the RRP has entered into two long-term ground leases with private developers. The first, a Salt Lake City developer, constructed a 60,000 SF research office building in 1992. The second, a Portland developer, constructed a 47,000 SF office and laboratory building in 1998.
Both buildings are privately managed and are fully leased. In addition, the Research Park Office operates the Riverfront Innovation Center, a technology incubator for start-up companies and the UO spin-offs.

STAFF RECOMMENDATIONS TO THE COMMITTEE
Staff recommends that the Finance and Administration Committee approve the ground lease as outlined above, and forward to the full Board for approval of the ground lease between State of Oregon Acting by and through the State Board of Higher Education on behalf of the University of Oregon and TC Eugene LLC, and that the Board authorize the Board President and the Secretary of the Board to execute the necessary documents to effect the ground lease.

(Committee action required.)
OUS, Internal Audit Division Progress Report

BACKGROUND
The Oregon State Board of Higher Education (the Board) has oversight responsibility to ensure that the Oregon University System (OUS) is performing its duties of financial reporting, ensuring effective and efficient internal controls, and complying with laws, regulations, and ethics. The OUS Internal Audit Division (IAD) is charged with assisting the Chancellor and the Board with their oversight responsibility.

IAD will present the Division's July 2011 progress report. The information contained in this report documents how IAD worked with management to mitigate risks and identify improvements to OUS operations.

STAFF RECOMMENDATION TO THE COMMITTEE
Staff recommends that the Finance and Administration Committee of the Board approve the July 2011 IAD Progress Report.

(Committee action required.)
I. July 2011 Progress Report

2011 Audit Reports Issued – May 2011 to June 2011

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<td>EOU</td>
<td>Refurbished Computers Purchase</td>
<td>Management request/concern – Evaluated IT department purchase of refurbished computers for compliance with procurement rules. IAD noted purchase did not comply with OUS procurement requirements and made recommendations to enhance the procurement proposal process, provide a formalized procurement training program, improve centralized oversight, and ensure adequate computer inventory records.</td>
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<tr>
<td>UO</td>
<td>Educational and Community Supports (ECS)</td>
<td>Management request/concern – Reviewed ECS internal controls over collections and cash handling operations. IAD noted department is in compliance with PCI standards and made recommendations to improve segregation of duties over collections and enhance supervisory review and monitoring over accounts receivable.</td>
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</table>

IAD notes that the audit report recommendations made over the past quarter were all adequately addressed by management.

II. Follow-up Audit Results

IAD completed a review of recommendations for engagements completed prior to May 2010, noting that 53 of 78 recommendations were successfully implemented and 25 are currently in progress.

Control improvements were made in several areas including refining hiring and employee contracting protocols, further securing student financial aid information, and developing information security policies. There were also improvements made in key fiscal areas, namely cash handling, purchasing procedures, and payroll operations.

Many of the recommendations in progress are related to refinement of existing policies and long-term policy analysis related to business practices. IAD notes that management has represented that action plans are in place to address all open recommendations. IAD will review the open recommendations as part of future follow-up reviews.
## University of Oregon

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## Oregon State University

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## Portland State University

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Committee Action Reports

Academic Strategies Committee

Committee Action Report
Convened June 23, 2011

Actions Taken

- Approved modifications to Provosts’ Council Organization and Operation
- Approved Academic Rank Policy
- Approved changes to Centers and Institutes in OUS Policy
- Endorsed Mission Alignment/Metrics and Usage

Discussion Only

- Update on Economic Development Work Plan
- Update on the OHSU/OUS Life Sciences Complex
- ASC Priority Areas

Work in Progress

- Teacher Education
- Research and Economic Development
- OUS Action Plan for Equity Initiatives

Finance & Administration Committee

Committee Action Report
Convened June 8, 2011

Actions Taken

- Approved OUS and REDCO site license agreement
- Approved second amendment to the 2008 restatement of the Optional Retirement Plan

Discussion Only

- OUS equity purchasing and contract policy and procedures
- 2011-12 committee work plan
- Proposed approaches to 2011-2013 budget allocation and 2011-12 operating budget allocations
Work in Progress

- Quarterly internal audit progress report
- Legal services transition planning
- 2011-12 budget allocation
- Committee charter review and update

Governance & Policy Committee

Committee Action Report
Convened June 16, 2011

Discussion Only

- Higher education finance

Guest Facilitator

- Dr. William Zumeta, Professor of Public Affairs and Education at the University of Washington

Work in Progress

- Higher education governance models
- Higher education finance
OUS, Mission Alignment/Metrics, Use and Implementation

The OUS Provosts’ Council has developed this document to accompany the March 31, 2011, Mission Alignment document in order define to its uses and implementation. The Mission Alignment document (attached) includes:

- Background
- Overall approach for defining metrics
- Institutional mission intensities and defining metrics
- A table on the alignment of student access mission intensity along with Systemwide metrics and institutional-specific metrics
- A table on academic program mission intensity along with Systemwide metrics and institutional-specific metrics
- A table on innovation/research mission intensity along with Systemwide metrics and institutional-specific metrics
- Institutional mission statements

The Mission Alignment document supports the Oregon University System Board’s four goals to produce the highest level of educational outcomes for Oregonians:

1. *Create in Oregon an educated citizenry to support responsible roles in a democratic society and provide a globally competitive workforce to drive the State’s economy, while ensuring access for all qualified Oregonians to quality postsecondary education;*
2. *Ensure high quality student learning leading to subsequent student success;*
3. *Create original knowledge and advance innovation,* and
4. *Contribute positively to the economic, civic, and cultural life of communities in all regions of Oregon.*

In the Mission Alignment document institutional missions and profiles are defined by three alignment matrices that correspond to Board goals:

- **Student Access** (addressing Goal #1 above). Referencing both physical presence as well as areas of the State from which an institution draws a significant number of students.
- **Academic Programs** (addressing Goal #2 above). Undergraduate programs only.
- **Innovation/Research** (addressing Goal #3 above). Reflective of strengths in graduate education and research.

Contributions to the economic, civic, and cultural life in communities (Goal #4) are reflected in all the matrices in that student access, academic programs and innovation/research are all components that contribute to economic and social vibrancy.

The data in each of the matrices, along with the distinct mission of each institution, provides a picture of the contributions each institution makes to OUS and will be used as planning tool.
Each matrix is followed by lists of Systemwide and of institution-specific metrics, from which each institution has selected the most valid indicators of fulfilling the mission aspects for which the institution declares primary mission intensity. Note: OHSU is listed the matrices to demonstrate their contributions to the network of public higher education in the State, however, no metrics are listed for OHSU given their autonomy from OUS.

**USE OF MISSION ALIGNMENT**
The Mission Alignment document is a snapshot; it shows the contributions of OUS institutions at a given point in time. It is intended to be updated on an annual basis and submitted to the Academic Strategies Committee of the Board for discussion, modification if needed, and approval. It is reflective of how OUS institutions are fulfilling their mission commitments and was designed as a tool to be used by institutions, OUS, and the Board to determine how OUS is meeting the Board’s goals. It provides a bridge to align institutional missions with OUS. It will be used to determine needs for new academic programs and to assess new program proposals. It will provide a framework for measures and metrics to be used to benchmark institutional progress, program viability, and presidential evaluation.

*How institutions will use the Mission Alignment matrices and metrics:*

- **Development of new academic programs:** The Mission Alignment document will be used internally by an institution to determine program needs. This includes determining the need for new programs (both in terms of meeting market and access), whether or not a proposed new program is duplicative of current offerings in OUS, and if a program needs to be discontinued.

- **Benchmarking:** Institutions will use the Systemwide and campus-specific metrics to benchmark and measure progress. These metrics will be integrated into institutional planning and budget process and could result in program changes, additions, or discontinuations.

- **Mission alignment:** Institutions will use the Mission Alignment document to assess the integrity of their mission via their program array and metrics.

- **Accreditation:** Institutions will use the Mission Alignment document for Northwest Commission on Colleges and Universities accreditation; with a specific emphasis on the required criteria of developing core themes and demonstrating that new academic program development is based on a process that meets the Board’s goals and is informed by assessment and analysis.

*How the Provosts’ Council will use the Mission Alignment matrices and metrics:*

- **Determining regional and statewide needs:** By routinely examining the rows in the matrices in the Mission Alignment document, the Provosts’ Council will be able to identify where there might be gaps in OUS offerings by region, meeting market needs, or access and to develop proposals to fill those gaps.
• **Program approval:** The Provosts’ Council will use the matrices in the Mission Alignment document as a means to determine how newly proposed programs fit within an institution’s mission, geographic need, or if it is duplicative of existing offerings.

• **Monitoring:** The Provosts’ Council will annually update the matrices and metrics in the Mission Alignment document to reflect the responsiveness of OUS institutions in ensuring that the program array provided meets the needs of the state.

*How Chancellor’s Office will use the Mission Alignment matrices and metrics:*

• **Program approval:** The Chancellor’s Office will use the matrices in the Mission Alignment document as a means to determine how a newly proposed program fits within an institution’s mission, if it serves a geographic need, or is duplicative of existing offerings.

• **Development of initiatives:** The Chancellor’s Office will develop and provide leadership on initiatives, when applicable, to support progress on the Systemwide and institutional-specific metrics.

• **Presidential evaluation:** For Board action, the Chancellor’s Office will incorporate the Systemwide and institutional-specific metrics of the Mission Alignment document in presidential evaluations.

• **Compact with the campuses:** For Board action, the Chancellor’s Office will use the Systemwide and institutional-specific metrics in the Mission Alignment document as part of the development of the compact with the campuses.

*How the Board will use the Mission Alignment matrices and metrics:*

• **Fulfilling Board goals:** The Board will continually assess if the matrices and metrics of the Mission Alignment document advance the goals of the Board, and as needed, develop actions.

• **Meeting the needs of the State:** The Board will review the rows and columns of the Mission Alignment matrices to determine if there are gaps in program offerings or student access.

• **Institutional mission integrity:** The Board will use the Mission Alignment document to determine if institutions are meeting their mission and if changes in institutional mission are warranted.

• **Communication document:** The Board will use the Mission Alignment document to communicate with external stakeholders as to how OUS is meeting the needs of the State, as well as evidence of OUS’ progress on advancement of the Board’s goals.
COMMITTEE RECOMMENDATION TO THE BOARD
In June 2011, the Academic Strategies Committee reviewed and approved the Mission Alignment/Metrics document and the use and implementation thereof. The Committee is forwarding the document and procedures to the full Board for approval.

(Board action required.)

Attachment

Mission Alignment/Metrics

BACKGROUND
The Oregon University System Board, on behalf of OUS, seeks to accomplish four goals to produce the highest level of educational outcomes for Oregonians:

1. Create in Oregon an educated citizenry to support responsible roles in a democratic society and provide a globally competitive workforce to drive the state’s economy, while ensuring access for all qualified Oregonians to quality postsecondary education;
2. Ensure high quality student learning leading to subsequent student success;
3. Create original knowledge and advance innovation; and
4. Contribute positively to the economic, civic, and cultural life of communities in all regions of Oregon.

Both in response to Senate Bill 442 and the goals of the Board, the Oregon University System institutions have defined their missions, student access, academic program array, and research. These efforts are conveyed in the following matrices with accompanying metrics. Individual campuses and the System, as a whole, will use this information to ensure the Board’s goals are met and that resources are effectively managed. The matrices and metrics are designed to first and foremost be used as tools at the campus-level for decision-making related to program development and/or discontinuation.

OVERALL APPROACH FOR DEFINING METRICS
Institutional profiles are defined by three mission alignment matrices:

- Student Access (addressing Goal #1 above). Referencing both physical presence as well as areas of the State from which an institution draws a significant number of students.
- Academic Programs (addressing Goal #2 above). Undergraduate programs only.
- Innovation/Research (addressing Goal #3 above). Reflective of strengths in graduate education and research.
Contributions to the economic, civic, and cultural life in communities (Goal #4) are reflected in all the matrices in that student access, academic programs, and innovation/research are all components that contribute to economic and social vibrancy.

The data in each of these matrices, along with the distinct mission of each institution (also included at the end of this document), provide a picture of the contributions each institution makes to OUS.

**INSTITUTIONAL MISSION INTENSITIES AND DEFINING METRICS**

Each matrix lists mission aspects in the row categories and the institutions across the columns. The numerical entries in the cells represent the intensity of the commitment each institution has to the mission aspect in that row. A value of 1 implies primary mission intensity for that institution – a commitment to a leadership responsibility in providing coverage for that aspect. A value of 2 indicates secondary mission intensity – substantial involvement by the institution but not a commitment to leadership of the area. A value of 3 indicates some involvement by that institution in that mission aspect. A blank cell indicates that the institution is not materially involved in that mission aspect. It is important to note that these are institution-declared mission intensities and the numbers should not be misinterpreted to stand for a ranking of programs or a measure of program quality but, rather, the numbers represent a commitment on the part of the university to offer this set of mission aligned programs, but with varying intensity.

Each component of the institution’s mission is multi-faceted and is presented here in terse form. It is also the case that quantitative metrics alone do not capture all the essential relationships among various dimensions of an institution and should be factored in when assessing an institution’s mission.

Each matrix is followed by lists of Systemwide and of institution-specific metrics, from which each institution has selected the most valid indicators of fulfilling the mission aspects for which the institution declares primary mission intensity. Note: OHSU is listed in the matrices to demonstrate their contributions to the network of public higher education in the state; however, no metrics are listed for OHSU given their autonomy from OUS.
### ALIGNMENT DIMENSION #1: STUDENT ACCESS MISSION INTENSITY

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- **Systemwide Metrics**
  - Enrollment (Unduplicated Headcount): Total and Resident
  - Enrollment from *primary geographic areas* as percentage of Total Enrollment (Note: Need this to link to the Table 1)
  - Underrepresented Enrollment as percentage of Total Undergraduate Enrollment
  - State Appropriation per Fundable Resident Student FTE (Note: Resident enrollment needs to be linked to State funding to get the full picture)

- **EOU Institution-Specific**
  - Distance Education Enrollment as percentage of Total Enrollment
  - Distance Education Enrollment Oregon County by County as a percentage of Total Enrollment
  - Number of Programs—majors, minors, certificates—available at a distance as a percentage of total number of programs offered
  - New Undergraduate Enrollment: Total, percentage of Resident
  - First-Year Retention Rate for Undergraduate Students (including interinstitutional transfers)
  - Percentage of newly admitted freshmen entering with HS Dual Credit courses
  - Percentage of newly admitted transfers who came from Oregon Community Colleges

- **OIT Institution-Specific**
  - Distance Education Enrollment as percentage of Total Enrollment
  - New Undergraduate Enrollment: Total, percentage of Resident
  - First-Year Retention Rate for Undergraduate Students (including interinstitutional transfers)
Percentage of newly admitted freshmen who had HS ACP during their last year of high school or percentage of newly admitted transfers who came from Oregon Community Colleges (if this is possible given the current framework)

**OSU Institution-Specific**
- Enrollment as percentage of Total Enrollment for Nonresident U.S. students, international students, graduate students
- Distance Education Enrollment as percentage of Total Enrollment
- First-Year Retention Rate for Undergraduate Students

**PSU Institution-Specific**
- Oregon resident enrollment from Portland Metropolitan Area (PMA)
- Oregon resident enrollment from outside PMA
- International student enrollment
- Domestic Nonresident enrollment
- Ethnicity
- Programs offered outside PMA (includes online)
- Enrollment and degrees awarded by these programs

**SOU Institution-Specific**
- Number of Transfer Students from the Six County Southern Oregon Region
- Number of Articulation Agreements with Institutions in Oregon
- Number of First Generation/Low Income students served in Oregon/Southern Oregon

**UO Institution-Specific**
- Average HS GPA and SAT/ACT for New Freshman
- Percentage of Entering Class (undergraduate and graduate) from Underrepresented Groups and International
- First- to Second-year Retention
- Six-year Graduation Rate of undergraduates
- Percentage of Unmet Financial Need of Resident undergraduates filled from University resources

**WOU Institution-Specific**
- Enrollment as percentage of Total Enrollment for any of the following: First Generation/Low Income students
- First-year Retention Rate for Undergraduate Students
- New Undergraduate Enrollment: Total, percentage Resident, percentage Underrepresented, etc.
- Distance Education Enrollment as percentage of Total Enrollment
### ALIGNMENT DIMENSION #2: ACADEMIC PROGRAM MISSION INTENSITY

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- **Systemwide Metrics**
  - Degrees Awarded: Total, Bachelors, Advanced
  - Degrees Awarded in State-designated Workforce Shortage Areas

- **EOU Institution-Specific Metrics**
  - Degrees Awarded in Education Areas Important to the Institution's Geographic Region (Note: These may be different from State-designated Workforce Shortage Areas)
  - Enrollment of students in the State-designated Workforce Shortage areas expressed as a percentage of Total Enrollment
  - Enrollment of students in program areas leading to programs offered in partnership with other OUS partners and Oregon Community College partners
  - Percentage of Graduates Employed or Enrolled One Year After Graduation

- **OIT Institution-Specific Metrics**
  - Degrees Awarded in Education Areas Important to the Institution's Geographic Region (Note: These may be different from State-designated Workforce Shortage Areas). Include enrollment of students in the state-designated shortage areas
(either Labor Department or Complete College America) expressed as a percentage of Total Enrollment.
  - Programmatic Accreditation by DOE-recognized professional accreditation agencies
  - Percentage of Graduates Employed or Enrolled One Year After Graduation

- **OSU Institution-Specific Metrics**
  - Licensure or Certification Pass Rates in Selected Education Areas
  - Programmatic Accreditation by DOE-recognized professional accreditation agencies
  - Six-Year Graduation Rates for Undergraduate Students

- **PSU Institution-Specific Metrics**
  - Enrollment by Declared Major
  - Degrees granted by Major and Level
  - Enrollment in Community-Based Learning
  - Faculty Headcount and FTE by Tenure Status, by Program

- **SOU Institution-Specific Metrics**
  - Degrees Awarded in Education Areas Important to the Southern Oregon Region (Business, Education, Environmental Studies, Applied Psychology, Arts)
  - Licensure or Certification Pass rates

- **UO Institution-Specific Metrics**
  - Student/Faculty Ratio
  - Percentage of Students that Study Abroad
  - Percentage of Students involved in Internships, Leadership Programming and Service Learning

- **WOU Institution-Specific Metrics**
  - Degrees Awarded in Education Areas Important to the Institution’s Geographic Region (Note: These may be different from State-designated Workforce Shortage Areas)
  - Percentage of Graduates Employed or Enrolled One Year After Graduation
  - Six-Year Graduation Rates for Undergraduate Students
  - Examination of resources dedicated to the Art Programs
### ALIGNMENT DIMENSION #3: INNOVATION/RESEARCH MISSION INTENSITY

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**Systemwide Metrics**

- Total Annual Sponsored Grant and Contract Expenditures
- Graduate Degrees Awarded as percentage of Total Degrees

**EOU Institution-Specific Metrics**

- High-Achieving High-School Graduates (GPA>3.75) as percentage of Total First-Year Class
- Acceptance Rate of Students to selected Professional/Medical/Graduate Programs
- Number of Graduating Baccalaureate students presenting Senior Research Symposia as a percentage of Overall Baccalaureate Graduates

**OIT Institution-Specific Metrics**

- High Achieving High-School Graduates (GPA>3.75) as percentage of Total First-Year Class
- Number of Patents, Licenses, and Start-ups per Faculty FTE
- Cumulative Economic Impact per State Appropriation Dollar
• **OSU Institution-Specific Metrics**
  - Annual Sponsored Grants and Contracts Expenditures per Faculty FTE
  - Number of Patents, Invention Disclosures, and Start-ups, and Licensing Revenue
  - High-Achieving High School Graduates (GPA > 3.75) as percentage of Total Enrollment

• **PSU Institution-Specific Metrics**
  - Number of Patents/Licenses/Start-ups
  - Number of Partnerships, by agency or organization type
  - Number of state or federal agencies currently supporting Sponsored Research
  - Carnegie Research Classification

• **SOU Institution-Specific Metrics**
  - Number of Students/Clients Served in Community-based Learning and Research Partnerships
  - Number of Clients served through Educational Outreach Collaborations

• **UO Institution-Specific Metrics**
  - Faculty Salaries as percentage of AAU Peers Median
  - Major Faculty Awards (Fulbright, Guggenheim, National Academies...)
  - Average GRE for new graduate students
  - Graduate enrollment
  - Financial Support provided to graduate students
  - Research Expenditures
  - Dollar Return from Patents and Licensing

• **WOU Institution-Specific Metrics**
  - Annual Sponsored Grants and Contracts Expenditures per Faculty FTE
  - Regionally/Nationally Recognized Programs
INSTITUTIONAL MISSION STATEMENTS

Eastern Oregon University

EOU guides student inquiry through integrated, high-quality liberal arts and professional programs that lead to responsible and reflective action in a diverse and interconnected world.

As an educational, cultural, and scholarly center, EOU connects the rural regions of Oregon to a wider world. Our beautiful setting and small size enhance the personal attention our students receive, while partnerships with colleges, universities, agencies, and communities add to the educational possibilities of our region and state.

EOU Institutional Core Themes & Associated Goals

**Theme 1:** EOU has high quality liberal arts and professional programs that prepare students for the world beyond college.
- **Goal 1:** Foster and assess student learning
- **Goal 2:** Ensure faculty and staff success

**Theme 2:** EOU is a regional University with a deep sense of commitment to students where they are.
- **Goal 3:** Serve students where they are
- **Goal 4:** Make excellence inclusive
- **Goal 5:** Adopt and enhance appropriate educational technologies

**Theme 3:** EOU is the educational, cultural and economic engine of eastern Oregon.
- **Goal 6:** Foster Partnerships
- **Goal 7:** Ensure a fiscally and environmentally sustainable university environment
- **Goal 8:** Provide programs and resources to respond to high demand regional needs

**Theme 4:** EOU provides personal, student-centered experience in both the curricular and co-curricular programs.
- **Goal 9:** Ensure access and success for all students
- **Goal 10:** Provide opportunities for students and faculty to engage with their community
Oregon Institute of Technology

Oregon Institute of Technology, a member of the Oregon University System, offers innovative and rigorous applied degree programs in the areas of engineering, engineering technologies, health technologies, management, and the arts and sciences. To foster student and graduate success, the university provides an intimate, hands-on learning environment, focusing on application of theory to practice. Oregon Tech offers statewide educational opportunities for the emerging needs of Oregon’s citizens and provides information and technical expertise to state, national, and international constituents.

Mission Core Themes

- Applied degree programs
- Student and graduate success
- Statewide educational opportunities
- Public service

Oregon State University

As a land grant institution committed to teaching, research, and outreach and engagement, Oregon State University promotes economic, social, cultural and environmental progress for the people of Oregon, the nation and the world. This mission is achieved by producing graduates competitive in the global economy, supporting a continuous search for new knowledge and solutions, and maintaining a rigorous focus on academic excellence, particularly in the three Signature Areas: Advancing the Science of Sustainable Earth Ecosystems; Improving Human Health and Wellness; and Promoting Economic Growth and Social Progress.

Portland State University

The mission of Portland State University is to enhance the intellectual, social, cultural and economic qualities of urban life by providing access throughout the life span to a quality liberal education for undergraduates and an appropriate array of professional and graduate programs especially relevant to metropolitan areas. The University conducts research and community service that support a high quality educational environment and reflect issues important to the region. It actively promotes the development of a network of educational institutions to serve the community.
Southern Oregon University

Southern Oregon University is an inclusive campus community dedicated to student success, intellectual growth, and responsible global citizenship.

- A challenging and practical liberal arts education centered on student learning, accessibility, and civic engagement;
- Academic programs, partnerships, public service, outreach, sustainable practices, and economic development activities that address regional needs such as health and human services, business, and education; and
- Outstanding programs that draw on and enrich our unique arts community and bioregion.

University of Oregon

The University of Oregon is a comprehensive research university that serves its students and the people of Oregon, the nation, and the world through the creation and transfer of knowledge in the liberal arts, the natural and social sciences, and the professions. It is the Association of American Universities flagship institution of the Oregon University System.

The University is a community of scholars dedicated to the highest standards of academic inquiry, learning, and service. Recognizing that knowledge is the fundamental wealth of civilization, the University strives to enrich the public that sustains it through

- a commitment to undergraduate education, with a goal of helping the individual learn to question critically, think logically, communicate clearly, act creatively, and live ethically
- a commitment to graduate education to develop creators and innovators who will generate new knowledge and shape experience for the benefit of humanity
- a recognition that research, both basic and applied, is essential to the intellectual health of the University, as well as to the enrichment of the lives of Oregonians, by energizing the state’s economic, cultural, and political structure
- the establishment of a framework for lifelong learning that leads to productive careers and to the enduring joy of inquiry
• the integration of teaching, research, and service as mutually enriching enterprises that
together accomplish the University’s mission and support its spirit of community
• the acceptance of the challenge of an evolving social, political, and technological
environment by welcoming and guiding change rather than reacting to it
• a dedication to the principles of equality of opportunity and freedom from unfair
discrimination for all members of the University community and an acceptance of true
diversity as an affirmation of individual identity within a welcoming community
• a commitment to international awareness and understanding, and to the development
of a faculty and student body that are capable of participating effectively in a global
society
• the conviction that freedom of thought and expression is the bedrock principle on which
University activity is based
• the cultivation of an attitude toward citizenship that fosters a caring, supportive
atmosphere on campus and the wise exercise of civic responsibilities and individual
judgment throughout life
• a continuing commitment to affordable public higher education

Western Oregon University

Western Oregon University offers exemplary undergraduate and graduate programs in a
supportive and rigorous learning environment. Oregon’s oldest public university, WOU works to
ensure the success of students and the advancement of knowledge as a service to Oregon and
the region. The University works in partnership with PK-12 schools, community colleges, higher
education institutions, government, and local and global communities.

Western Oregon University is a comprehensive public university, operating for the public good,
which:
• Provides effective learning opportunities that prepare students for a fulfilling life in a
global society;
• Supports an accessible and diverse campus community; and,
• Improves continuously the educational, financial, and environmental sustainability.

Mission Core Themes
• Effective learning
• Supports diversity
• Sustainable institution
OUS, Equity Purchasing and Contracting Policy and Procedures

INTRODUCTION
After discussion at the October 2010 Board meeting, the Board requested staff to examine and update existing OUS contracting and purchasing policies and procedures as they relate to Minority-owned, Women-owned, and Emerging Small Businesses, collectively referred to herein as Historically Underrepresented Businesses.

PROCESS
Staff assembled a workgroup consisting of campus representatives from OIT, OSU, PSU, UO, and the Chancellor’s Office across purchasing and capital construction departments. The workgroup discussed potential improvements to current practices and drafted a policy and accompanying procedures that reflect the Board’s goals to achieve annual improvement in the utilization of Historically Underrepresented Businesses. The policy requires specific annual reporting and targeted outreach. The policy also encourages the OUS institutions to develop outreach plans in accord with the priorities of their leadership and local communities. Staff worked to facilitate processes Systemwide in order to develop uniform recordkeeping procedures and provide support for outreach efforts.

The policy calls for annual reports provided by the OUS institutions and presented to the Board in order to provide consistent annual data across institutions and to serve as a forum to share successful outreach efforts. These reports will also be used as part of the institution’s presidential evaluation process, as may be more specifically defined within existing and future Board policies.

Staff conducted a review and comment process for institution vice presidents and presidents and included informal feedback from members of the business community and the Governor’s Office. In June 2011, the policy was submitted to the Board’s Finance and Administration Committee for review and approval.

COMMITTEE RECOMMENDATION TO THE BOARD
The Finance and Administration Committee forwards the following policy and procedures governing equity purchasing and contracting to the Board for approval.

(Board action required.)
POLICY DRAFT

OREGON UNIVERSITY SYSTEM

SECTION: Section 2–Finance and Administration
TITLE: Equity Contracting Purchasing and Data Reporting Procedures
NUMBER: 2.XXX
EFFECTIVE DATE: July 8, 2011

I. PURPOSE

It is the policy of the Oregon University System (OUS) that all businesses, including small, minority and women-owned businesses, shall be given the maximum practicable opportunity to compete for and be awarded contracts by the institutions within OUS. The goal of this policy is to expand economic opportunities for historically underrepresented businesses by encouraging participation in OUS contracting and purchasing.

ORS 351.070(2)(c) requires the Board to adopt policies and procedures that achieve results related to the participation of Minority, Women and Emerging Small Businesses (MWESBs), as defined by the State of Oregon, that equals or exceeds the standards in effect on July 17, 1995. The Board has further delegated its authority to the institutions under ORS 351.060(9) and the institutions have further delegated their authority for certain types of contracts and purchases to departments and employees pursuant to their specific institutional policies. OAR 580-061-0000(1)(f) provides that OUS employees should encourage participation by MWESBs. This requirement is further set out in OAR 580-061-0030. The Board’s Policy on Diversity, approved on March 6, 2009, provides that the Board is committed to vendor and contracting practices that encourage and promote participation by MWESBs and requires periodic reports to the Board by the Chancellor and the presidents of each institution on progress in vendor and contracting initiatives and practices.

This policy implements these requirements. It includes targeted outreach efforts aimed at increasing opportunities for a wide range of businesses, including certified MWESBs and minority and women-owned businesses that are not currently certified by the Oregon Business Development Department (OBDD) or have chosen an alternative agency for certification. No provision of this policy is intended to provide for or encourage and the policy should not be construed as providing for or encouraging the granting of any unlawful preferences in OUS contracting; the provisions of this policy shall be implemented in accordance with the requirements of state and federal law.

II. DEFINITIONS

All capitalized terms not defined in this policy have the definitions set out in OUS rules.

Certified MWESB: An MWESB certified by the Oregon Business Development Department
Historically Underrepresented Business: Certified and self-identified MWESBs and firms certified federally or by another state or entity with substantially similar procedures to the State of Oregon.

Management Plan: A plan to increase the diversity of a business’ workforce and to subcontract with or purchase from Historically Underrepresented Businesses. The Management Plan may include the business’ nondiscrimination practices, subcontracting strategy, workforce diversity plan, and outreach plan to increase participation by Historically Underrepresented Businesses. Institutions are also encouraged to consider past performance of businesses in regards to workforce diversity and subcontracting plans as part of the Management Plan evaluation. The Management Plan, except for any percentage goals to utilize Historically Underrepresented Businesses, shall become part of the Contract.

Outreach Plan: An institution’s plan to increase utilization of Historically Underrepresented Businesses

III. OUTREACH

Each institution shall develop an Outreach Plan. At the discretion of the institution, an Outreach Plan may include elements such as: vendor fairs, small group meetings between Historically Underrepresented Businesses and persons who solicit and enter into contracts for the institution, technical assistance for Historically Underrepresented Businesses, and dissemination of resources to institution employees with purchasing authority. The Outreach Plan may also include outreach to businesses owned by disabled veterans.

IV. CONSTRUCTION-RELATED SERVICES, PROFESSIONAL CONSULTANTS, AND CAPITAL CONSTRUCTION

A. Retainer Program for Construction Related Services

All contracts with a contract value greater than $50,000 that are awarded under the Retainer Program for Construction Related Services shall require a Solicitation Effort to at least two (2) Historically Underrepresented Businesses.

B. Retainer Program for Professional Consultants

All contracts with a contract value greater than $100,000 awarded under the Retainer Program for Professional Consultants shall require a Solicitation Effort to at least two (2) Historically Underrepresented Businesses professional consultants.

C. CM/GC and Design/Build Capital Construction Projects

All RFPs for capital construction projects and associated professional consultants utilizing CM/GC or Design/Build processes shall include a Management Plan by the proposer as part of
the evaluation criteria. At least 10 percent of the total points allocated for evaluation shall be allocated to the Management Plan.

D. Solicitation Effort

For purposes of this section, Solicitation Effort means:

1. Contacting at least two (2) Historically Underrepresented Businesses, if available, individually by appropriate means (letter, fax, e-mail or telephone) to alert them of the contracting opportunity; and
2. Providing the Historically Underrepresented Businesses the same amount of time to respond to the proposal as non-Historically Underrepresented Businesses; and
3. If the institution solicits bids without posting an RFP on the OUS website, posting the names of the contractors that the institution has chosen to submit bids on the OUS Business Opportunity Capital Construction Subcontracting Opportunities website so that Historically Underrepresented Businesses can contact them to provide their services as subcontractors or suppliers; OR
4. If a significant portion of the Contract will be subcontracted to other businesses, per the determination of the institution, the inclusion of a Management Plan as part of the evaluation criteria. The evaluation of the Management Plan must represent at least 10 percent of the total points allocated for evaluation.

V. PURCHASING OF GOODS OR SERVICES

All Informal Procurements with a contract value of more than $25,000 for purchase of goods or services under a competitive process shall require a Solicitation Effort to at least one (1) certified MWESB firm.

A. Solicitation Effort

For the purposes of this section, Solicitation Effort means:

1. Institutions shall contact one Certified MWESB, if available, by appropriate means (letter, fax, e-mail or telephone) to alert them of the contracting opportunity and provide them reasonable notice to respond.
2. If no Certified MWESBs are available for the applicable solicitation, Self-identified MWESBs or firms certified by a state, the federal government or other entities, as available, may be used to satisfy the requirements of this section.

VI. RECORDS

Institutions shall keep a record of all Solicitation Efforts with its solicitation documents and in accordance with the OUS records retention rules.
VII. EMERGENCY PROCUREMENTS AND OTHER EXEMPTED CONTRACTS

This policy is inapplicable to Emergency Procurements. This policy is inapplicable to any contract exempted from competitive procurement under existing OUS policies or rules. Notwithstanding the foregoing, institutions are still strongly encouraged to contact Historically Underrepresented Businesses for Emergency Procurements or exempt contracts.

VIII. ANNUAL REPORT

A. Each institution must submit an Annual Report on its equity contracting and purchasing efforts to the OUS Chancellor’s Office by November 1. Reports will be presented to the State Board of Higher Education annually.

B. The Annual Report shall include data on utilization of Historically Underrepresented Businesses for capital construction projects and goods or services purchases for the most recently completed fiscal year. The Annual Report will also compare utilization to the previous year’s utilization. Institutions may choose to include comparisons to data from any other previous fiscal year, as available.

1. Utilization data shall be separated into the following categories:
   a) Certified Minority Business Enterprises;
   b) Certified Women Businesses Enterprises;
   c) Certified Emerging Small Business Enterprises; and
   d) Self-identified MWESBs and MWESBs certified by another state, the federal government, or some other certifying entity whose certification processes are substantially similar to the processes used by the OBDD.

2. The Annual Report must include utilization data from the contracts with firms within the categories listed in 1(a), (b), and (c). The Annual Report may include utilization data from contracts with firms within the category listed in 1(d). The Annual Report may also include utilization data from contracts with non-MWESB firms that subcontract with Historically Underrepresented Businesses.

3. The Annual Report shall include data on Historically Underrepresented firms that are subcontractors on capital construction projects. The OUS Chancellor’s Office shall set out the format for reporting this data.

4. The Annual Reports shall include the total number of Historically Underrepresented Businesses that did business with the institution during the most recently completed fiscal year.

5. All utilization data shall be reported as a percentage of total covered expenditures and as the total value of the covered contracts as set out below. The expenditure categories listed in Addendum 1 shall be excluded from the report.
REQUIRED DATA FIELDS FOR ANNUAL REPORT

1. **Dollar Value**

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<th>Capital Construction (including subcontracting)</th>
<th>Goods and Services</th>
<th>Total</th>
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<tbody>
<tr>
<td>1. Certified Minority Business Enterprises</td>
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<td>2. Certified Women Business Enterprises</td>
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<td>3. Certified ESBs</td>
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<td>4. Self-identified MWESBs and MWESBs certified by other than OBDD</td>
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ADDENDUM 1

Excluded Expenditure Categories

[To be completed.]