System Design:

- Examine the Operating Framework of the Board and the System
- Strengthen the Working Relationships of the Board, System and Institutions
A. Develop a Decision Structure to Best Achieve the Goals of Public Higher Education in Oregon
1. Clarify the Decision-making Structure of the Board of Higher Education

- Set an annual agenda
- Modify meeting format and frequency and the use of committees to improve Board effectiveness
- Assign to committees the appropriate strategic initiatives
- Review and update the Board Bylaws
Articulate the roles of the Chancellor and the University Presidents in development of policy recommendations for the Board and in implementation of Board policies and achievement of Board goals
Develop appropriate System and institutional roles and relationships to improve the efficiency and effectiveness of both within an integrated system of higher education

- Adopt and promote the flexibility initiatives in the 2003 Legislative Session
2. Develop a Strategic Development Plan for OUS with which Institutional Plans Should be Compatible and Supportive
- Adopt a vision for OUS
- Develop a statement of the OUS goals and anticipated services to the citizens of Oregon
- Refine mission statements for each University and align with OUS vision and goals, identifying distinctions between and strengthening collaborative relationships among the institutions
Develop Policies That Include Measurable Outcomes and Outline the Respective OUS and University Responsibilities for:

- Quality and enrollment management
- Increased diversity of students and faculty populations
- Access and admission standards
- Tuition and fees (See B.2 on Affordability)
- Academic program approval
Strengthen the role of the OUS and individual institutions working with the business community in support of Oregon’s economic development

Identify unmet higher educational needs of the state
3. Develop Policies to Facilitate and Direct the System and the Universities to Increase the Effectiveness of Their Partnerships With:
- Oregon Community Colleges
  - to optimize access through dual enrollment, articulation, and transfer

- Oregon K-12 Education
  - to support seamless transitions through K-16

- Other Oregon State and Local Government Agencies
  - to maximize public services during times of restrained public funding
4. Explore Effectiveness of Current Governance Structures as Needs Arise
Local university advisory boards – assess possible scope of responsibilities in the light of progress with the Flexibility Initiatives presented to the 2003 Legislature, and determine whether formal Board policy statement is necessary

Joint Boards – assess ability to achieve goals with Oregon community colleges and K-12 under the current structure
B. Propose a New Higher Education Financial Strategy for Resource Acquisition

The Deal
1. Establish an Agreement With the State to Define a Foundation for Funding the Quality of OUS Institutions that will be Competitive Nationally:
By providing State support for OUS indexed at 80 percent of the average funding of peer institutions by 2003, growing to 85 percent in 2005 and 90 percent in 2007

Examine implications for Oregon public finance policy
2. **Improve Affordability by Increasing Financial Aid Resources Available to Qualified Oregon Residents Through:**

- Oregon Opportunity Grant
- Institutional Aid Programs
- System Policy on Tuition Revenue Set-aside
3. Establish Competitive Benchmarks for the Compensation of Faculty, Staff, and Administrators So That Oregon Can Maintain a Competitive Position in the Nation
4. Pursue Avenues for New Sources of Revenue and/or Expense Reduction
- Partnerships with business and industry
- Increasing the use of philanthropy
- Developing enterprise opportunities
- Reducing overhead expenses, System-wide and institutionally
- Reviewing PERS and other related benefit expenses
5. Continue to Identify Unmet Educational Needs for the State and Prioritize Suitable Candidates for Targeted Initiative Funding
6. Seek Authority to Use Bond Proceeds to Fund all Delayed Facilities’ Maintenance Programs by 2004
7. Increase Flexibility in the Use of Non-state Revenue through the Implementation of the Board-approved Flexibility Initiatives
C. Create and Promote a New Social Contract/Covenant with the Citizens of Oregon and with State Government
1. Document and Promote the Critical Importance of Higher Education for All Qualified Oregonians.
2. Provide a Specific Strategic Plan Implementation Schedule to Insure That OUS and the Universities Meet the Identified Needs of the State
3. Ask the Citizens and Government of the State to Increase Their Investment in Higher Education

As proposed in The Deal
4. Facilitate the Increase of Institutional Specific Philanthropy
5. Create and OUS/Citizen Advocacy Program for Higher Education in Oregon
- Business support (AOI, Oregon Business Council, Chambers of Commerce, etc.)
- Government (Governor and legislative leadership)
- The general public
- Other education sectors