Chairman Doneghan, members of the Board, Chancellor Pernsteiner, members of the Oregon University System, I bid you a warm hello from the senators of the IFS. A special hello to my friend and colleague Lynda Ciuffetti.

Thank you for the opportunity to address you today. Since this is my first time addressing the Board, I will cleave to my instructions which were to give a brief report on the activities of the IFS. I will then conclude with some challenges and concerns that the IFS wished for me to express to you.

In our November meeting:

1. IFS discussed and agreed to reinvigorating, and repurposing ourselves to be more effective in representing our constituent faculty, staff and students as well as our institutions as a whole.
2. To this end, we resolved and approved a return to holding our meetings at individual campuses in order to get a better feel for what the particular issues are on those campuses. This also allows us to connect with the campus’ faculty leadership, administration, staff and students.
3. The next meeting will be January 25th and 26th at OSU.
4. We agreed that the by-laws and constitution of the IFS need to be updated. This would include the creation of standing committees as well as creating reports that give a sense of the IFS, including dissenting opinions when appropriate.
5. We created an ad-hoc committee to look at the OAR’s related to the new faculty ranks. There are some concerns and problems that differ across the various campuses. This committee will have recommendations to present at our January meeting.

Challenges and Concerns

The Governor has proposed an overhaul of pre-K through grade 20 education in the State. He wants more accountability and better integration between the various providers of education in the state by means of Achievement Compacts. SB 242 authorized the formation of the OEIB (Oregon Education Investment Board). He also appointed a Chief Education Officer (Rudy Crew) who will be responsible for insuring that this integration and accountability does happen. The Governor has also proposed a new Department of Post-Secondary Education that would include Community Colleges and the Universities, and a new Higher Education Coordinating Commission (HECC) to coordinate the various missions of all Higher Ed institutions and make it more seamless for students to proceed through the system. This is all being proposed by the OEIB and then sent to the Legislature for either endorsement, alteration, or rejection. At this point in time, we don’t have enough clarity on how all of these new entities will impact higher education. Nonetheless, the IFS members are concerned that this constitutes a great deal of change in a relatively short span of time. We are hopeful that these new entities will bring improvements to our ability to educate the students of Oregon and beyond.
Another element of concern is the proposal from the OEIB that UofO and PSU be granted permission to establish independent Boards, while the remaining universities would have a single governing board “with new, dedicated focus on university governance.”

The IFS is wondering what is being envisioned for the OUS (Oregon University System), The Chancellor’s Office, and the State Board of Higher Education. It’s not at all clear what role these entities will have in the near future.

To be a bit partisan for a moment, President Ray and the OSU administration and faculty will have to figure out what is the best path forward for OSU given all this unprecedented change. Would it be best for OSU to pursue its own independent Board of Governors or might it be beneficial to be part of this consortium with the eventual 5 regional schools (EOU, WOU, OIT, SOU, Cascades)? Some aspects to consider will be access to the new pool of state resources and whether or not there is enhanced or reduced flexibility in conducting its missions. Hopefully, this will become clearer as the Legislature does its work. Clearly there will need to be considerable study and analysis of these questions over the coming months.

The PEBB discontentment continues to simmer. Given higher education’s overall better health as a pool, one could interpret that OUS pays into PEBB $67 million more than its members receive in benefits. It would be beneficial to OUS if it either received more or better health services. Alternatively, if OUS received a credit for those funds and put them back into the OUS system budget, it could do more direct work at improving delivery of higher education to our students. We are all too aware that our students feel that they are bearing the burden of this cost differential through their tuition payments.

Further, another area of concern to faculty, that has received a lot of attention and press is PERS reform. A number of potential reforms have received considerable press coverage. We note that the Governor’s budget proposes changes to retirees’ and future retirees’ COLA adjustments and those out of state retirees living in states with no income taxes who receive funds for this purpose from a court ruling. We hope the Legislature will be as measured in their deliberations as they weigh in on any potential PERS reforms.

Finally, just recently, the State Treasurer has proposed raising $500 million dollars through bond issues. These funds would be used to fund the Oregon Opportunity Initiative which would provide financial assistance to students for two years of college. Although this would be truly welcome relief for students, and we applaud Treasurer Wheeler, we do wonder how the issuing of new bonds would impact OUS’ own bond raising projects such as new instructional buildings that are proposed on several campuses?

So, in closing, we plan to stay engaged as the Legislature comes into session next week. This will be a very busy year in Salem and one with potentially historic changes to higher education in Oregon. On behalf of all faculty members at public institutions in Oregon, I thank you all for your service on our, and our students’ behalf.