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

President Henry Lorenzen called the meeting to order at 8:10 a.m.

Board members present: Directors Henry Lorenzen, Don Blair, Gerry Blakney, Bridget Burns, Adriana Mendoza, Tim Nesbitt, Geri Richmond, John von Schlegell, Gretchen Schuette, Howard Sohn, and Tony Van Vliet.

Staff present: George Pernsteiner, Neil Bryant, Jay Kenton, Ben Rawlins, Diane Saunders, Helen Stampe, Marcia Stuart, and Susan Weeks.

Others present included: Presidents Martha Ann Dow, Khosrow Fatemi, Dave Frohnmayer, John Minahan, Ed Ray, and Elisabeth Zinser; Provosts Lesley Hallick and Roy Koch; Scott Burns (IFS), Chris Ertel (GBS), Bill McGee (DAS), Earl Potter (SOU), Jim Sager (Governor’s Office), and Melissa Unger (OSA).

Director Lorenzen thanked the University of Oregon for hosting the Board meetings and offered an apology. “The UO people put together a fairly extensive tour for the Board yesterday and, because of scheduling issues and other plans, we didn’t show up. I’m sorry for that; we will make certain that we don’t do this again in the future. Looking through the materials, I’m very disappointed because there were items in which I have a great deal of interest. Again, I want to thank the University for putting the visit together and offer our sincere apologies for not taking advantage of it. We will be careful and make certain we don’t do this in the future,” he concluded.

2. **CONTEXT SETTING**

Director von Schlegell set the context for the Long Range Planning Retreat, indicating that the Board has already had several other planning sessions. In the interim, Directors Blair, Dyess, Lorenzen, and von Schlegell have met several times with staff including Chancellor Pernsteiner, Vice Chancellors Kenton and Weeks, and consultant Chris Ertel to continue to interpret the outcomes of the sessions as well as research that has been ongoing regarding the issues under consideration. Additionally, there have been regular updates with Governor Kulongoski. A mission/vision statement, that will become the foundation for establishing desired outcomes, had been prepared for review at the present meeting. The session will include discussion of the basic principles for achieving these outcomes.
“In March, we anticipate that the Board will review Legislative Concepts that might be needed to achieve these principles. Board members and staff will be assigned to report back to the Board on those. Additionally, there will be portfolio components, or templates, to be further developed by the Board planning team, the Chancellor, and the staff. The presidents will have a key role in those discussions. The goal will be to have a draft, in April, of the strategic vision, complete with outcomes. Finally, in May, we hope to finalize the product and, along the way, finalize tactics and strategies on how to communicate to the other stakeholders, the legislature, the people of Oregon, and other interested parties,” he explained.

The ground rules continue to be to: focus on sustainable long-range solutions; assume that there will be no real additional funding from the state; and, explore out of the box creative ideas.

Director von Schlegell introduced Mr. Chris Ertel, the facilitator for the Retreat. Mr. Ertel is co-head of the Global Business Network, a small consulting business in the San Francisco area and has been assisting Vice Chancellor Weeks and others from the Chancellor’s Office to move the planning process forward. He explained that his role in the session was to act as facilitator to support the dialogue, keep the group on time and task, and generally building the conservancy.

The agenda was presented:

1) Welcome and Introductions  
2) Discussion and Clarification of a Mission Statement for OUS as a Foundation for Establishment of Outcomes  
3) Basic Framework for an Outcomes Template for the System as a Whole  
4) Substantive Conversations  
   • Principles for Achieving the Vision and Outcomes – Thoughts on Managing the System as a Portfolio  
   • Ideas for Providing Greater Flexibility in Operations  
5) Creating a More Sustainable Economic Model to Achieve the Goals  
6) Principles to Further Developing a Cooperative Approach to K-20 Education

### 3. Clarification of the Mission Statement

The draft Mission Statement was reviewed. It stated:

1. The Oregon University System will provide opportunity for Oregon citizens and for the state to attain a level of education necessary to sustain and advance the state’s economic, social, and cultural vitality in a global environment.

2. Oregon’s public universities will ensure that graduates have the intellectual and practical skills to be successful and responsible citizens.

3. The Oregon University System will engage in the creation of original knowledge through research and its research will ensure Oregon’s competitiveness in the national and global context.
4. The Oregon University System will provide economic and civic benefits to Oregon and its communities through the preparation of an educated workforce to meet the needs of Oregon’s economy; the income generated through research and scholarly activity; contributions to key industry clusters; direct services to communities; and, volunteer activities of its students, faculty, staff, and graduates.

**Summary Points of Discussion:**

- The first Statement is too passive. There is a tendency to use passive language when an active voice is more effective.
- The Mission/Vision Statement must be one that anyone would be able to say, in essence, what it is – and that requires a tighter focus.
- Several comments indicated that there was not enough differentiation between points one and four of the Mission Statement.
- The Mission Statement for Oregon might not be any more unique than that of any other state, but it must be distinctive about the public mission of higher education, as opposed to that of a private institution. There needs to be some sense of public good included.
- The blueprint for implementation is what will make this unique to Oregon.
- Need to be very clear on the core values of OUS.
- One item that can make Oregon unique is the integration of the educational system – pre-K-20. We need to see higher education as an engine in an assisting, enhancing, and facilitating way and do our job in a way that pulls the whole System forward and pulls Oregonians and their vision of their education future toward postsecondary education.
- The subject matter of the day and of the long-range process is our mission. The mission statement is just an effort to get the core of it down in a few words. The mission statement should come after the rest of the discussion.
- A mission statement drives decisions that are made. It tells you how you choose between or among priorities, or at least, how you rank them.

A table was presented that had columns for each of the four elements of the mission/vision statement:

1. There were two major conceptual components for educated citizenry and opportunity for Oregonians:
   - Production/number of graduates – including both enrollment and retention. How many graduates are successfully completing their education?
   - Access to traditionally underserved populations.
2. Quality of student learning and graduate success:
   - Metrics of critical thinking, analytical reasoning, and writing skills.
   - Student satisfaction – how do students feel about the experience and the quality of their higher education experience?
   - Post-graduation outcomes – how well are people doing after their education both in furthering their education and their employment opportunities.
3. Original knowledge creation:
• The quality and quantity of intellectual output in relation to peer institutions.
• Ability to attract external resources.
• Ability to attract knowledge development talent – what is the talent pipeline and the ability to track those individuals who do original knowledge creation.

4. Economic and civic benefits:
• Support for Oregon’s key industries – the possible effects of things such as the spillover of companies being created.
• Labor force development in the key industries and also to alleviate shortages in the labor market (in areas such as nursing).
• The economic impact of the campuses on the communities in which they reside.

It was suggested that successful discussion would include clarification of successful outcomes that the System might anticipate.

Summary Points of Discussion:
• These seem at about the right level to gage whether or not the mission statement is correct.
• Mission and vision statements are two different things. A mission statement can never be done – you are always “doing it.”
• Under the economic and civic benefits for Oregon, most of the outcomes deal with economics and there is very little related to the civic side which is very important for our institutions if we are developing citizens of the future.
• The outcome statements about “production and volume of graduates” suggest an industrial model and we are not talking about the production of “widgets.” Those terms of production and volume don’t work here.
• The statements don’t take into account the changing nature of the student body and life-long learning is not referenced here. There needs to be a statement about continuous learning or motivating continuous or lifelong learning.
• In smaller communities, the universities have become the intellectual and cultural centers. It is difficult to measure this concept, but, it needs to be included.
• Need to include an item about leveraging the resources of all 25 institutions (community colleges and universities) for a more integrated system.
• There was concern that there wasn’t enough emphasis on quality in the statements.
• There is not clarity as to the audience for these outcomes. For example, the metric of “critical thinking, analytic reasoning, and writing skill,” is not a great expectation for particularly high quality. It should be tracked more under the issue of educated citizenry. Some of the items are not aligned correctly.
• We need to talk about the percentage of Oregon high school graduates earning degrees.
• Measuring input is always a trap – you tend to measure the wrong things. We have to measure the output that we really want and then decide what are the four or five things we must do to get to that.
• A critical point to achieving the outcomes is, “Who teaches students.” That is not included in any of the outcomes.
4. **Basic Framework for an Outcomes Template for the System**

Director Blair indicated there were principles that would be needed to inform how the System develops over the next 20 years. One principle is that the System needs to be managed as a portfolio to optimize the outcomes that have just been discussed. The System needs to be seen as a set of complementary institutions built on the strengths of each one of the institutions to deliver the best combination of outcomes as a System. The Board would ask all of the institutions to contribute to the achievement of each of the outcomes, but potentially in different combinations and in different balances of the goals. It is not intended that the Board would micromanage the institutions. Rather it is an alignment of the institutions through the missions – to assure that the missions are differentiated and very sharply defined. Metrics for performance would be established for each of the institutions to make sure that the role that the institution plays in the overall group is clear.

The term *Spires of Excellence* was used to define building on the unique capabilities of each institution. Some of the institutions may have different financial models, a change from the somewhat homogenous model currently in use. The Board would be looking at ensuring a high quality of student learning and success with the definition of quality being the outcome. The measure of success would be what the students learn and are able to do and the success that they enjoy.

In terms of the level of financing available to support high quality, a question is if the Board wants to orchestrate the assets they have to meet the four public policy goals. If the focus was on mission, if that were the way in which the Board organized its thinking about meeting the state’s and citizens’ needs, how would it be conceived? What would it mean? It might mean a more directive approach by the Board with regard to programs and program mix; or a more careful examination of services by location to be sure that Oregonians in every part of the state have opportunity for the same benefits with respect to an educated citizenry, knowledge creation, and economic and civic benefit.

**Summary Points of Discussion:**

- It is going to take a legislature that can look at the continuum of education and understand that there cannot be competition for resources – rather, a major investment – K-20 – to have an educated citizenry. Not sure if looking at institution missions will achieve.
- The issue of duplication always comes up in discussions about missions. The place where the duplication argument makes sense to pursue is in graduate education – not undergraduate education. “We can’t differentiate our missions very well by our mission statements if you are looking at the undergraduate part.”
- There is pernicious duplication and benign duplication that is beneficial. The graduate programs can’t be well supported unless all of the institutions, at the undergraduate level, are producing a fair number of graduates in a variety of fields. Pernicious duplication is when institutions are actually competing in very high cost programs for a very limited number of students and the outcome is moot as to quality.
• There will be different levels of focus in knowledge creation and whether that is a large part of an institution’s mission or a relatively smaller piece in the context of the rest of the mission.
• Funding mix is another area of possible differentiation.
• Need to look beyond institutional boundaries to regional boundaries to ensure that movement of students around the state is taken into account. Particularly in the undergraduate arena, thought will need to be given to sustaining many things that may or may not lead to particular *Spires of Excellence* in a particular part of the state.
• Need to keep a focus on the economic and civic benefit and the impact on the communities where institutions are located. In many communities in Oregon, the entry pathway into higher education is often the community college and then the OUS institution in that region. Important to recognize that is part of the objective – to have that kind of impact in the community – a presence that leads to recognition that higher education is a value.
• A more radical view must be taken of what higher education might look like in the future given distance learning and the competitive forces both within and outside the physical boundaries of the institutions and of Oregon.

**Framework for a Portfolio View**

Four areas were presented for discussing the portfolio approach:

1. Outcomes
2. Program Mix – will be by institution and be partly driven by the mission of the institution. The mission of an institution explains its particular gloss on the four high-level outcome areas, what its emphasis will be, and the *Spires of Excellence* within the program mix and focus.
3. Economic Model includes tuition and financial aid levels, the state funding considerations, philanthropy, and external grants and contracts. The mix may vary by institution, as it presently does, but it may become more differentiated.
4. Organization of the institution may have different configurations in terms of its relationship to the System, the Board, other public boards, to name a few. The governance and organization of the institutions may have some variability. The concept is ensuring that everyone is moving towards a common goal of optimizing higher education for Oregon and Oregonians and that the System is an enabler that helps achieve the goals in ways that are not now possible given the current structure.

**Summary Points of Discussion:**

• Not all institutions can equally emphasize quality, access, and an array of programming equally. There are only very differentiated missions. If we do this well, we can then devise the economic model to maximize, campus-by-campus, what would be needed to succeed.
• How does the portfolio concept capture collaborative efforts?
• We must optimize across the System. As we think about component parts, it must be in the context of how we optimize across the System. As we think about the component parts and how they are aligned to achieve overall System objectives, one element of that is how, among the several parts, do we capture the economies of scale and scope that keep us focused on that institution’s capacity to compete nationally and globally?
• Need to explore how we do more with less through collaboration and this might lead the Board to make some difficult choices.
• Oregon does not do a very good job of connecting what the workforce needs are and delivering the prerequisites or the product. We have to change our thinking about “pipelines,” from articulation to getting the workforce and education people talking about building capacity together. Nursing is an example that affects three Boards: OUS Board, Board of Education, and OHSU Board.
• Whatever this Board sets in motion needs to have clarity of purpose and be focused. The portfolio approach is good but it will be adapted over time as those who follow us look at present day needs.

The question was raised as to whether participants were comfortable with the portfolio approach:
• It feels like a shift, but until we try to flesh out the organizational and governmental implications, I don’t know what I’m supposed to do. It is somewhere between “let’s work together,” “it’s not a free market,” and yet it’s not “command and control.” So what is it?
• How does it fit into our major outcomes or goals statements?
• How does this differ from the way we operate now?
• The network of relationships and the missions of the individual institutions are not aligned together against a single set of objectives for the System.
• We have not taken the individual institutional missions and matched them up against each other and asked, in aggregate, does this get us where we want to go? Is this the most efficient use of our resources to get there?

5. **Creating a More Sustainable Economic Model to Achieve the Goals**

Setting the context for the discussion, Chancellor Pernsteiner said, “We have told you for the last year that Oregon ranks at or near the bottom of all 50 states in terms of state funding for students. And, the question is not what do you do in the race to the bottom, but how do you orchestrate all of your resources in the race of what you’re trying to achieve. We took a look at who was consistently in the bottom ten on every financial measure for postsecondary education over the last several years. There were five states that, on every measure we looked at, were in the bottom ten: Pennsylvania, New Hampshire, Colorado, Vermont and Oregon.” This refers to the state investment in the institutions. The question is, “How do we orchestrate the resources we have or might anticipate having in order to achieve the goals that we want?”
For the present discussion, focus was on tuition and financial aid. Dr. Jerry Kissler had been invited to participate and present highlights of a background paper he had written for purposes of discussion. Dr. Kissler was, for many years, at UCLA as a faculty member and administrator; at the UO as Senior Vice Provost for Planning and Resources; and recently retired as the Assistant Vice President of the University of California System, for budget and financial policy. (A full copy of Dr. Kissler’s presentation is available from the Board’s Office.)

**Highlights of the Presentation and Discussion**

- Higher education is more important now than ever with the knowledge-based economy. What could OUS do to contribute to improving education through improving teacher training and professional development opportunities?
- Increase the number of highly educated graduates for a growing number of professional and managerial jobs and, through OIT, the growing number of technical jobs in the state. Oregon’s per-capita income is below the national average – the only way to get back up and move ahead of the national average is to work on the right side of that distribution.
- Critical to create fast-growing companies and produce the discoveries that will lead to new products and process improvements. OUS’ research capacity must be upgraded in relationship to key-industry clusters.
- When past policy choices have come to the Board or been discussed by the legislature, a higher priority has been placed on access, keeping the doors open and keeping the price low – affordability – than to indicators of quality such as the student-faculty ratio, faculty salaries, and academic support.
- There is a growing gap between public and private institutions. Private institutions have been raising their tuition faster than inflation in order to improve quality. The public universities have been raising tuition faster than inflation to offset budget cuts. “That’s a very big difference,” Dr. Kissler observed.
- Total revenues, per-student, haven’t changed much from 1986. It is not that the cost of education is spiraling out of control in OUS. The reason tuition went up is very simple – the state money has gone down by 40 percent.
- One policy alternative would be higher tuition/higher aid. Tuition is increased to offset low state subsidies and to improve quality, but additional financial aid is provided so that a college education is still affordable. In a portfolio approach, the institutions would have different levels of resources, so they would approach this in different ways. Under this scenario, none of the needy students would pay the supplemental increase.
- Price is related to affordability, but only partially. The other part of the equation is the level of financial aid. At Penn State, for example, the price is high and the financial aid is high – so Penn State is accessible.
- What is different about Oregon is not only that the funding is so much lower relative to other states, but additionally, there is no private research university in this state which means that companies don’t have any other place to lean. Additionally, Oregon’s institutions are small relative to their peers and that means that funding problems are worse because there isn’t the economy of scale.
• Oregon can either have a virtuous financial cycle or a destructive downward cycle. It is now in the downward cycle because Oregon is not investing in quality and that doesn’t enable it be “high end” in terms of quality and therefore attract as many out-of-state students to help build income.

• Oregon can’t stay where it is – it is either going to go down or up – we can no longer stand in the middle.

• Director Nesbitt reminded the Board that there was a “certain amount of momentum going on in the legislature in funding the two other streams of funding OUS gets through direct aid and the Oregon Opportunity Grant. It is our job as a Board to stoke the demand side. Net price was discussed in the Access and Affordability report. When you look back at the affect of raising tuition in the early 90s, and what we have said was the lost generation, I think it was 10,000 students in the years that followed who we expected to show up in our institutions and they didn’t show.”

• Need to guard against further disadvantaging the students from middle class families. They are paying the bulk of our taxes in this state. Individuals pay most of the income tax, 85 percent, and the middle-income working families pay the bulk of that 85 percent.

• President Minahan opined, “I was hoping we wouldn’t, once more, get out of here and escape the access/quality debate. It is possible to differentiate missions on the basis of access and quality. It is possible to look at slightly different economic models for the two kinds of places: general education, lower division emphasis, undergraduate emphasis and not necessarily have a high tuition/high aid model, mainly because of the regionals. So why wouldn’t we look at this point now and engage the issue of quality and access by differentiating missions by access.”

6. **Providing Greater Flexibility In Operations**

OUS needs to use a portfolio approach in managing finances as well as programs. There may be some options for providing ways to achieve a little more control over costs. There may be some statutory or other changes that are possible that will provide OUS greater flexibility in managing revenues. Vice Chancellor Kenton presented a range of items that might accomplish this flexibility. “Time, however, is of the essence. We are trying to understand exactly what our degrees of freedom are. If we are successful in obtaining any savings, we would want to get absolute agreement with the governor, legislature, and others probably in DAS that those savings would be retained by OUS, to be redirected to other priorities.”

OUS spends approximately 76 percent of all revenues on people; individuals who are extremely important to the enterprise. Some facts:

• Fringe benefits are approximately 48 percent of the expense. Peer rates are running in the 25 to 31 percent range. The major difference is in the retirement and healthcare contributions.

• OUS needs to do something immediately to gain greater control over healthcare costs and retirement benefits.

• The recommendation would be to limit changes to unclassified employees.
• At the present time, on average, roughly $887 a month or $10,644 per year, is spent on healthcare costs from the E&G budget.

• It was pointed out that for every dollar that OUS might save in employer-provided healthcare premiums that can be put into employee salaries, we turn a non-taxable dollar to the employer and the employee into taxable dollars. That translates into losing roughly $.30 on every dollar in the conversion.

• The higher benefits within OUS are not enough to overcome the absolute salary difference of around $20,000 per position at WOU. “And that salary difference, even though it’s taxed, makes up for any gain the faculty would have made in healthcare. Faculty are gone. They’re looking and leaving,” President Minahan observed.

• Last year, OUS spent $120 million, Systemwide, on PEBB – that is all funds, not just E&G. There are somewhere between 44,000 and 47,000 members of PEBB and if you have any one group greater than 1,000, you have as much economy of scale as you can have from the group. OUS has 11,000 employees who are in PEBB, so it is 25 percent of the entire system. Research indicates that the OUS group is less expensive to insure, so there could be cost savings by changing to another plan. Also, by introducing some level of co-pay would reduce costs. If an employee is paying a percent of the costs, they tend to be a little more selective in what they choose. There will be an attempt to work with PEBB to explore the possibility of creating a separate program for OUS and, thereby, gain greater control over the plans and customize them to OUS constituents. Vice Chancellor Kenton suggested, relative to PERS, that the Board consider statutory changes to allow OUS to offer employees a new defined contribution option not coupled with PERS. The Board would determine contribution amounts.

• Payment for retirement costs by OUS is at approximately 14 percent, while our peers pay an average of 9 percent. OUS pays the full contribution; employees pay nothing. In 1977/78, another financial crisis in Oregon, employees paid six percent out-of-pocket and the state paid eight or nine percent. The state decided that it was less expensive to pay the full benefit than to pay the other payroll expenses. Dr. Kenton indicated that he would recommend the Board consider statutory changes to allow OUS to offer employees a new defined contribution option not coupled with PERS. Contribution amounts would be determined by the Board. Decoupling the ORP rate from PERS would be a good idea. There are ongoing material changes in PERS that create unintended consequences for the ORP.

• At the present time, only those balances specified by statutes earn income to the credit of OUS. The funds that are not specified by statute accrue to the state’s General Fund, in particular, interest earnings on tuition, resource fees, and other income that accrues to the state’s General fund. It is estimated that retaining these earnings would be worth approximately $5 million per year. Additionally, creating incentives for better management of those funds would increase the savings even over and above that rate.

• State assessments are those that OUS pays for being part of the state. Currently OUS pays about $10.1 million in assessments to the state. Included in these assessments
are: self-insurance programs for tort, property, and worker’s compensation; bond sale administration; and other cost recoveries for the state such as maintenance of the Capitol mall and some IT initiatives. The market value of the insurance, audits, banking, and bond services is estimated at $5 million per year. If OUS were to focus on legislation to opt out of some of these assessments, it would probably focus on authorization for OUS to purchase auditing services. Additionally, there might be savings if OUS had authority to purchase commercial risk insurance directly. These suggestions would be very controversial with the Department of Administrative Services (DAS), but might be necessary to begin to gain ground on the resource side.

- OUS has been working with DAS to obtain funding for faculty step increases analogous to what classified employees receive.
- Another area that could be explored is granting OUS authority to levy taxes for operating and capital resources, not unlike the community colleges, metro, and Tri Met. This could be beneficial, in particular on the capital side.
- Consideration could be given to removing tuition and other funds that are currently limited from expenditure limitation. By statute, the Board has the authority to set fees and charges; however, the legislature has the authority to set spending limits.
- OUS has been working with Treasury and Bond Council to explore enabling the use of variable rates, synthetic rate or derivative-type structures, and items such as revenue bonding authority. Some of the concepts being explored could save, not only OUS, but the state as a whole, millions of dollars since these apply to G-Bonds as well.

Summary Points of Discussion

- In answer to what other states are doing, Chancellor Pernsteiner indicated that there are states that have considerable independence. They are still funded by the legislature, so the relationship with the state basically becomes a funding relationship, not a control relationship.
- Provost Hallick, reflecting on what OHSU did in 1995, indicated, “Most of the issues didn’t require constitutional amendments. For us, it was done in a single statute. It took OHSU the better part of four years run-up in preparation to two very intense years to build the statute and campaign statewide for it. We wrapped virtually every bullet that Vice Chancellor Kenton just presented into that single Senate Bill 2 Statute. There have been considerable savings for OHSU as a result.” The bill was comprehensive in that OHSU hires its own attorneys, their own experts, handles their own capital, and has their own bond counsel. Two things were critical: one was the strategy of focusing on growing the research enterprise; and the second was having the capacity to do their own bonding and go after capital projects on their own.
- It was highlighted that there are some very real political tradeoffs in proposing some of these changes. That is, if OUS wins some of these battles, some other agencies/people might lose and that could cost political capital.
• When these options are considered, do they represent true savings or simply a cost shift to other agencies within the state? To the extent that they represent cost shifts as opposed to true savings, it might be an uphill battle obtaining them.
• If there were incentives to some of these initiatives, there could be great cost savings. For example, if OUS had control over lines of credit, they would be managed better and result in more positive cash flow. Medical benefits programs represent another area where the right incentives or disincentives influence behavior. “Free goods get over consumed.”
• There is a great gap in perception between what people think is being invested in higher education and what truly is being invested. The Board needs to make sure that the true costs of higher education are visible and that we understand that for which we are paying.
• How these items are coupled is extremely important, OSA representatives stressed. Further, they need to be transparent so students know what the implications are.

Summary and Closing Comments

Chancellor Pernsteiner summarized that a “portfolio approach would allow us to seek to optimize the four outcome areas. Our various institutions will have different programs, different locations, different price structures, different mixes of students, different areas of focus for their research. But the Board would be orchestrating their efforts to a common theme of meeting the four outcomes discussed. Not everybody would look alike, not everybody has the same strategy but, in fact, what we’re trying to seek is the best outcome we can for Oregon as a whole.”

Ms. Unger said that a clear and cohesive communication plan is critical going forward.

“We need to be very careful that we try to improve the entire state while we’re doing the right thing for education,” Director Dyess added. “I have no issue with the fight for new money, but I’d sure like to know where it’s going to come from. I just don’t see it.”

“To what extent is the System here for Oregonians that are in Oregon and to what extent is the System here for Oregon in the broader sense,” Director Sohn asked. “We occasionally did make reference to the desire to have a reputation bigger than ourselves and to attract people from other places to come here. We talked about having pockets of excellence or specialties that are extraordinary as opposed to ordinary that would attract people from other places here. So, to the extent that we’re something for Oregon and not just for Oregonians is something we still need to address. Closely related to that is that we haven’t totally fleshed out how unique we are or want to be or whether these are unique elements of Oregon-ness or Oregon-place or whether we want to try to, over 20 years, to develop a reputation for certain things and not for others.”

The group was reminded that there was a lot more work needed on all of the concepts presented and discussed. In the meantime, the legislative concepts must continue to move
forward and will be on the Board’s agenda over the next several months, leading to final decisions on what will go forward to DAS for consideration during the legislative session. Director Blair suggested that “if you make certain assumptions, does it hang together?”

The topic, “Principles to Further Developing a Cooperative Approach to K-20 Education,” was not covered, due to lack of time. However, it will be the focus at the next planning session.

7. **ADJOURNMENT**

Director von Schlegell recommended the meeting be adjourned. Meeting adjourned at 3:05 p.m.