1. **CALL TO ORDER/ROLL CALL/WELCOME**

Chair Henry Lorenzen called the regular meeting of the State Board of Higher Education to order at 10:08 a.m.

**The following Board members were present:** Henry Lorenzen, Kirby Dyess, Don Blair, Bridget Burns (via telephone), Adriana Mendoza, Tim Nesbitt, Geri Richmond, Gretchen Schuette, John von Schlegell, Howard Sohn, and Tony Van Vliet.

**The following OUS staff members were present:** George Pernsteiner, Michael Green, Ryan Hagemann, Nancy Heiligman, Benjamin Rawlins, and Susan Weeks.

**Others present included:** Presidents Dan Bernstine, Philip Conn, Martha Anne Dow, Khosrow Fatemi, Ed Ray, and Elisabeth Zinser. OHSU Provost Lesley Hallick and UO Provost John Moseley were also present.

Meeting attendees also included OUS staff, faculty, institution representatives, the press, and interested observers.

2. **APPROVAL OF MINUTES**

- Regular Board Meeting, February 4, 2005
- Special Meeting of the Board, February 18, 2005

Chair Lorenzen called for a motion to approve all outstanding meeting minutes, including the regular meeting on February 4, 2005, and the special meeting on February 18, 2005. Director Van Vliet moved approval of all outstanding minutes and Director Dyess seconded the motion. All in favor: Blair, Burns, Dyess, Mendoza, Nesbitt, Richmond, Schuette, von Schlegell, Sohn, Van Vliet, and Lorenzen. Opposed: none. Motion passed.

Before turning to the agenda, Chair Lorenzen recognized Representative Mitch Greenlick (D-Portland) for some comments on House Bill (HB) 2560. Representative Greenlick shared his background and association with both Portland State University and Oregon Health & Science University with the Board. He noted that he believed the Portland metropolitan area needed a major comprehensive university and HB 2560 was intended to accomplish that goal. Representative Greenlick explained that HB 2560 proposed to remove PSU from OUS and to expand the public corporation that manages OHSU. He continued the bill proposed that a new Board would manage the two separate institutions and would oversee, over a ten-year period, the integration of the
two institutions into a single university. Representative Greenlick observed that he first introduced the bill in the 2003 Legislature and attempted to engage various constituencies to offer comments on how to make the proposal better. He noted that he introduced the bill in this legislative session in the same form as in 2003 and has produced an amendment that would extend the effective date to July 2007. Representative Greenlick stressed the importance of timing and observed that the chief co-sponsor of the bill was the Republican chair of the House Education Committee.

Director Sohn asked why one marvelous institution would be better than two marvelous institutions and Representative Greenlick replied that it would be difficult to create two marvelous institutions, there was powerful symbolism with one institution, and that excellence in educational programming would be achieved by the integration of the two complimentary institutions. Director Mendoza asked about the impact on rural programs and Representative Greenlick offered that the rural and metropolitan strengths of each institution would be enhanced and that current programs serving rural Oregon would continue to exist if they were still present when the institutions merged. Director Mendoza also asked if Representative Greenlick could comment on why PSU and OHSU presidents did not support the proposal and Representative Greenlick deferred to the institutions for comment.

Director Van Vliet commented on the richness of the institutions in the System and his hesitation with breaking off pieces into the quasi public/private domain, as SAIF and OHSU. He noted that dissecting the System seemed to run counter to the cohesive system at the center of long-range planning efforts. Representative Greenlick replied that it would be important to ensure proper oversight. He noted that it was important to make higher education in Oregon the best it could be, not to make OUS the best it could be. Representative Greenlick stressed that the question was how to enhance higher education. Director Dyess asked about the strategic intent and whether there was a funding model to fund the integration if the bill were to pass. Representative Greenlick offered the strategic intent was to create the critical mass across a set of programs that would allow the programs to succeed. Chair Lorenzen asked whether there were performance measures that would improve if the merger were to occur. Representative Greenlick, referring to a recent *Oregonian* article, stated the amount of research money and number of students would increase. He also referred to the number of Ph.D., master’s, and bachelor’s students and the stature of the science departments. Director Dyess asked whether there would be more than "1+1=2" and Representative Greenlick stated his belief in a significant multiplier effect. Director Dyess returned to her previous question and asked about the budget to fund the integration and Representative Greenlick offered there was not a budget because the institutions were not actively involved in the initiative. He mentioned that he assumed if the bill passed, a budget would be necessary and it would be a part of the 2007 legislative session.

President Ray commented that in his time at Ohio State University, he fought for the comprehensive and integrated university because of the resulting synergies, but that, due to emerging market forces, university medical complexes are pulling away from the university. He noted the phenomenon that appeared to run counter to the direction
Representative Greenlick was proposing to go. Representative Greenlick offered his agreement with President Ray's comments on the highly integrated university and that he endorsed moving in the direction of integration.

Chair Lorenzen thanked Representative Greenlick for his time and noted the Board had not taken a position on the proposal. Chair Lorenzen added, without thorough analysis on the impact of the integration, he was very concerned about moving forward.

3. **REPORTS**

   a. **Chancellor's Report**

   Chair Lorenzen turned to Acting Chancellor Pernsteiner for the Chancellor's report. Pernsteiner shared new hires with the Board, noting Rick Hampton's appointment as Director of Labor & Employee Relations, Jay Kenton's appointment as Vice Chancellor for Finance & Administration, and Nancy Heiligman's appointment as Assistant Chancellor for Budget and Financial Policy. Pernsteiner thanked Joe Sicotte and SOU Vice President for Finance & Administration Ron Bolstad for their service. Chair Lorenzen and Director Blair thanked Heiligman for her service.

   Pernsteiner reviewed the extensive preparation for the upcoming Ways & Means hearings and thanked Board members, campus leadership, faculty, and students for their flexibility. Pernsteiner turned to Neil Bryant for a legislative update.

   Bryant observed the positive March revenue forecast. He discussed the fundamental disagreement between Democrats and Republicans regarding the Ways & Means process and the potential for two separate Ways & Means hearings. Bryant stated that, after discussions, the House and the Senate agreed on a process to proceed with budget negotiations. He noted that there was $32 million more for higher education, but it was in the form of a tuition buy-down. Bryant added, however, that the $32 million came at the expense of the proposed $91 million for the Oregon Opportunity Grant. Bryant observed that some agencies have started the second and third phases of their Ways & Means hearings and OUS had not even presented in the first phase.

   Bryant commented on the governmental affairs operation. He shared the bill tracking system with Board members and observed that, in many instances, it would be difficult to get Board approval on every position offered during hearings. He noted that the Board should have confidence in the judgment of the governmental affairs operation because there would be instances in which they would be reporting on what happened to the Board. Bryant stated that the legislative committee might be a logical place to entertain Board positions on major pieces of legislation. Director Van Vliet asked if there were any changes to the one-hour hearing notices provision of previous years and Bryant commented the Oregon Senate changed it to four-hour notice. Director Nesbitt added that he presented in conjunction with the Oregon Student Assistance Commission regarding the Oregon Opportunity Grant and that OUS would need to be prepared to answer the question of how funds would be used if the legislature decided...
to fund at less than $91 million. Bryant noted that there would be some time to evaluate that position because of the second phase scheduling. Director Schuette shared that she presented with the Department of Community Colleges and Workforce Development due to her position on the State Board of Higher Education and that she was encouraged that advocacy efforts were linked between the community colleges and universities. Director Blair asked for clarification regarding the proposed tuition buy-down and if there was any misperception among legislators that it represented an investment in the System. Bryant replied that he felt most did not understand that it did not bring additional resources to the System and that it would be a part of the education process.

b. Presidents' Reports

PSU President Bernstine shared faculty member Andrew Fountain was a part of a team with an article on the cover of *Nature* and that PSU would be hosting the Big Sky men's basketball tournament for the first time.

OHSU Provost Hallick discussed recent awards from OGI faculty and reviewed several sizeable grants obtained by faculty, including faculty in the Center for Spoken Language Understanding, ONAMI, and the Child Development and Rehabilitation Center. Provost Hallick also mentioned the substantial programming on brain awareness.

EOU President Fatemi did not make a report.

WOU President Conn shared the $367,000 in federal appropriations received for technology and WOU had named a new vice president for finance and administration who would be introduced at the next meeting. He thanked Darin Silbernagel for his service as both the vice president for finance and administration and director of business services.

SOU President Zinser noted the men's basketball team's participation in the national tournament, an award given to Rogue Community College and SOU by the Rogue Valley Council of Governments, and Ron Bolstad's long service to OUS as SOU's vice president for finance and administration.

UO Provost Moseley shared that President Frohnmayer was attending a diversity conference in Eugene. He discussed a conference on women and diversity UO hosted in the previous week. Provost Moseley echoed that a tuition buy-down, as previously discussed, provided no new resources to institutions.

OIT President Dow shared excitement about "Warrior Soldiers," a photographic display of Native Americans. She noted OIT's women in engineering initiative, the Governor's visit, recognition of OIT's pre-college director, and OIT's participation in national basketball tournaments.
OSU President Ray noted that the new editor of *National Geographic* is an OSU alumnus and will be speaking at commencement. He also observed OSU's progress on its academic success center and center for teaching and learning. President Ray noted the emphasis on program excellence and shared the six initiatives in which OSU has chosen to invest.

c. **Provosts’ Council**

Chair Lorenzen called upon Lorraine Davis for a report from the Provosts' Council. She noted the Council's effort, particularly regarding performance measures, for Ways & Means preparation. Davis commented upon the program review process and observed the steps taken for the two program items on the current docket. She noted Western Oregon University's responsiveness to Council concerns regarding its proposed BFA and the reliance on external review for the proposed Ph.D. program at PSU. Davis stated that the Council would discuss the consultant's report regarding information technology integration. She observed the Council's serious concern about proposals to return to uniform tuition plateau at all OUS institutions, noting that one size does not fit all. Chair Lorenzen asked who was behind the proposed legislation and Bryant added the Oregon Student Association. Chair Lorenzen added that plateau discussions always involve a cost shift or subsidization by one group of students for another. Director Richmond asked if the legislation was related to proposals that all OUS institutions have the same tuition and Davis commented that she did not believe so. Director Nesbitt offered that if the bill made it to hearing, the Board's position might be that it would like to retain its authority to make these decisions institution by institution.

d. **Interinstitutional Faculty Senate (IFS) President**

Chair Lorenzen recognized Dr. Bob Turner for an IFS report. Turner stressed the importance of diversity, observed the concept applied to course offerings, and advocated for ATLAS. Turner noted that the ATLAS would be a system that would serve students well.

e. **Oregon Student Association (OSA) Chair**

Chair Lorenzen turned to Adam Petkun for an OSA report. Petkun commented on the Senate's budget efforts and the additional resources for an OUS tuition buy-down and community colleges. He observed that it was the first sign that postsecondary education has a fighting chance to stall the steady erosion of access. Petkun noted that OSA did not want the resources for the tuition buy-down to come at the expense of funding for the Oregon Opportunity Grant. He also noted the massive and unsustainable cut to OHSU. He also shared the efforts of the OSA and Oregon Students of Color Coalition. Director Mendoza asked if OSA had fully considered the negative implications of a tuition freeze after the freeze is lifted. Petkun replied that the tuition freeze would be getting back to the level where the state should be and Director Mendoza countered whether OSA expected huge tuition jumps if there was a freeze. Petkun offered there would not be jumps in tuition if the state were to invest. Director Nesbitt asked if the $59
millions was the cost for resident and nonresident tuition for two years and Assistant Chancellor Heiligman stated the proposal was for undergraduate resident tuition.

4. **CONSENT ITEMS**

a. **Authorization to Award Honorary Degrees, OSU and PSU**

**DOCKET:**

**Summary:**
Board of Higher Education policy permits institutions, with the concurrence of their faculty, to award honorary degrees. Each institution proposing the award of honorary degrees has received the Chancellor’s approval of criteria and procedures for selection that ensure the award honors distinguished achievement and outstanding contributions to the institution, state, or society.

**Oregon State University**
Oregon State University requests authorization to award honorary doctorates to Dr. David Satcher and Dr. Ann Streissguth at its June 2005 commencement ceremony.

Dr. David Satcher has been a pioneer, a visionary, a humanitarian, and a role model throughout his entire career. One of nine children born to poor, self-educated farmers in rural Alabama, he nearly died at the age of two from whooping cough, then went on to become the first African American to hold the position of Surgeon General of the United States.

It was the lack of a vaccine for whooping cough in his rural community that nearly killed young David Satcher – and fueled his desire to improve health care for all. He was one of just three students from his high school to go on to college and he became the first African American student to earn a combined Ph.D./M.D. from Case Western University.

His medical career began in Los Angeles, where Dr. Satcher directed a sickle-cell anemia program and opened a free clinic in the basement of a church in Watts. As his practice grew, he always found time to treat the sick and injured in under-served areas of Los Angeles and Cleveland and in the immigrant communities of New York.

In 1979, he returned to the site of his undergraduate education, becoming a professor and department chair at the Morehouse College School of Medicine. Three years later, he was named president of Meharry Medical College in Nashville, Tennessee, where he remained for 11 years. During that time, he was elected to the Institute of Medicine of the National Academy of Sciences, which cited his unparalleled leadership skills.

In 1993, Dr. Satcher was named director of the prestigious Centers for Disease Control and Prevention and simultaneously held the title of Administrator of the Agency for
Toxic Substances and Disease Registry. For the next five years, he directed the efforts of both programs. His accomplishments were many; among them:

- He led an initiative that increased childhood immunization rates from 55 percent to 78 percent in just four years.
- He identified the need and upgraded the nation’s capability to respond to emerging infectious diseases and laid the groundwork for a new early-warning system for detecting and preventing food-borne illness.
- He directed the CDC to place a greater emphasis on disease prevention and expanded the center’s comprehensive breast and cervical screening programs from 18 to all 50 states.

On February 13, 1998, Dr. David Satcher was sworn in as the nation’s 16th Surgeon General and served a four-year term. His pioneering ways continued. He not only was the first African American Surgeon General, he became the first person in that position to release a report on mental health, helping to remove the stigma associated with mental disorders.

He also helped lead initiatives to eliminate racial and ethnic disparities in health and to reduce youth violence and teen suicide. At the end of his four-year term, Dr. Satcher received the Institute of Medicine’s Sarnat Prize for promoting mental health.

When he was sworn in as Surgeon General, Dr. Satcher was quoted: "This is an American dream come true – to go from a humble farm in Anniston, Alabama, to the office of Surgeon General, to have the chance to serve the country I love, and to earn the confidence of so many leaders I honor and respect."

Until the 1970s, there was little if any knowledge or evidence that alcohol consumption by pregnant women could damage developing fetuses. It was the work of Dr. Ann Streissguth that brought the nature of Fetal Alcohol Syndrome to public light, saving or improving countless lives.

Dr. Streissguth led an interdisciplinary team that in 1973 first identified the harmful effects of alcohol use during pregnancy. During the following year, she was named principal investigator for the Longitudinal Study on Alcohol and Pregnancy, funded by the National Institute on Alcohol Abuse and Alcoholism. Her research team found that nearly one in every 100 births was affected by Fetal Alcohol Syndrome or alcohol-related disabilities.

The study continued and, in 1981, the findings from her research team led the U.S. Surgeon General to make an official recommendation that women not consume alcohol during pregnancy or when planning a pregnancy.

Although the public was beginning to hear the message, the full impacts of Fetal Alcohol Syndrome were not yet revealed. The Centers for Disease Control and Prevention
appointed Dr. Streissguth to conduct a study on the secondary disabilities in patients with Fetal Alcohol Syndrome and related conditions. That landmark study found that:

- 94 percent of individuals who had Fetal Alcohol Syndrome suffered mental health problems
- 60 percent had disrupted school experiences
- 60 percent ended up having trouble with the law
- 50 percent experienced confinement in adolescence or adulthood
- 50 percent exhibited inappropriate sexual behavior
- 30 percent experienced personal drug or alcohol problems

The research pointed out not only the importance of pregnant women refraining from alcohol, it also spotlighted the importance of longitudinal research in pinpointing problems that may not become apparent for years.

Ann Streissguth graduated from Oregon State University in 1954 with a degree in home economics, subsequently earned a master's degree in child development from the University of California at Berkeley, and a doctorate in clinical psychology at the University of Washington. She still directs the Fetal Alcohol and Drug Unit at the University of Washington School of Medicine – a unit known worldwide for its investigations of many types of prenatal influences on later development. Among the factors studied: alcohol, tobacco, cocaine, aspirin and acetaminophen, as well as the rubella virus.

During her career, which has spanned nearly half a century, Dr. Ann Streissguth has published three books, more than 200 papers, and given more than 400 talks at conferences and meetings throughout the world. She has appeared numerous times in the media to inform her peers and the public about the dangers of Fetal Alcohol Syndrome.

Her studies continue. With colleagues, Dr. Streissguth recently began a five-year study of magnetic resonance imaging (MRI) and neuropsychological function in persons with Fetal Alcohol Syndrome in an effort to find improved treatment methods.

**Portland State University**

Portland State University requests authorization to award an honorary doctorate of humane letters to Neal Keny-Guyer, CEO of Mercy Corps, at its spring commencement 2005. President Bernstine is pleased to announce that Mr. Keny-Guyer has also accepted an invitation to be PSU’s commencement speaker.

Portland State University is deeply honored to recognize the outstanding contributions made by Mr. Keny-Guyer. Today, under his guidance, Mercy Corps works in more than 30 countries, including the United States, helping communities overcome hunger, poverty, and conflict.
In 1994, Mr. Keny-Guyer joined Mercy Corps as chief executive officer and Mercy Corps has emerged as a leading international relief and development agency with over 2,000 staff and an annual operating budget in excess of $140 million. He has forged new organizational directions – most notably, globalizing operations through mergers and strategic alliances; placing peace making, human rights, and civil society at the heart of Mercy Corps’ humanitarian mission; and building an organizational reputation for innovative and entrepreneurial practices.

Mr. Keny-Guyer’s career began in America’s inner cities in 1976. As special projects coordinator for Cities-In-Schools, he worked with at-risk youth to stem high school drop-out rates and gang activity among minority young people in Washington, D.C. and Atlanta, Georgia. In 1980, Mr. Keny-Guyer moved to Thailand to aid Cambodian refugees. As field coordinator for CARE/UNICEF, he organized an emergency relief program along the Thai-Cambodian border, including cross-border distribution of food and agricultural supplies.

Over the course of the next nine years, Mr. Keny-Guyer worked with Save the Children, designing and implementing high-impact relief and development programs in some of the world’s most politically sensitive regions. In Lebanon, living in war-torn Beirut, he developed the country’s largest locally managed relief and rehabilitation program (including an acclaimed credit project with a 90 percent repayment rate) and promoted peaceful governmental organization in an isolated, war-torn border area. In Jordan, the West Bank, Gaza, Afghanistan, Pakistan, and Sudan, he implemented innovative and cost-effective programs that directly impacted over two million people. As director of the agency’s Middle East, Europe, and North Africa programs, Mr. Keny-Guyer managed a $44 million budget and supervised 900 staff in ten countries.

In 1990, Mr. Keny-Guyer focused his efforts stateside, founding Keny-Guyer Associates in Menlo Park, California to offer strategic planning and organizational development consulting to businesses, foundations, and non-profit agencies. His subsequent work with Mercy Corps has resulted in the agency quadrupling in size and scope while maintaining a 91 percent efficiency rating. The agency reaches more than five million people each year with emergency relief, long-term social and economic development, and civil society programs.

Mr. Keny-Guyer serves on the boards of local and national organizations, including InterAction, an alliance of humanitarian and development organizations, and on the Board of Advisors for the Yale School of Management. He earned his BA in public policy and religion from Duke University and a Master’s of Public and Private Management from the Yale School of Management.

Neal Keny-Guyer’s commitment of energy, vision, and entrepreneurial enterprise b serving the world’s poorest and least represented people has truly made a difference in the global community. Our graduating class, their friends, and families will greatly benefit from his experience and the University will proudly welcome him to the Viking family.
**Staff Recommendation:**
Staff recommends the Board authorize Oregon State University to award honorary doctorates to Dr. David Satcher and Dr. Ann Streissguth, and Portland State University to award an honorary doctorate to Mr. Neal Keny-Guyer at their 2005 Spring Commencement ceremonies.

b. PSU, Ph.D. in Applied Psychology

**DOCKET:**

The Ph.D. will require 52 credit hours beyond the Master’s degree (56 credit hours), for a minimum total of 108 credit hours. The program has been designed explicitly to train research professionals who will have the tools and expertise to contribute to the definition and solution of significant social problems. The program will offer concentrations in Industrial/Organizational, Applied Social/Community, and Applied Developmental Psychology. The Industrial/Organizational concentration applies psychological principles to organizational and workplace issues. The Applied Social/Community concentration highlights the manner in which applied issues are shaped by social relationships, social groups, socialization practices, culture, and community. The Applied Developmental concentration brings a life-span perspective to the study of developmental processes in their social and historical contexts.

Demand for the specific specialties and for the applied focus of the degree has been documented by professional societies, by Department of Labor forecasts, and in the increasing applications for graduate study in these fields. Meeting that demand, and in particular meeting it through the applied nature of the program (as well as the associated research programs), is consistent with the mission of Portland State University, as well as the strategic direction of the College of Liberal Arts and Sciences. In keeping with the community orientation of Portland State University, the program emphasizes community collaboration in the preparation of Ph.D. recipients. This collaboration is accomplished through community-based learning classes, practica, applied research initiatives, and internships. Department faculty and community professionals jointly supervise these experiences to ensure quality and program relevance.

While some of the graduates from the program will undoubtedly enter higher education careers, most will probably enter diverse occupations related to the applied nature of the program specialties. For example, some will address issues of employee selection, retention, and motivation as industrial/organizational psychologists. Others will enter the growing fields of program evaluation, particularly in areas related to mental health and other community services. Still others will find positions with local, state, and national institutions and organizations that serve children, youth, the elderly, and their families.

In five years time, Portland State University expects to have 15 to 20 graduates per year from this program.
All appropriate University committees and the OUS Provosts’ Council have positively reviewed the proposed program. It was also reviewed by an external review team, which confirmed the program’s quality and viability.

**Recommendation to the Board:**
The OUS Provosts’ Council recommends that the Board authorize Portland State University to establish a Ph.D. in Applied Psychology, effective immediately.

c. WOU, Bachelor of Fine Arts in Art

**DOCKET:**

The Bachelor of Fine Arts (BFA) in Art is a rigorous program of study intended to provide art majors with an option to obtain a greater level of proficiency in specific studio concentration areas. Students will acquire expanded technical expertise and conceptual proficiency through research and study, along with components in service learning and/or international study.

The BFA in Art program is a fifth year of work in which the student proposes and completes a thesis project, resulting in an exhibit or other presentation appropriate to the area of study. B.A./B.S. in Art majors take studio courses in two discipline areas. These students (having completed university undergraduate degree requirements for a B.A. or B.S.), upon admission to the BFA in Art program (through portfolio and grade point average evaluation, interviews, and recommendations), will focus in a single chosen discipline. The BFA program consists of 218-222 credit hours (depending upon whether the student was completing a B.A. or B.S. in Art degree prior to being accepted into the BFA program). The service learning and international study components of the proposed BFA degree prepare students for entry into the marketplace more thoroughly than do the B.A./B.S. degrees.

Many students have transferred from Western Oregon University to pursue the BFA in Art at other private and public colleges in Oregon. These are excellent students who have valued their experience here, expressed gratitude for the strong foundation gained here, and would have stayed if a BFA were available.

To be competitive in the majority of the projected career in art related jobs, students should have a bachelor’s degree plus work experience; the proposed BFA degree will offer both, as well as the necessary preparation for acceptance into graduate programs in art and design.

The art department will admit five to ten students each year into the program for a total of 20 to 40 students within four years.

All appropriate University committees and the OUS Provosts’ Council have positively reviewed the proposed program.
**Recommendation to the Board:**
The OUS Provosts’ Council recommends that the Board authorize Western Oregon University to establish a Bachelor of Fine Arts in Art, effective immediately.

**BOARD DISCUSSION AND ACTION:**

Chair Lorenzen asked if Board members wanted to consider an item on the consent agenda independently. With no comment, Chair Lorenzen called for a motion to approve the consent agenda. Director Nesbitt moved approval of the consent agenda and Director Van Vliet seconded the motion. All in favor: Blair, Dyess, Lorenzen, Mendoza, Nesbitt, Richmond, Schuette, Sohn, Van Vliet, and von Schlegell. Opposed: none. Motion passed.

After the motion, Chair Lorenzen asked Director Richmond about the process used to review the graduate program. Provosts' Council Chair Davis noted the Provosts' Council asked and received authority from the Board to act. She observed that the program had been processed as it should have been processed.

5. **ACTION ITEMS**

a. **Proposed Adoption of Temporary OAR 580-021-0029: Career Development Leave**

**DOCKET:**

**Background:**
The Public Employees Retirement System (PERS) rules include a provision that allows an employee to extend a period of unpaid leave from six months to up to one calendar year without a break in service when leave is granted under an employer’s career development policy.

This rule establishes career development leave as a policy of the Oregon University System. OUS institutions approve leave under guidelines developed for their employee populations. Paid sabbatical leave is not affected by this rule.

**580-021-0029**

**Career Development Leave**

(1) Career development leave is available to unclassified, faculty, and classified employees of Oregon University System institutions as leave without pay, subject to the approval of the employing institution.

Stat Auth. ORS 351.070; ORS 238A.025.

**Staff Recommendation:**
Staff recommends the adoption of the temporary rule as drafted, effective upon filing.
BOARD DISCUSSION AND ACTION:

Chair Lorenzen asked if there were any questions regarding the proposed rules on career development leave. Director von Schlegell asked if there were any financial implications and OUS General Counsel Benjamin Rawlins replied there were not. Chair Lorenzen called for a motion to approve the proposed temporary rules on career development leave as outlined in the docket materials. Director Blair moved approval of the temporary rules and Director Schuette seconded the motion. On roll call vote, all in favor: Blair, Dyess, Mendoza, Nesbitt, Richmond, Schuette, von Schlegell, Sohn, Van Vliet, and Lorenzen. Opposed: none. Motion passed.

b. Voyager Tuition Assistance (Volunteer Guard and Reserve)

DOCKET:

Background:

Since September 11, 2001, 4,870 members of the Oregon National Guard and Reserves have been deployed to Afghanistan or Iraq. These men and women have made significant sacrifices for our nation’s security. Many of these soldiers will return to Oregon wanting to build a future for themselves and their families. The completion of a college education is a very effective way to meet that goal.

Financial Aid Directors and members of the OUS Student Affairs Council have designed the Voyager Tuition Assistance (Volunteer Guard and Reserve) that will, when combined with the veteran’s federal tuition benefits earned by the members of the Guard and Reserves, allow these soldiers to attend an OUS campus in pursuit of their first undergraduate degree without having to pay for tuition or mandatory fees.

It is proposed that legislative approval be pursued to have this new and unique fee remission program not counted against any fee remission limitation imposed by the legislature.

Eligibility for the proposed program includes the following:

1. Oregon resident for tuition purposes as defined in ORS 580-010-0029 through 580-010-0045.
2. Active duty service as a member of the Guard or Reserves in a combat zone since September 11, 2001.
3. Fulfillment of the admission requirements of OUS campus where they plan to enroll.
4. Enrollment for initial bachelor’s degree only.
5. Completion of the Free Application for Federal Student Assistance (FAFSA) annually.
6. Receipt of the award is dependent upon the soldier’s receipt of the Military Tuition support (up to $4,500 for full-time student).
Award Amounts and Duration:
1. Fee remission amount will be the difference between the campus tuition and mandatory fee level and the Military Tuition Support.
2. Remission will be effective fall term 2005. No credits or refunds will be issued to eligible students for enrollment prior to fall 2005.
3. Students must continue to make satisfactory academic progress as defined by the campus to continue to receive fee remission.
4. The award period shall be:
   a. For undergraduate majors designed to be completed in four years the lesser of:
      i. Four years (12 academic quarters) from the point of initial support or
      ii. 15 credits beyond the required minimum number of credits required for the degree.
   b. For undergraduate majors designed to be completed in more than four years the lesser of:
      i. Five years (15 academic quarters) from the point of initial support or
      ii. 15 credits beyond the required minimum number of credits required for the degree.
5. There will be no extending of the award period for part-time enrollment.
6. Other forms of financial aid including federal grants and loans and state-supported financial aid shall be applied after the fee remission to support other educational expenses such as books and living expenses.
7. There will be no refunds of the fee remission if a student withdraws from classes.

Program Review and Continuation:
This program will be formally reviewed no later than June 2010 to determine its effectiveness in supporting college enrollment and completion and to evaluate its fiscal impact. A decision to continue or end the program will be made by the Board based upon this review.

Estimated Fiscal Impact:
It is not possible to accurately determine the number of potential students that will participate in this program. As of Fall 2004, there were 306 members of the Guard or Reserves enrolled in undergraduate degree programs on OUS campuses. An unknown number of these students did not serve in a battle zone since September 11, 2001. However, the total number of enrolled members is a useful starting point.

The enrollment of these students will result in a payment of tuition to OUS institutions of $4,500 per student as a result of the military tuition benefits that are earned by these soldiers.

The number of current members of the Guard or Reserves stationed in battle zones who may plan to pursue a bachelor’s degree at an OUS campus is also undeterminable.
The best estimate is to double the current 306 enrolled students. The table on the following page is the expected cost and tuition revenue distribution of the new remission by campus based upon 2004-05 tuition and fees.

### Maximum Estimated Fee Remission Amounts 2005-06

<table>
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<th>2004-05 Data</th>
<th>EOU</th>
<th>OIT</th>
<th>OSU</th>
<th>PSU</th>
<th>SOU</th>
<th>UO</th>
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<td>172</td>
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<td>4,500</td>
<td>4,500</td>
<td>4,500</td>
<td>4,500</td>
<td>4,500</td>
<td>612</td>
</tr>
<tr>
<td>Per student fee remission amount (tuition/fees minus veterans tuition benefit)</td>
<td>1,008</td>
<td>474</td>
<td>819</td>
<td>261</td>
<td>197</td>
<td>1,170</td>
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<tr>
<td>Total Fee Remission Amount</td>
<td>$32,256</td>
<td>$24,648</td>
<td>$91,728</td>
<td>$44,892</td>
<td>$13,396</td>
<td>$109,980</td>
<td>$0</td>
<td>$316,900</td>
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</tbody>
</table>

**Staff Recommendation to the Board:**

Staff recommends that the fee remission program for Oregon Guard and reservists serving on activity duty in a combat zone since September 11, 2001, be approved and that it be included in the Academic Year Fee Book 2005-06. Staff further recommends that legislative approval be sought to exempt this fee remission from counting towards any legislative limitation upon the fee remission program.

*(Board action required.)*

**BOARD DISCUSSION AND ACTION:**

Chair Lorenzen recognized Dave McDonald for comments on the proposed Voyager Tuition Assistance program. McDonald noted the proposal was a precursor to the regular information item regarding fee remissions that would come to the Board in later meetings. McDonald offered that the Governor approached Acting Chancellor Pernsteiner about the possibility of providing tuition assistance to members of the Oregon National Guard and reservists returning home after service in areas of hostility. McDonald shared the proposal was drafted by OUS financial aid directors and a representative from the OUS Student Affairs Council. He noted the Provosts' Council, the Administrative Council, and the OUS presidents reviewed it. McDonald added it was a temporary rule request and would be folded into the formal fee book that the Board would review in June.

McDonald outlined the key elements of eligibility as included in the proposal. Chair Lorenzen clarified that the proposal was a temporary rule with permanent rulemaking to follow and McDonald replied yes. Director Van Vliet asked about the name of the program. Director Nesbitt asked whether each campus would determine the eligibility of combat experience and McDonald answered that each campus would have the discretion to determine combat zones. Director Nesbitt stated that he thought there
should be a consistent statewide standard. Chair Lorenzen noted, from a procedural standpoint, it would be possible to proceed with the temporary rule and use the rulemaking period to address Director Nesbitt's and any other concerns. Director Mendoza asked if there were any eligibility requirements after a recipient started the program and McDonald replied the standards were comparable to current standards for students receiving financial aid. Chair Lorenzen called for a motion to approve the proposed temporary rule on the Voyager Tuition Assistance program as outlined in the docket materials. Director Schuette moved approval of the proposal and Director Blair seconded the motion. On roll call vote, all in favor: Blair, Dyess, Mendoza, Nesbitt, Richmond, Schuette, von Schlegell, Sohn, Van Vliet, and Lorenzen. Opposed: none. Motion passed.

6. **REPORT ITEMS**

   a. **Articulation Transfer Linked Audit System (ATLAS) Update**

**DOCKET:**

**Background:**

The Excellence in Delivery and Productivity (EDP) Working Group identified in its original work plan the need to develop a statewide web-based course articulation system that would enable students and academic advisors to determine if and how college courses taken at one college could be used to meet degree requirements at another college or university. Such a system would better support students who now enroll in multiple colleges or universities in the process of completing their college degrees.

A group of faculty and staff from Mt. Hood Community College, Portland State University, and the University of Oregon developed an initial proposal to use a currently available software package called the Course Articulation System (CAS) to meet the student advising need. A presentation of the CAS software was made at the January 2005 meeting of the EDP Working Group. The Working Group endorsed the product and created a more formal group to further develop the pricing and implementation strategies.

The system is now called ATLAS (Articulated Transfer Linked Audit System). Students will be able to create and store personalized records of courses taken from community colleges and OUS campuses on a central server. This record of courses can then be matched with the degree requirements of participating community colleges and universities. Arizona, Minnesota, and Ohio have implemented statewide systems with very positive results. Portland State University has already implemented this system.

**Benefits:**

- Accurate advising
- More efficient course selection and degree completion
• Better match between courses completed and possible degree options at multiple colleges or universities
• More seamless transfer between colleges and universities

**System Requirements for OUS:**
- An automated degree audit system at the degree awarding campus. Currently six of the seven OUS campuses have such systems in place
- Software package to connect CAS to the degree audit programs at three OUS campuses
- Purchase of the CAS software and server. Current price estimate is approximately $125,000. An annual maintenance fee of approximately $15,000
- Staff time to load current articulation tables into CAS and to articulate additional courses (pricing being determined. Note PSU would not have additional cost since its CAS program is already operational)
- Technical staff support

**System requirements for community colleges:**
Students interested in a bachelor’s degree from an OUS campus could use the system without community college action. However, to make ATLAS a true collaboration between community colleges and OUS campuses, their involvement is critical. Community colleges would not need to create new data systems since the CAS software connects to many existing degree audit systems. The key for full community college participation that would allow students to look into course transfer between community colleges as well as transfer of credits from an OUS campus to a community college degree audit systems at all 17 community colleges. A survey of the status of degree audit systems in the community colleges is being undertaken.

**For full participation:**
- Degree audit systems
- Software package to connect CAS to the degree audit programs at some (to be determined) colleges
- Purchase of the CAS software and server (current price estimate $175,000)
- Staff time to load current articulation tables into CAS and to articulate additional courses (pricing being determined)
- Technical staff support

**Next steps:**
- Complete data collection on current degree audit systems in community colleges
- Actively engage key campus stakeholders
- Complete pricing estimates
- Develop funding package

**BOARD DISCUSSION:**

Chair Lorenzen recognized Dave McDonald for a brief report on the Articulation Transfer Linked Audit System (ATLAS), observing that there would be a demonstration
of the program after the meeting for those available. McDonald noted that the system was utilizing off-the-shelf software to permit web access to students about the courses they have taken and how the courses would apply to other postsecondary institutions in the state. He stressed it was not a new data system and that it was an overlay to existing technology at six of the seven campuses. Chair Lorenzen asked how the system related to the proposals for a data system and McDonald observed it was a complementary, but separate system.

b. Fiscal Year 2006 Federal Appropriation Priorities

DOCKET:

In a continuing effort to respond to requests from the staff of the seven-member Oregon congressional delegation, the institutions comprising the Oregon University System have submitted their federal appropriations priorities for fiscal year 2006. The campus lists enable Congressional delegation members to address a clear set of stated campus appropriation objectives.

With the release of President Bush’s Fiscal Year 2006 budget and as House and Senate Committees begin deliberations on the Higher Education Amendments, the timely submission of campus requests prepare congressional staff to deal effectively with specific appropriation requests.

As in the past, each OUS institution bears responsibility for the development of the rationale, background material, executive summary, and identification of a likely federal funding source for the institution’s federal priorities. Selection, preparation, and dissemination of federal appropriation projects have remained at the president's discretion.

SUMMARY OF FEDERAL APPROPRIATION PRIORITY SUBMISSIONS FOR FISCAL YEAR 2006

EASTERN OREGON UNIVERSITY:

(1) Oregon Center for Rural Development and Policy Studies

Eastern Oregon has historically been a natural resource-based economy, relying on forest and agricultural related industries for its economic well being. A series of policy changes and regulatory mandates in recent years have seriously affected these industries as many mills have had to close and many more workers have lost their livelihood in related industries. The purpose of the proposed Center for Rural Development and Policy Studies is to alleviate this problem by: assisting businesses with new opportunities; reducing the dependence of the region on a single economic base; retraining the affected work force and preparing them for other professions; studying the affects of poverty, hunger, and joblessness in rural economies; and enable
the region to avoid future economic crises by enhancing the educational opportunities available to the students of the region.

(2) Rural High School Outreach

Rural eastern Oregon holds 42 percent of the state’s landmass, but only 5 percent of the state’s population. In comparison with the rest of Oregon, the eastern Oregon region is younger, is less educated, is poor, and is shrinking. In comparison with the rest of Oregon, eastern Oregon’s economy has limited diversity and manufacturing capacity and its higher education population is severely underserved and is declining in numbers. The reasons include access, cost, intimidation, and insufficient incentives. A comprehensive, collaborative, and long-term solution to address these higher education and, therefore, economic problems of the region is necessary. EOU is proposing an extensive high school outreach program that starts early (ninth grade), involves parents, and promotes college education, not specific institutions. Also included in this program are college courses on high school campuses, joint summer institutes, and increased financial aid.

(3) Eastern Oregon Center for Regional Economic Studies

Eastern Oregon counties are currently without a comprehensive and centralized database on regional economic activities. Instituting such a Center would provide businesses in the region support in making sound business decisions and, more critically, attract external investments. (Eastern Oregon region is defined here to include the following ten counties: Baker, Gilliam, Grant, Harney, Malheur, Morrow, Umatilla, Union, Wallowa, and Wheeler). To address this problem, Eastern Oregon University is proposing to establish the Eastern Oregon Center for Regional Economic Studies (EOCRES).

OREGON INSTITUTE OF TECHNOLOGY

(1) Center for Allied Health Professions Project

OIT is requesting federal funding to match with funding from private and state sources to underwrite the construction and equipping of an 80,000 square foot facility (Center for Health Professions). To address a long-term shortage of health care professionals in Oregon and around the nation, OIT has embarked on a five-year campaign to double its enrollment in these areas (from 700 to 1,400 students) and to expand its menu of offerings on the main campus, in off-site locations, and on-line. To facilitate this growth, expanded and updated facilities in the form of this facility are required.

(2) Expanding the Health Professions Workforce in Rural Areas

OIT seeks funding to strengthen and expand its partnerships with community colleges and the health care industry in rural areas to increase student access to both associate’s and bachelor’s degree programs in a variety of health care professions. The
Meeting #746—Minutes

March 4, 2005

The goal is to provide more and better qualified allied health employees in rural areas. This will be addressed by increasing enrollment capacity, upgrading facilities and equipment, and expanding outreach and collaborative capabilities. OIT will build on a long tradition of success in its allied health programs. The goal is to double the number of graduates by 2010 to help meet unprecedented industry demand for professionals in these fields.

(3) Certification of Performance of Renewable Energy Systems

The Oregon Renewable Energy Center (OREC) presently supports projects that test the performance of photovoltaic systems, geothermal energy systems, alternative energy transportation systems, wind power systems, bio-mass energy conversion systems and other components for efficient energy utilization. OREC is a leader in the practical application of renewable energy systems to meet the energy needs of homes and businesses in the northwest. OREC is requesting funding for laboratory equipment to support the expansion of its component and systems testing laboratory. OREC will provide independent, objective evaluations of systems and components used in the growing renewable energy systems marketplace as a service to businesses, industry, and homeowners. Independent certification of system and component performance is vital for the long-term growth and development of the renewable energy system industry in Oregon and the nation.

(5) Laboratory for Applied Energy Research

The Oregon Renewable Energy Center (OREC) has programs in photovoltaic systems, geothermal energy, transportation, wind, bio-mass, and other renewable energy systems. OREC is requesting funding for equipment to support a public-private demonstration project that monitors the behavior of complex alternative energy systems in real-world settings. This equipment will be installed in multi-use facilities on the OIT campus and will serve as a laboratory to demonstrate the behavior and performance of components and systems during diurnal, weekly, and annual cycles. Student and faculty teams will conduct applied research in smart energy systems. The research will include the development of predictive models of elements and system performance. Models will be refined and improved as system behavior is analyzed and the results will be published to influence market decisions on equipment acquisition, installation, and operation.

(6) Geothermal Power Plant Construction

We are requesting financial assistance to install a small-scale geothermal power plant on the Oregon Institute of Technology campus. The plant, a binary or organic Rankine cycle type, would be in the 100 to 250 kW range. This plant would use the existing geothermal water that is presently supplied from wells for heating the campus. At 192°F and 750 gallons a minute, the plant would provide between $30,000 and $50,000 in electric energy savings annually. This would be the first geothermal power plant in Oregon and also the one that uses the lowest temperature geothermal fluid in the U.S.
(7) Continued Operation of the Geo-Heat Center

This request is for the continued operation of the Geo-Heat Center, the only one of its kind in the United States, providing services nationally and internationally in the development and use of geothermal energy. The Center provides free technical assistance to developers and operators of geothermal direct-use, geothermal heat pump and small-scale electric power projects, either through the Internet, by phone, and/or a site visit. We also have an extensive website: (http://geoheat.oit.edu) that has 1,860 files, 172 PDF articles, 12,000 well and hot spring database for 16 western states, and a U.S. direct-use database of 2,345 projects. We also publish a Quarterly Bulletin sent to 2,000 subscribers. We support the USDOE GeoPowering the West program that assists interested geothermal groups in the western states to promote and develop geothermal energy resources.

OREGON STATE UNIVERSITY

(1) Oregon Nanoscience and Microtechnologies Institute (ONAMI)

The Oregon Nanoscience and Microtechnologies Institute is collectively requesting a second year of federal appropriations. The request is growing to accommodate a new “Nanometrology Institute.” The three projects that will comprise the ONAMI package are:

ONAMI Miniature Tactical Energy Systems Development, $5,000,000 from the Army;
ONAMI Safer Nanomaterials and Nanomanufacturing, $5,000,000 from the Air Force;
and ONAMI Nanometrology Initiative, $5,000,000 from the Navy.

(2) Program for Water Cooperation

This project takes an integrative approach to water resources management, education, and research. The Program for Water Cooperation is conceived as a resource and information source that would facilitate dialogue on critical water issues through three integrated programs: A Certificate in Water Conflict and Resolution and Prevention; a Transboundary Freshwater Dispute Database; and the Universities Partnership for Transboundary Waters, which will act as a base for an international consortium of water expertise.

(3) Hatchery Research

This request is for research funds that will contribute to the effort that is underway jointly between OSU and ODF&W to turn the former Fall Creek Hatchery into a fish research laboratory. The Hatchery Research Center will be a cooperative experimental laboratory where partners in salmon restoration can develop an understanding of the mechanisms that create differences between hatchery and wild fish and devise the tools to manage the differences.
(4) Oregon Coastal Ocean Observing System

This proposal is to build an integrated coastal ocean observing system designed to improve the safety and efficiency of marine operations, mitigate the effects of natural hazards, improve predictions of climate change and its effects, reduce public health risks, protect and restore healthy coastal marine ecosystems, and enable the sustained use of marine resources through ecosystem-based management.

(5) Aging in Place

This project relies on interdisciplinary work among faculty in OSU's Program on Gerontology. At present there are very little data to support informed decision-making by elders and their caregivers and to guide decision-makers in public policy and in the high-tech industry. The goal of this proposal is to understand needs, identify the impacts of the physical and social environment, and establish the range of individual differences that must be accommodated to enable the nation’s growing elder population and meet the challenges of aging.

(6) Education Double Degree

The School of Education recently implemented the Education Double Degree program to promote higher standards of competence for teachers and to lower barriers to full teacher certification. The goal of this proposal is to conduct research on the program, including analysis of student access, program participation, and post-graduation teaching effectiveness as well as to complete research studies comparing traditional models of teacher preparation and innovative models as the Education Double Degree.

Oregon State University Programs with Authorizations and/or Previous Funding:

(1) Sun Grant

The Sun Grant Initiative was established to enhance national energy security through the development, distribution, and implementation of bio-based energy technologies; to promote diversification in, and the environmental sustainability of, agricultural production in the United States through bio-based energy and product technologies; to promote economic diversification in rural areas of the United States through bio-based energy and product technologies; to enhance the efficiency of bioenergy and biomass research and development programs through improved coordination and collaboration between the Department of Agriculture, the Department of Energy, and land-grant colleges and universities.

Members of the Sun Grant consortium are pressing for inclusion of a provision in the Senate version of the Transportation reauthorization bill that would provide $3 million per year to each of the member institutions. If the bill fails to pass, or should the provision fail to be included, the appropriations strategy is to seek $5 million per year for each institution either through the Department of Energy or through USDA. The
program currently receives some federal funding through earmarks to South Dakota State University and the University of Tennessee. However, the consortium is seeking a stable, long-term federal funding source to support the authorization that passed in 2004.

(2) CPORT

Despite the economic significance of ports and the clear link between maritime and surface transportation systems (MTS), there are no nationally recognized centers focusing on security, risk reduction, and efficiency of the nation’s maritime transportation system. A Center for Port Operations, Risk, and Technology would support a mission of research and education in port security that would establish a national research roadmap for port and MTS security, direct collaborative University-industry-agency-national laboratory research, and develop interdisciplinary educational programs. CPORT has not yet received any federal funding but the program was authorized in 2004.

(3) Oregon Watersheds Research Cooperative

Oregon has led the nation in science-based forest policy and regulation of forest management activities to protect water and fish since the Oregon Forest Practices Act was passed in 1971. Forest landowners have embraced the application of scientific information to guide development of rules that govern timber harvest, reforestation, road building, streamside protection, and other forestry practices that affect water and fish. A cooperative program of research and outreach has been established through local efforts and funding to address these information needs. Federal funds are being sought to enhance this support to achieve the full scientific potential for this effort. This project received $500,000 in federal funding in FY 2005.

(4) Value-Added Seafood Product Development

Value-Added Seafood Product Development: A Community Seafood Initiative would continue to strengthen and formalize an existing network of institutions into a systematic approach designed to ensure application of research by industry and maximize local economic impact. Research will focus on new technologies such as high-pressure processing and value-added products for oysters, shellfish, and albacore tuna. Direct participation in the early stages of the project will bring research and science closer to the community and individual business level, thereby involving communities in rebuilding their economy and protecting their natural resources. The Value-Added Seafood Product Development Initiative received $1.5 million through NOAA in FY 2004.

PORTLAND STATE UNIVERSITY

(1) Promoting Cultural Awareness and Honoring Diversity Through Contemporary Northwest Jazz: PSU’s Leroy Vinnegar Jazz Institute and Millar Library
Portland State University is seeking funding to enhance and increase the accessibility of its Millar Library Collections to support the newly established Leroy Vinnegar Jazz Institute (LVJI) in the School of Fine and Performing Arts. The Library would use this funding to support activities such as: 1) Acquire, catalogue, and transfer to digital media an extensive local collection of over 4,000 historic live jazz recordings dating from World War II to the present; 2) Preserve and store donated collections of historically significant artifacts, including historic photographs, manuscripts, journals/periodicals, and letters from local historian Homer Clark concerning The Portland Jazz Book; 3) Purchase scores, recordings, books, and other library materials to support a diverse and multi-culturally-based arts education curriculum, including assisting in the creation of a high-level educational performance ensemble at PSU, and an adult jazz participation program -- and further enhancing the LVJI’s jazz-based arts education programs; 4) Develop a searchable electronic archive of oral histories; 5) Digitize existing archival video and audio materials; 6) Purchase electronic resources for arts education-related curricular materials; 7) Document the rich history of jazz in Portland by collaborating with the Northwest Jazz Oral Histories Project; and 8) Establish a public outreach and dissemination effort supporting programs for schoolchildren.

(2) ONAMI – The Nanoscience and Microtechnologies Institute

Portland State University is a partner in ONAMI, which is collectively requesting a second year of federal appropriations. The request is growing to accommodate a new “Nanometrology Initiative.” The purpose of this new proposal is to initiate additional research in nanometrology and testing of nanodevices and circuits that enables the implementation of nanoscale materials into useful electronic applications such as high density memories on silicon integrated circuits. This will lead to new applications in computing, information processing, and biosensing.

The three projects that will comprise the ONAMI package are:

ONAMI Miniature Tactical Energy Systems Development, $5,000,000 from the Army; ONAMI Safer Nanomaterials and Nanomanufacturing, $5,000,000 from the Air Force; and; ONAMI Nanometrology Initiative, $5,000,000 from the Navy.

(3) PSU’s Strategic Initiative on Aquatic Bioinvasions: A Catalyst for Critical Research and Development, Management, Outreach, and Education in the Pacific Northwest (A PSU Partnership Involving the Smithsonian Environmental Research Center)

PSU and the Smithsonian Environmental Research Center (SERC) have recently joined forces to establish the Aquatic BioInvasion Research and Policy Institute. Based at PSU, the Institute combines the expertise of two complementary, world-class research programs on marine invasions (SERC) and freshwater invasions (PSU). The Institute’s mission is to advance multi-disciplinary understanding and real-world solutions for aquatic bioinvasions and is a focal point for interdisciplinary approaches, engaging researchers, industry, and resource managers from a consortium of participating...
institutions. This initiative implements a series of activities at the Institute, while expanding the consortium to include collaborative and coordinated efforts with other universities in the region including, 1) Research focused on biological invasions, including the biology and ecology of invasive species; 2) Public outreach to communicate about management plans and assist in the implementation of these plans; 3) Technology development and ballast water management, including use of biological sensors to detect new invasions or monitor treatment systems, and the application of remote sensing to predict spread and risk of invasions; and 4) Early detection and rapid response programs including development of a web-based toolkit of information on criteria and options for rapid response and implementation of demonstration projects. The funding will also support symposia and workshops, as well as provide support for student and professional development.

(4) PSU Small Business Initiative: Center for Law, Entrepreneurship, and Technology and the Portland Business Accelerator

Portland State University’s Small Business Initiative is a two-pronged approach to support small and emerging businesses: the Center for Law, Entrepreneurship, and Technology (CLET) and the creation of Portland’s Business Accelerator. CLET is a nationally unique collaboration between the School of Business at Portland State University and the Lewis & Clark Law School to provide technical assistance to developing businesses, while teaching future lawyers and business professionals how to work together. The CLET is a central element to PSU’s plan to encourage the growth of small businesses in the Central City -- the Portland Business Accelerator. The Portland Business Accelerator, a program developed in partnership with the Portland Development Commission, supports small and emerging cutting-edge businesses and encourages the spin off of new companies through technology transfer and research already occurring on campus. The Portland Business Accelerator focuses on two market sectors, based on the strengths of our regional economy and local talent – information technology and biosciences. The accelerator provides small businesses in these sectors with facilities, mentoring, facilitation of technology transfer, and commercialization opportunities.

(5) Building a Sustainable Urban Campus: PSU’s Solar Photovoltaic Test Facility System, Materials, and Installation Project

Portland State University is seeking funding to continue its work as a leader in building a sustainable urban campus. This proposal will support the University’s work in this area by funding the Solar Photovoltaic Test Facility System, Materials, and Installation Project. This project would be the first large-scale solar test facility installation on a university campus to be used primarily as an educational and research tool. The installation would be of a ~25 kW solar array system on the roof of Cramer Hall, one of PSU’s main academic buildings.
(6) Multimodal ITS Research to Improve Transportation Safety, Efficiency, and Mobility in a Metropolitan Community – A request submitted by the Joint Policy Advisory Committee on Transportation (JPACT)

The request by the JPACT (a metro region group comprised of elected and appointed members representing transportation agencies) seeks funds for an intelligent transportation research initiative that will support the transportation research needs of the regional and state agencies. This research will be conducted by the team of interdisciplinary faculty affiliated with the PSU Center for Transportation Studies and be focused on a set of multimodal issues related to improving the safety and efficiency of the transportation system including urban transit, freight, non-motorized transportation management, and information systems. These research priorities reflect the unique nature of transportation planning and operations in Oregon and the state’s commitment to linkages between land use policy and transportation systems.

SOUTHERN OREGON UNIVERSITY

(1) Support for Equipment in the Planned Southern Oregon University–Rogue Community College Joint Educational Facility in Downtown Medford

Southern Oregon University and Rogue Community College jointly seek $3 million from federal sources for equipment as part of the $23.3M facility being planned for Downtown Medford. Governor Kulongoski’s Recommended Budget for 2005-07 included the Southern Oregon University and Rogue Community College Joint Facility in Medford. The executive budget includes SOU’s portion at $11.8 million ($5.4 million in general fund, $5.9 million Article XI-G bonds, and $500,000 private match) and RCC’s share with state allocation and local match to be determined.

(2) Southern Oregon Institute for Environmental Studies at Southern Oregon University

Southern Oregon University and partners seek federal funding to accomplish two objectives that together would build SOU’s capacity to support balanced research, education, and service through partnerships in support of wise uses of natural resources and long-term sustainability of its forests and other natural lands. They are:

- To provide the matching funds to an identified $3 million private donation currently pledged to establish a field station in southern Oregon via SOU in partnership with the Siskiyou Field Institute and Rogue Community College. It will serve as a long-term site for experimental work and experiential learning. Collaborative research projects involving the faculty, students, and partners, including those from other universities, can be fully explored and monitored at the intersection of economic development and environmental stewardship. Results would fuel sound exploration of policy issues, grounded in balanced and credible research and discussion across all “sides” of issues.
• To establish an Institute Website to link with the federally-funded digital database available now in SOU’s Hannon Library. It will provide information on current projects in the region such as the Biscuit fire recovery and the regional impact of the Healthy Forest Act. It would communicate and publish relevant scholarly research activities and resources, announce planned cross-disciplinary educational workshops, encourage networking in the region, and serve as a link between the University, government agencies, and businesses in the region for rich and wide-ranging discussion, planning, and instruction grounded in sound research and scientific information.

(3) Health and Aging

Southern Oregon University seeks federal funding to develop research models and to design and implement a pilot program to help families, communities, businesses, and organizations recognize the needs and challenges of serving our aging population in Oregon. The project recognizes that the demographics and economy of the Rogue Valley are being transformed by the in-migration of retirees along with the predictable aging of the Baby Boom generation. Healthcare is now the largest employer in the Valley and the region is home to both medical experts on aging and premier assisted living enterprises.

This project will study and develop models for healthy aging and end-of-life care that encompass community strategies and best healthcare business practices. Our initiative will involve a broad representation of public and private partners and develop practical tools that Oregon urban and rural communities can use and adapt to assist in empowering seniors and preparing for further expansion of the aging population.

UNIVERSITY OF OREGON

(1) Brain, Biology, and Machine Initiative (BBMI)

BBMI is a research project that unites the University of Oregon’s internationally recognized strengths in biology, computational sciences, and cognitive neuroscience. First funded by Congress in FY00 with a $3 million investment in a functional Magnetic Resonance Imaging machine, a total of $14.3 million has been earmarked for BBMI since it was first funded. The project is a significant lever for competitive grants and private funding and can lay claim to the generation of several new research centers and spin-off companies. In FY06, the University seeks funds to further develop the initiative, for example, by moving basic scientific research further toward clinical applications, and by connecting the basic understanding of the brain to improved educational practices.

(2) Oregon Nanoscience and Microtechnologies Institute (ONAMI)

(a) ONAMI Miniature Tactical Energy Systems ($5 million) (Army); (b) ONAMI Safer Nanomaterials and Nanomanufacturing ($5 million) (Air Force); (c) ONAMI Nanoelectronics and Nanometrology Initiative ($5 million) (Navy)
ONAMI Miniature Tactical Energy Systems and ONAMI Safer Nanomaterials and Nanomanufacturing both were earmarked at $2.5 million each in FY05 from the Department of Defense Army and Air Force research programs, respectively. ONAMI is a collaboration involving Oregon State University, Portland State University, and the University of Oregon, their industry partners, and other entities such as the U.S. Department of Energy’s Pacific Northwest National Laboratory.

(3) Museum of Natural and Cultural History Curation Facility

The University of Oregon is the officially designated state repository for archaeological items found on state lands, but its repository is nearing capacity. The University seeks an authorization for funding to expand or replace the current facility. Both the House and Senate versions of the Water Resources Development Act included a provision authorizing $2.5 million for the facility, but final action was not taken on the bill before the 108th Congress adjourned.

WESTERN OREGON UNIVERSITY

(1) Leonard W. Rice Auditorium and Smith Performance Hall Rehabilitation and Renovation

Western Oregon University is requesting federal funds for renovation, rehabilitation, and program development for the Leonard W. Rice Auditorium and Smith Performance Hall. The objective is to make the facilities more accessible to our students and the citizens of the region by expanding the performance art venues; making critical technological upgrades to acoustics, lighting and sound reinforcement; and developing outreach art education activities for area K-12 students and their families.

Western Oregon University serves as the center for arts performance and education in Oregon’s mid-Willamette Valley. The Rice Auditorium and Smith Hall performing arts programs draw audiences from throughout Western Oregon and, in particular, the adjoining Polk County communities of Monmouth and Independence. For years, WOU has presented a diverse range of high quality performances by established and emerging artists that expand and enrich the community’s cultural experiences; provide educational programs that engage children, teens, and adults in the artistic process; cultivate appreciation of the performing arts; and make the performing arts an integral part of school and community life. As our region grows, and the demand for arts programming becomes more intense, critical investments must be made to meet the community need.

(2) Center for Student Success in College at Western Oregon University

The Center for Student Success in College is a joint venture between Western Oregon University, Oregon’s community colleges, and the Oregon University System. The
Center will provide a statewide resource for campuses to identify and draw upon best practices that support successful student learning and program completion.

Federal funds have been requested for the technology enhancement and completion of a comprehensive community college and university student retention database and to provide technical assistance, training, research, resource development, and policy development and interpretation to education professionals statewide. Additionally, federal funds will allow the coordination of resource consultants and trainers from universities and community colleges and the organization of a statewide conference on student retention and completion that informs and instructs on best practices nationwide. The database, conference, and local “drive-in workshops” on specific retention issues will result in a statewide, collaborative approach to retention that focuses upon student success and builds upon the expertise already present throughout the state’s colleges and universities. This retention effort will support revised and new practices that better serve a more mobile student population that also enrolls in more than one institution at a time.

BOARD DISCUSSION:

Chair Lorenzen turned to the Senior Associate Director for Federal Affairs Andy Clark for a discussion of the Fiscal Year 2006 Federal Appropriations Priorities. Chair Lorenzen asked Clark for a historical review of how the Chancellor’s Office and the Board were involved in federal priorities and how it is different now. Clark described the previous process, outlining that notices used to go out to the presidents in October and priorities would come to the Board in the form of pre-proposals. This year, Clark observed, the process was different. Clark asked congressional staff what they would like to see in the appropriations planning process and, while congressional offices still wanted the semblance of oversight from the State Board of Higher Education, campuses were free to pursue as many federal priorities as they wanted. Clark further noted that the Chancellor did not distribute the federal priorities notebook this year, but the institution presidents carried their message to Capitol Hill. Clark stated that the timelines for appropriations projects for Congress had passed.

Director Blair asked for clarification regarding whether each individual institution went to Congress individually to lobby for priorities and Clark replied they did, except when there was collaboration. Director Blair asked if the institutions had the resources to do that and whether having seven universities lobby Capitol Hill was the most efficient and effective process. Clark reiterated the efforts were separate. Director Blair commented whether the regional universities had the ability to engage in lobbying and Presidents Zinser, Dow, and Conn noted that they either lobby when they are in Washington DC on other business or take advantage of the congressional visits to the district. President Ray added that OSU did a reception in conjunction with his visit on other business and that they stressed the ONAMI partnership. Chair Lorenzen thanked President Ray for his message about collaboration and Director Richmond echoed Chair Lorenzen’s comments. President Ray suggested the Chancellor’s staff work with the congressional delegation to determine if the new model worked.
Director Schuette commented on the WOU proposal for the Center for Student Success in College and Chair Lorenzen noted that the most important discussion was probably regarding the process by which the proposals came to the Board. Director Sohn added that the decentralized approach might make some sense because the proposal advocacy probably has more to do with the content that with the university seeking the proposal. Clark offered that decentralization and action were necessary because the Oregon congressional delegation is growing in stature. Director Sohn stressed the importance of collaboration regarding proposal advocacy. Director Nesbitt noted that there were federal issues in addition to appropriations, such as the Pell Grant, in which the Board might be interested. Clark observed the Higher Education Act reauthorization would be an ongoing issue. Pernsteiner added that Representative Wu is taking a leadership role regarding elements of the reauthorization. President Ray noted that Clark might be able to help the presidents with common talking points that would be useful when they met with the congressional delegation. Provost Moseley returned to Director Sohn's comments and noted that direct funding would only be successful if it is followed up by peer review grants. Director Richmond asked for follow-up regarding why Oregon is not an EPSCOR state.

7. **Committee Reports**

a. **Standing Committees**

Chair Lorenzen turned to Director Blair for a report on the FBAPRE Committee meeting. Director Blair discussed the new format of the quarterly managerial reports and the visibility of financial results at each of the institutions. He noted OUS Controller Mike Green did not have any areas of material concern, but observed relatively low fund balances at OIT and SOU. Director Blair noted that a reclassification should assist with both institutions. Director Blair added the FBAPRE Committee discussed the OUS investment portfolio and how the Board fulfills its responsibilities regarding the investment of the funds. He shared that the Oregon Investment Council has ultimate responsibility for the investment of funds, even though the Board has the fiduciary responsibility regarding their investment. He noted that one or two members of the FBAPRE Committee could work with the Chancellor's Office and the Oregon Investment Council to develop a streamlined, efficient process regarding investment of funds.

Director Blair also covered the recommendations of the external auditors regarding the trustees of the Optional Retirement Plan. He discussed the recommendation to retain a professional corporate trustee for the funds and how the trustee would be funded through forfeitures of the plan. Director Blair shared that a Request for Proposal (RFP) would be issued for the trustee position. Director Blair concluded with a discussion of the internal audit report, observing OUS Director of Internal Audit Patricia Snopkowski reviewed twelve audits conducted between July 2004 and January 2005. He noted four of the reports received the highest rating and eight were "needs improvement" and none were unsatisfactory. Director Blair noted while there were no significant financial issues,
there were a number of areas that called for improvement in the internal control environment.

Director Blair noted that the Board should reevaluate the internal audit resources in June after the current internal audit positions are filled and there is better visibility regarding the budget, it might be wise to take up a longer-term plan about audit staffing.

Director Blair concluded that internal audit is one part of the overall financial management framework. He noted that many governance and policy issues would need to be addressed. He continued that personnel in key positions would also be important and that he was encouraged by the collaboration between the Chancellor's Office and the presidents in selecting key people for finance and administration positions. Director Van Vliet asked if there was a process to prioritize review of the auditable entities and Director Blair replied that there was a risk assessment process based not only on size, but the historical performance of the entity in terms of its control structure. Chair Lorenzen observed that there was some frustration when the significant savings realized in the Chancellor's Office reorganization was taken away from the System. The savings could have aided the internal audit function and other financial management framework initiatives.

b. Working Groups

Director Schuette offered a brief report on the Excellence in Delivery and Productivity Working Group (EDP) initiatives. She mentioned her support for intercollegiate athletics and recognized the contributions student-athletes make to Chemeketa Community College. Director Schuette noted an upcoming EDP meeting scheduled for March 11 and her excitement about the ATLAS initiative. She added that she offered a State Board of Higher Education update to the recent community college annual convention. She concluded with comments regarding the morning's conversation with the Interinstitutional Faculty Senate and the discussion on diversity.

No reports were given for the Access and Affordability or the Academic Excellence and Economic Development Working Groups.

c. Other Board Committees

No reports were given for the OHSU Board, Oregon College Savings Plan Board, or the Joint Boards Working Group.

8. Public Input

Chair Lorenzen called on Garron Lamoreau, the political affairs executive from the Associated Students of Eastern Oregon University. He discussed the tuition plateau and how its removal had adversely affected EOU students.
9. **BOARD COMMENTS**

   No board comments.

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

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

    Chair Lorenzen called for a motion to approve the delegation of authority to the Executive Committee as included in the docket. Director Richmond moved approval and Director Sohn seconded the motion. All in favor: Blair, Dyess, Lorenzen, Mendoza, Nesbitt, Richmond, Schuette, Sohn, Van Vliet, and von Schlegell. Opposed: none. Motion passed.

11. **ADJOURNMENT**

    Chair Lorenzen adjourned the meeting at 1:00 p.m.

    

    [Signature]
    Henry C. Lorenzen
    President of the Board

    [Signature]
    Ryan J. Hagemann
    Secretary of the Board