REGULAR MEETING OF THE STATE BOARD OF HIGHER EDUCATION (#783)
WESTERN OREGON UNIVERSITY, MONMOUTH, OREGON
MARCH 2, 2007

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Minutes

1. CALL TO ORDER/ROLL CALL/WELCOME

President Lorenzen called the meeting of the State Board of Higher Education to order at 10:39 a.m. on the campus of Western Oregon University in Monmouth, Oregon

Board members present: President Henry Lorenzen and Directors Don Blair, Gerry Blakney, Jim Francesconi, Adriana Mendoza, Dalton Miller-Jones, John von Schlegell, Gretchen Schuette, Howard Sohn, and Tony Van Vliet. Director Kirby Dyess was absent due to a personal conflict.

Staff present included: Chancellor George Pernsteiner, Neil Bryant, Ryan Hagemann, Jay Kenton, and Susan Weeks.

Others present included: Presidents Dan Bernstine (PSU), Mary Cullinan (SOU), Martha Anne Dow (OIT), Khosrow Fatemi (EOU), Dave Frohnmayer (UO), John Minahan (WOU), and Ed Ray (OSU). Provosts Lesley Hallick (OHSU) and Sabah Randhawa (OSU) were also present.

President Lorenzen officially welcomed new Board member, Jim Francesconi, of Portland. "We all welcome you and look forward to your participation and the enthusiasm, energy, and experience you bring. I appreciate your willingness to serve," Mr. Lorenzen added. President Lorenzen then thanked WOU President John Minahan for hosting the Board meetings.

2. REPORTS

a. Chancellor’s Report

In turn, Chancellor Pernsteiner expressed appreciation to President Minahan and indicated that he did not have a report and would relinquish his time to Consultant Neil Bryant so that he could brief the Board on the events of the on-going legislative session.

Mr. Bryant said he had entitled his report, "The ups and downs of politics in Oregon." The Governor’s recommended budget had some revenue enhancements: the corporate minimum tax was $84 million, cigarette taxes approximately $182 million, and insurance tax of $25 million. There were also some provider taxes that were scheduled to sunset, primarily in the
health care area, for a total of $523 million and renewed provider taxes in their present form. This would leave approximately $300 million of new revenue needed to balance the Governor’s budget, Mr. Bryant explained.

The Legislative Fiscal Office did their analysis and disagreed with some of the assumptions in the Governor’s budget. They perceived that the difference was a little higher in terms of the amount of resources needed to fund the Governor’s budget. On Monday, there was a vote in the House on whether to return the corporate kicker or to seize it for the rainy day fund. On Wednesday evening, after some refinement, an agreement was reached with a compromise to seize the corporate kicker. The smaller corporations that don’t have much profit will still have their kicker refunded. There is still a chance the cigarette tax will be approved. In addition, Mr. Bryant pointed out that the revenue forecast went up $34 million from the December forecast. The next revenue forecast is due out in the middle of May and that is the one that will be used for closing out the budget.

It is projected that the co-chairs will present their budget within the next two weeks. Higher Education will make its Ways and Means presentation on April 10 and it is anticipated to last four days. This will be followed by public testimony. Several things will have to be done prior to the presentation to the Ways and Means Committee. First, higher education is to prepare a report on how it has improved quality and efficiency. Vice Chancellor Kenton will be the principal author of that report. In addition, "we will need to prepare budgets with one, two, three, and four percent cuts to the Governor’s recommended budget. This is not as draconian as the earlier proposal we had to submit according to statute, which was a 10 percent cut based upon the EBL, but it’s still a very painful process to go through," Mr. Bryant explained. "What makes it particularly painful for us is that it includes our other funds, which are tuition and fees."

Director Blair said that he wanted to be sure he understood the requirement: "We have to identify one, two, three, and four percent cuts? Four scenarios? And each one percent cut is $20 million -- $8 million of General Fund and $12 million of other funds?" Mr. Bryant confirmed that was what the legislature required.

It was made clear that the System had to respond to the request to present alternative budgets. "Well, I had that figured out, but thought it would be important to underline it for everyone," Mr. Blair underscored. "I was just going to say that at the Finance and Administration Committee meeting, we saw some interesting numbers from the last five years and the number was that our appropriations had gone down 8.5 percent in aggregate and over 20 percent on a per FTE basis. This is just the chronology of putting the budget together. To put this in context, the Governor’s proposal was a good step in a ten-year plan, but it was not even to the level we had asked and now we’re being asked to ratchet that back again. I can’t speak for everybody here but one of the things that is really important for us to do here is to make sure that we emphasize that we have to make choices and that you can’t just make this kind of cut go away and have everything be as it was. I think we would be doing our institutions, the System, the students and the citizens of Oregon a disservice if we pretended that we could take
the cuts and not have anything change. Its important for us to emphasize what it is that we are going to explicitly change if we have to take a cut like this. I applaud you going back to the touchstone of our strategic plan. We spent quite a bit of time trying to frame what we were trying to accomplish and how we were going to do it. I think using that as a yardstick is very important. I also think it has the benefit of being very consistent with what we’ve said before. Whatever we do, we have to make sure we’re keeping an eye on the financial viability of the institutions. There are a couple of things we’ve talked about in previous meetings that I hope we look at really carefully as we do this. One is some of the flexibility initiatives that we’ve talked about before, whether that be flexibility in looking at non-salary personnel costs going back to the chart we just saw of retirement programs, medical programs, insurance programs, state assessments. We should be going back to those and surfacing those as options for us to reduce costs," he concluded.

Board members added that the number of students educated should be examined and perhaps the number of institutions that are operated within the System. Some of the programs that can stand on their own without state support should be looked at and they should have the freedom and flexibility to be self-supporting. If there are some other programs that can go to market, those should be examined as well.

Mr. Bryant remarked that this is a good legislative Education Subcommittee this session and that over-all, higher education is in a much better position than in the past. "I think the keys are the two co-chairs and the members of the subcommittee of Ways and Means," he concluded.

Director Francescon expressed confusion. He understood there was a political strategy, and that should be left to the experts. "Then there are the actual recommended budget cuts. If I’m hearing you right, you’re saying, 'let us make the recommended budget cuts, not the Board.' I can understand that if there are timing issues. However, then I’m hearing some policy issues included – health care benefits, closing institutions – things of that nature that are substantive policy discussions that you don’t just let staff decide. So, now I’m confused about how much authority we’re giving to the staff on these one and two percent cuts."

Chancellor Pernsteiner indicated that many of the items had been approved by the Board at the time that the original budget request was approved. "Many of the flexibility initiatives that Director Blair was alluding to that came up in Dr. Kenton’s presentation were matters that the Board discussed and voted on last spring, essentially during the build up to the budget in the legislative package."

In response to Director von Schlegell's question, of how many institutions would be viable at the three or four percent reduction levels, Chancellor Pernsteiner replied that,"at the three or four percent level, some questions would need to be raised. One of the things that we have mentioned to the leadership in Salem is that, at those levels, we begin to question the viability of the institutions. And I think one of the things that Director Blair indicated in his precepts a minute ago was that whatever we do we do not undermine the financial integrity of any of the institutions and we’ll bear that in mind as we look at the various levels of cuts."
Continuing the discussion, Director Blair explained, for the benefit of new Board members, that the Board had tried to find a set of proposals for this budget cycle that met a number of different objectives. "We really believe strongly in the Shared Responsibility Model and tried to put our tuition proposals forward in a way that made sense for the students. We identified the need to reinvest in our faculty. We needed to improve quality and one of the ways was to try to improve our faculty/student ratios and so we tried to find a balance for all those things. One of the levels of frustration here is that when you start cherry picking individual pieces of the model and try to hold everything else constant it doesn’t necessarily hang together anymore. I hope we’re able to hold the line on tuition and the Shared Responsibility Model, reinvestment in our faculty, and improvement in student/faculty ratios," he continued. "We spent a lot of time originally with the Board trying to decide what the Chancellor’s Office should do and what resources should be deployed. We’re operating in a decentralized structure where a lot of things had been devolved to the institutions, but we need to have some centralized resources around things like audit and some sort of guidance around some of the academic programs. One of the other pieces that we need to help communicate is we’re going to try to be as efficient as we can. But to the extent we get too much direction on all the little bits and pieces, it’s going to be extraordinarily difficult for us to make the kinds of decisions we need to make in order to be efficient."

Director von Schlegell indicated that he wanted to know when to act as a Board and how to prepare a coordinated response. Both Chancellor Pernsteiner and Mr. Bryant indicated they would keep the Board informed.

b. Research Council Chair

Dr. Rich Linton, Chair of the Oregon University System Research Council was present to provide an update on the work of the Council. He indicated that the Council was established a year ago and has been meeting once a month since the summer of 2006. The mission of the Council is first and foremost, advisory to the Board around a wide range of research issues. The Council intersects with the Provosts’ Council on numerous aspects of research and transfer. It is critically important to align the mission of the research enterprise with the academic mission, thus the connection with the Provost Council. The Council seeks to promote interinstitutional partnerships, collaboration, and strategy. One of the critical elements of the Council relates to research and its connection to economic development, a legacy that came out of the Board’s Academic Excellence and Economic Development working group. Looking at opportunities, state and federal initiatives, university and government partnerships that promote the tie of research to societal benefit and economic development is a key mission. Related to that are technology transfer issues, metrics that capture the importance of research and tech transfer to the state and beyond. Finally, advocacy and communication are a vital part of the Council's agenda to assure that the research agenda is more visible.

The level of interinstitutional dialogue and collaboration is evolving on a large scale in the state and covers a wide range of research initiatives that have at the core how we as a System and as a state become more competitive in the research world and use that to our state’s benefit. The
Council recently received a major federal appropriation to create an Oregon Transportation Research and Education Center. "That’s $16.5 million over five years coming into the state and is a collaborative effort with the public, private sector, transportation sectors. The project is headquartered at PSU," Dr. Linton pointed out. Another area of focus is research and economic development. The Commercialized Research Council has developed a number of proposals, including signature research centers that would serve the state and provide a bridge between innovation and industry in the universities and the ability to move that into society and commercialize the work where appropriate. The ONAMI project was established as the Research Council’s first signature center in the 2003-05 session of the legislature and to date has only received $8 million in state dollars for operations. However, it is already bringing in more that $25 million a year in non-state revenue. Its major focus is on partnerships that lead to commercialization of innovation.

Two new projects have been proposed in the current session. One is related to sustainability for which the Higher Education Board recently approved funding through the Chancellor’s discretionary funds to help start the initiative and move it forward. The other one is related to infectious disease and drug discovery. All of these initiatives have cross-institution, university, and industry partnerships at their core. Collectively, they are $20 million of the $38 million request that Oregon InC has made to the legislature. Those funds flow through the Economic Development Department, but are critically important to supporting the research missions of the universities and helping provide precious state support where, in terms of programmatic support for research, the direct appropriated dollars have very minimal impact on research. Federal dollars are at the heart of the research enterprise.

One of the major advances has been in the area of technology transfer. The Council proposed amendments to legislation that will allow incentives for private investment in translating research into commercial activity. One is the University Venture Fund bill, a 60 percent state tax credit for private donations to the universities. The Council hopes in 2007 to raise much of the private funding eligible for the credit.

The Provosts’ Council met for the first time with the Research Council the day prior to the Board meeting and a level of communication and partnership has been developed.

Director Francesconi asked about the tech transfer capabilities among the institutions and if part of the mission of the Research Council was to increase institutions' capacity. Dr. Linton responded that the Council is in the job of creating opportunities for all universities. "We have leadership at OSU, UO, and now PSU is evolving to have its own tech transfer operations. Some of the metrics will show performance across the System related to that. As a System, we look very competitive with the collection of top research universities nationally, so it scales with the base of research support."
c. Interinstitutional Faculty Senate (IFS) President

Dr. Mina Carson, IFS President, acknowledged the historic event of Harvard University hiring the first woman as president. "History in the making. I hope I can be forgiven for pouncing on the opportunity to spotlight a doubly memorable occasion – the appointment of an historian and a woman to the presidency of Harvard University. I’m not sure what kind of relief it is to note that the OUS is not the only higher education organization moving through an identity crisis and a genuine crisis of confidence," she said. "There is something extremely special about OUS, a kind of heartiness in the face of relentless adversity that helps keep good souls at this hearth when by rights they should have slipped away to a warmer fireplace.

IFS continues to probe the realm of interinstitutional transfer of credits and pre-college programs. "We want to participate in the good efforts that are already actually underway among institutions in OUS through the Chancellor’s Office and our provosts and other curricular administrators in reaching out to the community colleges and high schools to explore what kinds of data can be gathered to understand which of these programs are thriving. Many are and others need to be shored up in order to keep offering Oregon youth good academic challenges when they’re ready to have them." Dr. Carson indicated that IFS members were pleased to be a part of the UEE meetings. Additionally, IFS has been observing and taking part in the transformation of the TDI and ORP portions of our retirement plan structure. Several IFS members have expressed an interest in attending the meetings of the new Board committees. IFS is also involved with the Higher Education Lobbying Network, watching the legislative process unfold. (The full text of the IFS report is on file in the Board's Office.)

d. Oregon Student Association (OSA) Chair

Ms. Driver, President of the OSA, reported on the rally that was held on the Capitol steps. On February 22, 500 students made their case that more funding is needed for postsecondary education. "One legislator said that we were the most enthusiastic group to be on the steps and an editorial in the Oregonian said that while we may not have been the biggest group that week, we were certainly the loudest," Ms. Driver added. On the same day, OSA delivered over 15,000 recipe cards from students around the state to legislators on Ways and Means. Members met with over 60 legislators to talk about students’ recipe for a stronger Oregon, including increasing funding for universities and community colleges, funding and implementing the Shared Responsibility Model, expanding the ASPIRE program, and passing tuition equity.

OSA also introduced legislation regarding the universities' use of resource fees. This legislation would cap resource fees, develop a process to determine how resource fees should be used, and set a fee remission for students who are having difficulty affording resource fees. "At the last meeting, I also discussed that we’re asking for $19 million above the Governor’s recommended budget to allow us to keep interest earnings on tuition," Ms. Driver continued. OSA is working on a plan for the use of these funds. The bill, HB 2705, has been introduced and referred to the education committee." (The full text of the OSA report is on file in the Board's Office.)

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Director Francesconi thanked the OSA for all of their advocacy work.

3. CONSENT ITEMS

a. Authorization to Award Honorary Degrees, OSU and PSU

DOCKET ITEM:

Summary:
The State 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 submits the names of two candidates to be considered for conferral of the honorary doctorate at their June 2007 Commencement: Mr. Mike Rich and Ambassador Mary Carlin Yates.

Mike Rich is one of the most successful and acclaimed screenwriters working in the motion picture industry today. Recognized for his storytelling genius and success with family-oriented projects, he has provided an elegant written framework for seven award-winning films over the past decade, including such beloved pictures as “Finding Forrester,” “Radio,” and “The Nativity Story.”

Mr. Rich attended the College of Business at Oregon State University in the early 1980s before beginning work as a talk-show host on KINK radio in Portland. But writing was his passion and he indulged it in his spare time by writing short stories and, later, screenplays. In 1998, he submitted his script for “Finding Forrester” to the prestigious Nicholl Fellowships competition and won. Columbia Pictures quickly purchased rights to the script and Sean Connery signed on as executive producer and lead actor. The resulting box-office and critical success immediately made Rich one of Hollywood’s most sought-after writers.

Rich subsequently penned “Invincible,” the story of underdog Vince Papale, who, in the 1970s, became the oldest rookie in the history of the National Football League at the age of 30. The film was released in 2006 starring Oscar nominees Mark Wahlberg and Greg Kinnear.

His biggest project yet, “The Nativity Story,” filmed in 2006, last November became the first feature film ever to debut at the Vatican. An audience of more than 7,000 attended the screening at Pope Paul VI Hall, applauding a character-driven retelling of Mary and Joseph’s journey to Bethlehem.

He is poised for further success in 2007, with the pending release of “Manhunt,” starring award-winner Harrison Ford as Lt. Col. Everton Conger, who led U.S. Army forces in their search for the assassin of President Abraham Lincoln, John Wilkes Booth.

Mr. Rich, who still lives in the Portland area, is an Alumni Fellow of the OSU Alumni Association and a faithful supporter of OSU academic and athletics programs. He guides his work with an unwavering and simple principle: “Make films you’d be proud to show your grandchildren.”

Ambassador Mary Carlin Yates is political advisor to the Commander, United States European Command. She formulates and recommends policy options and provides counsel to leadership on all European Command political military affairs that pertain to U.S. forces operating across more than 90 countries in Europe, Eurasia, Africa, and the Middle East.

A native of Portland, Ambassador Yates earned her B.A. in English from OSU and a masters in Comparative East West Humanities from New York University, where she also focused on Asian Studies at the doctoral level.

She then joined the Senior Foreign Service as a career member, Class of Minister Counselor, in 1980, working as press attaché for Ambassador Pamela Harriman. That was followed by an assignment to the U.S. Embassy, Paris, as senior cultural attaché. She served as U.S. ambassador to the Republic of Burundi from 1992 to 2002 and was confirmed as U.S. ambassador to the Republic of Ghana in 2002. Along the way, she also served in numerous U.S. State Department leadership capacities in Korea and the Philippines, including spokesperson for the U.S./Philippine Military Bases Talks. Ambassador Yates assumed her current duties in September 2005.

Ambassador Yates’ service in Ghana took place during one of that nation’s most challenging periods, as it sought to deal with the harrowing effects of both the HIV/AIDS pandemic and widespread malaria. As her tenure in Ghana concluded, the Ghana Chronicle recognized her leadership on those issues, as well as her advocacy for teacher training, assistance for primary and secondary schools, and work on behalf of key borehole drilling projects and food aid programs.

Ambassador Yates has been a featured speaker at the Claus M. Halle Institute for Global Learning, Emory University’s premier venue for visits by heads of state, distinguished
policymakers, and influential public intellectuals from around the world. She has also been recognized with the U.S. Information Agency’s Lois Roth Award for Excellence in Information and Cultural Diplomacy, as well as three Superior Honor Awards and a Meritorious Honor Award.

She is married to Ambassador John Melvin Yates, who recently retired after having served as ambassador to the Republic of Cameroon and concurrently the Republic of Equatorial Guinea.

Ambassador Yates’ 27 years of international diplomatic experience and leadership have prepared her well for her current assignment. As she told the Senate during her 2002 confirmation hearings, “…my Foreign Service career and a decade preceding that as a teacher have been dedicated to the promotion of cross-cultural understanding. During my service, I have worked to share American values by promoting human rights and humanitarian initiatives.”

**Portland State University**
Portland State University requests authorization to award honorary doctorates at its 2007 Commencement Ceremony. The University is proud to recognize the impressive achievements and contributions of Governor Barbara Roberts. President Bernstine is pleased to announce that Governor Roberts has graciously accepted an invitation to deliver PSU’s commencement address.

**Barbara Roberts** was inaugurated as Oregon’s first woman governor on January 14, 1991. She completed her term in 1995. A fourth generation Oregonian, Governor Roberts attended Portland State University, 1961-1964; the John F. Kennedy School of Government at Harvard University, 1989; and Marylhurst College.

She began her career in public service as an advocate for handicapped children. She served on the Parkrose School Board, the Mt. Hood Community College Board, and the Multnomah County Commission before her election to the Oregon House of Representatives in 1981. During her second term, she became Oregon’s first woman House majority leader. In 1984, she was elected secretary of state and became the first Democrat elected to that post in more than 100 years. She was re-elected in 1988. Significant achievements of Roberts’ terms as secretary of state include election reform legislation, the construction of a new archives building, and broader audit powers for the secretary of state.

During her term as governor, Roberts was recognized as a strong advocate for public education, human rights and services, environmental management, and streamlining state government. The Roberts administration was known for its strong gay rights advocacy and its appointment of women and minorities to significant positions in state government.

Governor Roberts decided not to seek reelection in 1994. Soon after she left office, she accepted a post at the Kennedy School of Government as director of the Harvard Program for Senior Executives in State and Local Government and, later, as a senior fellow to the Women
and Public Policy Program. In 1998, Governor Roberts joined PSU’s Hatfield School of Government’s Executive Leadership Institute as Associate Director of Leadership Development. Governor Roberts retired from the Institute in 2005, but has continued her active role in the PSU community.

Governor Roberts is the immediate past board chair of the National Education for Women’s Leadership Oregon and currently serves as a board member. She will be honored on the PSU’s Walk of the Heroines and has been instrumental in helping raise funds for the project. She has served on the planning committee for the Urban Pioneer Awards Event since its inception in 2001 and she has worked tirelessly to build the scholarship fund at PSU that honors her late husband, Frank Roberts. Governor Roberts has given of her resources as well as her time. She has donated her personal papers to the Millar Library and has encouraged other women political leaders to consider similar gifts.

Governor Barbara Roberts is a champion of public service and the public good. She is a great humanitarian and PSU is fortunate to have her as a friend and advocate.

Staff Recommendation to the Board:
Staff recommended the Board authorize Oregon State University to award honorary doctorates to Mr. Mike Rich and Ambassador Mary Carlin Yates and Portland State University to award an honorary doctorate to Governor Barbara Roberts at their June 2007 Commencement ceremonies.

b. OSU, Nomination to the Forest Research Laboratory Advisory Committee

DOCKET ITEM:

Summary:
Pursuant to ORS 526.225, Oregon State University submitted the following nominations to fill the four industry, one public, and one agency positions on the Forest Research Laboratory (FRL) Advisory Committee and to reappoint one industry and two public committee members and requested the Board make the recommended appointments.

Background:
ORS 526.225 specifies that the Board of Higher Education shall appoint a Forest Research Laboratory Advisory Committee composed of 15 members, nine of whom are to be individuals engaged, actively and principally, in timber management of forest lands, harvesting, or processing of forest products; three individuals who are the heads of state and federal public forestry agencies; and, three individuals from the public-at-large. Although the statute does not prescribe the terms of the Committee members, the practice has been to make appointments for a period of three years. Traditionally, those who are performing actively and effectively have been recommended for reappointment to a second three-year term, with all members replaced at the conclusion of a second term.
Recommendation by Forest Research Laboratory Director:
Dr. Hal Salwasser, director of the Forest Research Laboratory, with the concurrence of President Ed Ray, made the following recommendations:

- Appoint Mr. Jerry Brodie, managing director of logging operations for The Campbell Group since 1993, for the industry position that was held for three years by Joel Nelson.

  Mr. Brodie has responsibility for managing ongoing logging operations on all managed timberland for The Campbell Group, as well as disposition strategy. He joined the company in 1993. Prior to coming to The Campbell Group, Mr. Brodie was vice president of WTD Industries from 1987-1993, managing forest operations. Between 1983 and 1987, he served as president of Brodie Industrial Services, Inc., and vice president of Plant and Machinery, Inc., where he was responsible for industrial plant and equipment liquidations. Since 1975, Mr. Brodie has been involved in all phases of the wood products industry.

- Appoint Mr. Ed Shepard, state director of Bureau of Land Management (BLM), to fill the agency position recently vacated by Elaine Brong, who served five years on the FRL Advisory Committee and has retired from the BLM.

  This is Mr. Shepard’s fourth tour of duty in Oregon for the BLM, where he began as a public lands forester 26 years ago in Medford. Prior to his position, Mr. Shepard began his career as a forester in Rawlins, Wyoming. His other assignments with the BLM include assistant director for Renewable Resources and Planning in the Washington Office; deputy state director for Resource Planning, Use, and Protection in Oregon/Washington; deputy director of the Office of Fire and Aviation at the National Interagency Fire Center in Boise; district manager of the Coos Bay District; chief of the Division of Forestry in the Washington Office; and area manager in the Roseburg District Office. Mr. Shepard is a certified forester with the society of American Foresters (SAF) and held several elected and appointed offices and committee assignments with SAF. He was elected Fellow in 2006.

- Appoint Mr. Lee Miller, CEO of Miller Timber Services, for the industry position that was held for six years by Ron Stuntzner.

  Mr. Miller formed Miller Timber Services in 1981 to provide reforestation services to small and large timberland owners. Miller Timber Service has since grown to provide all service in forestry from site preparation through final harvest, employing 104 full-time and 40 seasonal employees from their office in Philomath, Oregon.

  Mr. Miller holds a B.S. in Forest Engineering from Oregon State University (1980). He worked for 22 years as a crew boss on wild land fires. He is the current treasurer of the National Wildfire Suppression Association and serves as a committee member of the Oregon Smoke Management Committee. He is past president of the Western Oregon
Protection Association, past chapter chair of Associated Oregon Loggers, and a small wood lot owner in Benton and Lincoln counties.

- Appoint Mr. Rick Brown, senior resource specialist for Defenders of Wildlife, to fill the public position vacated by Jason Miner, who served for three years.

Mr. Brown has served in the Defenders of Wildlife’s Northwest Office in Oregon since October 2000. A biologist by training, he has spent 30 years working in and for forests of the Northwest, first as a graduate student at PSU, then with the Forest Service, and some 20 years with conservation NGOs. He has served on several advisory committees for the State of Oregon and the Oregon Department of Forestry. He currently works to implement a statewide strategy for conserving biological diversity, focusing on forest-related issues and emphasizing collaborative and incentive-based approaches. In 2001, Defenders published his report *Thinning, Fire, and Forest Restoration: A Science-based Approach for National Forests in the Interior Northwest*.

- Appoint Ms. Carol Whipple, owner/manager of Rocking C Ranch, LLC, to fill the industry position recently vacated by Bill Arsenault, who served six years on the FRL Advisory Committee.

Ms. Whipple has been the owner/manager of Rocking C Ranch, an 8100-acre timber/forage operation, since 1984. Before that, she served as operations manager at Whipple Ranch and Whipple Log Products. Ms. Whipple received a B.S. in crop science from Oregon State in 1970 and a M.S. in 1972 from Colorado State University. She also continues to serve as a senior Fellow for American Leadership Forum, Oregon Chapter, since 1987, a member and chair of the State of Oregon Environmental Quality Commission since 1990, Partnership for Umpqua Rivers Watershed Council (2004-present), Oregon Water Trust (1997-present), Douglas Timber Operators Director (present), Douglas County Museum Foundation (present), Oregon Forest Resources Institute Director (2001-present), Oregon Forest Industry Council member (present), Oregon Small Woodlands Association member (present), and Douglas County Small Woodlands Association member (present). She has also served as chair of the State of Oregon Governor’s Watershed Enhancement Board, the Southwestern Oregon Regional Advisory Committee of the Oregon Transportation Initiative, the Federal Reserve Bank of San Francisco, the Portland Branch, and the Umpqua Basin Land Exchange Project Chair (1997-1997).

- Appoint Ms. Catherine Mater, president of Mater Engineering, to fill the industry position vacated by Dallas Stovall, who served on the FRL Committee for six years.

Ms. Mater has served as an engineer and market specialist in the wood products industry for over 30 years. Mater Engineering, Ltd., has been servicing forestry and forest products clients throughout the world for over 60 years. Since 1997, Mater has also served as a senior fellow with the Pinchot Institute for Conservation (PIC) in
Washington, DC, where she has spearheaded sustainable forestry and forest certification projects on both public and private forestlands across the U.S. As a senior fellow for PIC, she currently heads the U.S. Forest Service (USFS) forest certification pilot project being conducted on nine national forests across the U.S.; and has recently completed two benchmark research projects focused on private woodland owner drivers to family forest fragmentation and conversion. These private woodland owner research projects were the first of their kind to be undertaken in the U.S. – focusing on what ‘non-joiner’ NIPFs and their offspring think regarding opportunities and constraints to maintaining forestlands in family hands.

The USFS and BLM in Washington, DC, have just contracted with Ms. Mater to undertake the nation’s first pilot projects in coordinating fuel-load reduction supply efforts between public and private lands across the U.S. to reduce the risk of catastrophic fires. Through implementation of CROP—a Coordinated Resource Offering Protocol model developed by Ms. Mater—six regions covering 25 million acres of the nation’s federal forests have been selected by the USFS and BLM for CROP pilots to be completed within the next 12 months.

Ms. Mater is also co-author of The Business of Sustainable Forestry published by the John D. and Catherine T. McArthur Foundation. She has just been appointed by the Secretary of the U.S. Department of Agriculture to the Forestry Research Advisory Council. The Council advises the Secretary of the Department of Agriculture on regional and national planning and coordination of forestry research within federal and state agencies concerned with sustaining, developing, and utilizing the nation’s forest resources on both public and private forestlands.

Reappoint Gary Hartshorn and Bettina von Hagen for another three-year term. Mr. Hartshorn, president of the World Forestry Center, and Ms. von Hagen, vice president of Forest Ecotrust, both serve the committee as a public representatives.

Staff Recommendation to the Board:
Staff recommended that the Board approve the above appointments to the Forest Research Laboratory Advisory Committee.

c. OSU, B.S. in Accountancy

DOCKET ITEM:

The Bachelor of Science (B.S.) in Accountancy is designed to provide a professionally-oriented program to prepare students for successful careers in public and private accounting. Accounting education within the College of Business (COB) focuses on providing the necessary knowledge, skills, and abilities for economic analysis. This is a 180-credit degree program that includes 36 credits from accounting courses (28 credits from required courses and eight credits from an elective designed to further prepare students for specializations within the accounting
profession), 50 credits from the COB’s business core, and 48 credits from OSU’s baccalaureate core.

The proposed B.S. in Accountancy elevates to a major a current option in accounting within the business administration major. The purpose of this is to increase the sense of pride that business students have in their field of study, to create learning cohorts to promote a greater awareness of professionalism, and to better enable minimum standards for entry into the College of Business. The elevation of the option to a major is regarded as an administrative change, rather than a curricular change, as the current accounting program at OSU is fully and separately accredited by the Association to Advance Collegiate Schools of Business (AACSB) and currently meets or exceeds all educational requirements set by the Oregon State Board of Accountancy as well as the educational guidelines recommended by the American Institute of Certified Public Accountants.

Because the accounting option currently exists within the COB, there are no new resource demands. No shifting of costs within the COB or within OSU are anticipated or requested. No adverse effects on other institutional programs are anticipated.

An identifiable need for accounting graduates is evinced from the current nationwide demand for accounting graduates and the placement of OSU accounting program graduates. Accounting is the number one college major across the country over the last two years and the number one college major in terms of job offers.

Accounting at OSU regularly solicits input on the program as part of an ongoing accreditation by the AACSB. OSU received comments on the proposed major from our students, alumni, and the firms that hire our students. Comments on an accounting major have been positive from all our constituencies. Typical comments cite direct benefits for students who would be able to differentiate their degree when applying for accounting positions.

The target population is current OSU students. The accounting program at OSU does not intend to increase enrollments above its enrollment plan of 90 new students per year. Current demand for accounting education at OSU exceeds OSU's capacity to offer accounting education, a situation that is not expected to change in the near future. Therefore, no projected impacts on other OUS intuitions or programs are anticipated.

All appropriate University committees and the OUS Provosts’ Council have positively reviewed the proposed program.

Recommendation to the Board:
The OUS Provosts’ Council recommended that the Board authorize Oregon State University to establish an instructional program leading to the B.S. in Accountancy, effective Spring 2007.
d. PSU, Lease of Building

**DOCKET ITEM:**

**Summary:**
Portland State University (PSU) sought Board approval to lease approximately 21,500 square feet from Harsch Investment Properties, LLC. The purpose of the lease is to provide temporary classrooms needed to accommodate instructional needs due to multiple capital projects underway and planned on the campus. The proposed building is located at 1433 Sixth Street, two blocks north of the PSU campus and within a reasonable walking distance. The leased space can accommodate 8-10 classrooms (300-350 seats expected) and some temporary faculty/staff offices. The facility will be used to help compensate for temporarily displaced classrooms and offices over the next five years of planned campus construction and remodel projects.

**Background:**
PSU is currently utilizing space at 120 percent of OUS standards (20 percent more dense than recommended across campus). The campus has several important construction and retrofit projects planned over the next five years to help address its need for additional and better quality space. These projects will require PSU to temporarily take existing classrooms offline, resulting in a shortage of instructional space. Specific projects impacting classroom demand include:

- Shattuck Hall Seismic Retrofit (Current, approved by the 2005 Legislature)
- New Recreation and Academic Center (PCAT block) (Current, approved by November 2006 Emergency Board)
- Lincoln Hall Retrofit (2007-2009, included in Governor’s 2007-2009 Capital Construction Budget as a top priority)

Because PSU is an urban campus located within the city of Portland, the options for short-term instructional space leases are few. Students need to be able to get to and from instructional buildings during 10-minute intervals between classes. Many of the buildings surrounding campus are offered as Class-A office space and have quality levels, floor layouts, and rental rates that make them inappropriate for classroom use. Rates of Class-A space in the Portland area are generally $22 to $28 per square foot.

The subject property is close to campus and suitable for instructional use. The two-story building offers large open floor spans and can easily be converted to classrooms. The University has funds available to cover the cost of the needed conversion.
Terms of the Proposed Transaction and Legal Considerations:
The facility at 1433 SW Sixth Avenue is a two-story Class-B office building. The initial rental rate is $15 per square foot or $26,974 per month, with a 3 percent annual escalation factor negotiated in the lease. The term of the lease is five years, although the University has a one-time option to terminate at the end of 36 months. The lease is a gross lease, with PSU being responsible for increases in operating expenses and taxes above the landlord’s 2007 base year cost. This lease is expected to generate a net savings to the University, since PSU will no longer incur maintenance and utility expenses on the PCAT facility, which will be demolished to allow for the construction of the new Student Recreation Center/classroom/office complex. This savings will be used to partially offset PSU’s conversion expenses for the space (currently estimated at $350,000). The landlord is not aware of any environmental concerns affecting the proposed conversion. Costs of the lease and related conversion will be paid from the University’s General Funds. PSU has requested the landlord contribute $40,000 toward elevator improvements.

The following conditions remain open and must be satisfactorily resolved:

1. Negotiations and legal sufficiency review of final form of lease are in process by DOJ and in-house counsel.
2. Approval by the State Board of Higher Education.

Financial Analysis
6th & Clay

| Total Leased Square Footage | 21,579 |
| Initial Lease Rate | $ 15.00 |
| Annual Lease Escalator | 3% |
| Estimated Operating Expense/Tax Escalation | 3% |
| Taxes per square foot | $ 1.34 |
| Estimated Tax Escalation |

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* Estimated increases in taxes and utilities above 2007 base year.

F&A Committee Recommendation to the Board:
The Board Finance and Administration Committee approved this lease and subsequently recommended it to the full Board for approval.
e. PSU, Graduate Certificate in Software Engineering

DOCKET ITEM:

Portland State University proposed a graduate certificate in Software Engineering, with a minimum of 15 credits (five required courses, each three credits), in addition to an admission requirement of at least two years of prior hands-on software development experience in industry. The Graduate Certificate in Software Engineering will be composed of five specific three-credit courses, all of which are currently offered in the approved Oregon Masters of Software Engineering (OMSE) program.

Software engineering has long been recognized as a critical success factor in the construction of software-intensive systems and products. In the late 1990s, poor quality software in the dot-com industry led to numerous business failures. More recently, virus attacks, electronic fraud, and identity theft have received much publicity. These examples illustrate the need for better software engineering in practice. This proposed certificate comprises a coherent unit of study in software engineering principles and reinforces the related foundational areas of computer science. The objectives of the program are to educate working professionals in the emerging field of software engineering by (a) increasing access for software industry practitioners to enhance their software engineering knowledge and skills for immediate application to challenges in the workplace; (b) providing professional education in best software practices for engineers who may already have masters or doctoral degrees; and (c) offering a stepping stone for students seeking to achieve a more advanced software engineering degree by applying credits toward the OMSE degree.

The five required courses are: Principles of Software Engineering; Managing Software Development; Professional Communication Skills for Software Engineers; Software Quality Analysis; and Software Requirements Engineering. A significant portion of each required course focuses on the real-world experiences each student has in industry, allowing students to share problems and discuss possible approaches, solutions, and outcomes.

The program anticipates 15-25 graduates in the program each year.

All appropriate University committees and the OUS Provosts’ Council have positively reviewed the proposed program.

Recommendation to the Board:
The OUS Provosts’ Council recommended that the Board authorize Portland State University to establish an instructional program leading to the Graduate Certificate in Software Engineering, effective Spring 2007.

BOARD DISCUSSION AND ACTION:
There was no Board discussion on the consent items and Director Miller-Jones moved and Director von Schlegell seconded the motion to approve the consent agenda. Those voting in

4. **REPORT ITEMS**

a. **Board Long-Range Planning: Portfolio Conversation with OSU-Cascades**

**BOARD DISCUSSION:**

President Lorenzen introduced OSU Provost Sabah Randhawa and Dr. Jay Casbon, CEO of the OSU-Cascades Campus. The Cascades Campus was established in the spring of 2001 and first classes were held in the fall. The initial state funding for the campus was approved at $6.7 million for the biennium and that has continued to be the level of state support. The first graduating class from the OSU-Cascades campus consisted of 120 students, representing OSU, UO, EOU, PSU, OHSU, and Linfield. Basically, OSU inherited a number of programs that were offered. "The reason I’m bringing this up," Provost Randhawa said, "is that there were arrangements and commitments that were made through the center that was previously there that took us some time to work through before we could start branding it as a university. True partnerships followed." There has been significant growth in the region and this is creating a pipeline of students for higher education. Bend has also seen significant growth in terms of employment over the past few years.

The mission statement of the OSU-Cascades campus is that it seeks to help residents of Central Oregon improve their lives, their careers, and their communities by offering high quality, affordable, and accessible university-level programs in disciplines identified as regional priorities. The vision is to have a center of university-level educational opportunity; to provide a high quality learning environment; and to be a major contributor to the region’s economic, cultural, and social vitality. There are three goals that are reflected in the strategic plan: building academic excellence; enhancing student experience and campus environment to increase opportunities for learning, personal growth, and service; and to develop a sustainable base of operations. These goals are reflective of the goals of OSU as well.

The fall 2006 headcount enrollment was close to 500 students, which translates to 252 FTE, indicative of a fairly high proportion of part-time students. Of the total, about three-fourths of the enrollment is from the tri-county area—Deschutes, Crook, and Jefferson counties. The campus has seen significant growth over the past five years: headcount has increased by 102 percent and student FTE by about 85 percent. A hallmark of the OSU-Cascades campus is the two-plus-two partnership with the Central Oregon Community College (COCC). Through the degree partnership program with COCC, there are approximately 150 students in the pipeline—students who have actually signed up to be OSU students but are taking the first two years at the community college. The students who are admitted through the degree partnership program have an average GPA of 3.47 and a SAT score of 1040. The average GPA of students who enter the junior year, that is, they actually entered OSU-Cascades, is 3.35. OSU-Cascades
recently signed Memoranda of Agreement with California junior colleges to recruit students from those institutions.

The partnership with COCC involves more than just student transfers. A number of resources are shared with the community college that goes beyond the traditional partnership programs and students entering from community college to the university. The Cascades campus shares a common library, student recruitment activities, and there are a number of student services activities that range from academic clubs, intramural sports, to financial aid for newly admitted students. The Cascades Campus is located at the COCC facility and the long-term blueprint for COCC includes three additional buildings for Cascades Campus were it to expand at that location.

The other critical partnership of the Cascades Campus is with the University of Oregon. There are a number of upper-division programs and core educational programs. "The UO was offering many of those programs as part of the University Center in Bend prior to the establishment of OSU-Cascades campus. So it was a natural relationship in terms of engaging them to offer some of those programs. The two most highly enrolled programs are the general science and the psychology programs that UO offers," Provost Randhawa underscored.

Degrees are granted by the UO for the programs they offer. "This all started with the University Center and I think the objective going forward is, it’s like the caveat 'do no harm.' At least going forward, do everything you’re doing and do it more and do it better," President Ray added. "So, to the extent that the UO had a presence in Bend that was significant and beneficial to the community, we’re really collaborating in a partnership where we continue to make those programs available without substituting or duplicating. I think this is a continuing element of that earlier program that was very beneficial and we’ve been able to work very effectively to continue to maintain it for the community there."

It was pointed out that, as the Cascades Campus grows, the programs that are offered, whether they are developed at Cascades or through a partnership agreement, must be consistent with the strategic direction of the campus so that courses are not just being offered because they are available. They need to help move the campus in a particular direction. "We don't want to create the university center model all over again where we are just brokering a set of courses. Rather, we want a branding of the university in that particular area," Dr. Randhawa added.

For the last complete fiscal year, the total revenue was approximately $5.3 million and consisted of $3.5 million of state support, 35 percent from tuition, and a very minimal amount from other sources, some from research and the rest from fundraising. On the expense side, 50 percent of the resources go into direct instruction. The 23 percent for institutional management represents administration—such things as IT infrastructure, marketing, basic services and supplies, travel—for that campus. The other major expenditure is for facilities. Cascades Campus makes lease payments on the building they use that is on the COCC campus. "For a start-up campus, without a branch campus, you could hardly do anything with a $5 million budget," the Provost pointed out.
Director Blair asked for clarification: "Am I hearing you say that, if this were set up as a separate institution, it would cost you multiples of this number?" Provost Randhawa affirmed, adding, "One of the other key elements of advantages in terms of being linked to OSU, or to a major university, is the accreditation and the quality of the programs. That would not happen as an independent campus because the resource base, the faculty base, and the infrastructure base are not adequate for either regional accreditation or for any of the professional accreditations."

OSU-Cascades campus anticipates that, in the future, there will be more full-time students and fewer students who choose the on-line approach to getting their education. That will change the headcount FTE ratio and this will mean that there are more tuition dollars. That is how growth will be funded in terms of positions and programs.

A number of activities and initiatives related to the strategic plan are currently moving forward. Building academic excellence in all parts of the operation is extremely important. Therefore, one of the goals has been, particularly in the professional programs that are offered at the Cascades Campus, that they be accredited wherever accreditation is possible. This also means in that a certain faculty base has to be maintained. This, in turn, makes programs more expensive than just opening the doors and teaching a set of programs. "We have been intentional in terms of the signature programs that we have initiated, particularly over the past two years as we have worked through the arrangements we inherited. We intend to be intentional moving forward and very deliberate in terms of introducing anything new," Provost Randhawa explained. There needs to be assurance that the resources are available, along with the capacity to sustain them over time. Cascades Campus is starting to benchmark and evaluate programs and outcomes.

A second goal is enhancing the student experience base and the campus environment by developing student services in conjunction with the COCC and focusing on improving the retention and graduation rates of students once they enter OSU-Cascades. It also includes advising students when they are in the pipeline, making sure that there are incentives for students to continue to the completion of their four-year degree. The third main goal is creating a sustainable business model and work has begun on the development of such a model. An OSU-Cascades Campus Foundation, with its own board of trustees, has been set up in conjunction with the OSU Foundation. The plan is that any resources raised for the branch campus are dedicated to the operations of the branch campus. Beyond the fundraising, the Cascades Campus is focusing on other sources for initiating new programs.

There are many challenges in the future, including having a sustained funding base for the System, as a whole, and the Cascades campus, in particular. "We are committed to excellence in quality in what we offer and so we are going to hold to that level even if it means offering fewer programs," the provost pointed out. All of the facilities are currently fully utilized. Managing and balancing community expectations is an important area of present and future focus. "When the original proposal was put together for the Cascades Campus, it was a lot more ambitious in terms of immediately starting a number of programs at that campus. The business
plan that was put together at the time was at a funding level that was twice what was actually funded," Dr. Randhawa said. As Cascades Campus moves forward, one of the key components is to make sure that the city of Bend and the broader central Oregon community understands what can and what cannot be accomplished with the constraints that exist.

Being a branch campus has a lot of advantages. It is part of a major research university and that translates to access to a critical mass of faculty as well as academic programs and services that otherwise would not be possible in a more remote area like Bend. It represents a connection with OSU's outreach mission and that is important. For OSU as a whole, it has been a positive experience because it provides a conduit for greater visibility to Corvallis programs that otherwise wouldn’t be possible and an opportunity to offer programs unique to the area.

"But I would be remiss if I didn't mention that it’s a relationship between the Cascades Campus and the parent campus that has grown and evolved over time and, like all relationships, there have been growing pains. Perhaps some of the tension has arisen because the Cascades Campus, particularly with the community expectation for a full four-year campus and a broader array of programs, would have liked more autonomy, which is not possible under the given constraints—both fiscal as well as those related to accreditation and programmatic constraints. For the Corvallis campus, there has also been a learning process because the focus of the faculty in Bend is very different. It’s building a campus and even though they are part of the larger community, there needs to be special consideration in terms of their promotion and tenure process, in terms of their evaluation process, and providing greater flexibility to the campus over to experiment and do things differently than we do at the Corvallis campus," Provost Randhawa explained.

Finally, the OSU-Cascades campus has a unique educational model and an opportunity to develop a unique two-plus-two relationship with COCC, along with leveraging some of the strengths of the UO and perhaps other campuses depending on their missions and portfolios. There has been considerable growth in student enrollment over the past five years, and the projection is for continued growth. After this new graduating class, over 1,000 students over the past five years have graduated and most of them have stayed in the community adding to the economic and social base in the community.

Director von Schlegell raised the question of how an initiative like Cascades Campus fits into the broader portfolio of the University System. President Ray indicated that OSU's expectation is that it will fit well into the portfolio because it speaks specifically to the needs of central Oregon that weren’t being addressed and it is done, to the extent that is necessary, by having programs that are really distinct from the programs at OSU in Corvallis.

Director Miller-Jones asked how community members are involved in the on-going support and development of the Cascades campus. It was explained that there is an advisory board and a newly formed separate foundation board, which is key to leveraging private funding. "I'm particularly proud of the curriculum planning that has gone on with the three major institutions that are present there. When we have our curriculum planning or leadership team meeting for
upper-division and graduate work, UO is right at the table with us and a full partner. It’s taken years to get to where we are right now but I think it’s a great model because we also get the expertise of the UO at the table as we decide what we do to go forward and how we underwrite and fund this in a sustainable manner," Dr. Casbon explained. "Then the COCC partnership is also critical and they are very involved on all the lower division courses and also the articulation and will be more involved in student services as we provide a truly seamless system for students."

Director Sohn commented that he sees central Oregon and its growth as a fairly commanding constituency for OUS in statewide higher education. "I also think that, while there is always the potential for it to make demands on resources, central Oregon also has the capacity to be a contributor of resources for the education enterprise there on a significant scale. The way it’s grown in wealth, I think there is a lot of capacity there for bringing them into the support of the whole higher education enterprise," he concluded.

Recently, Director Schuette visited the Cascades campus with all of the other community college presidents and observed "a very noticeable pride from President Jim Middleton and the work that is going on there and the depth of the collaboration and the opportunity to be fully engaged in thinking about all the issues that you’ve mentioned and the vision that is before you. Of course, COCC also has a very strong fundraising commitment and history of success so I see great things will be possible that will sustain the quality of what occurs there for central Oregon."

In answer to a question from Director Francesconi about the success of the Cascades campus and if there were lessons to be learned, President Ray underscored the importance of the fact that there was a community college in place and a hope that through it, existing resources could be leveraged. "We look at the current number of faculty as 16 FTE and it has gotten to that after five years and they’ve generated almost 1,000 graduates. How is that even possible? It’s only possible because, in fact, COCC is a critical partner in providing courses and instruction and entry level education that’s enabled us to focus our resources more at the junior, senior, and graduate level in terms of our faculty instruction. Then we have the UO and it has stepped up over the last five years as well and is providing extraordinary faculty in the areas that they are helping us in general science, general social science, but also in the degree areas that they’re staffing. I’m very impressed with the leveraging of everybody’s talents and resources that has occurred to make this possible."

b. PreK-20 Unified Budget and Financial Analysis

Postponed to April Board meeting.
5. **Discussion Items**

   a. **LFO Requested 1%-4% Budget Reduction Exercise**

   Postponed to April Board meeting.

6. **Committee Reports**

   a. **Working Groups**

   **Finance and Administration Committee:** Director Blair reported that the Committee had spent time discussing the existing charter. "The sentiment was that we would like to encourage OUS management to help us figure out how to delegate as much as possible that’s appropriate to them. Also, we need to think about how the Board and the Committee might work together more efficiently so that we are all focused on the right issues," he concluded. Director von Schlegell added that a part of the discussion was delegation of authority to management, including the managers at the campus-level, such as the presidents and vice presidents. "We’re re-examining what we do as a Committee and how we interact with the full Board and with OUS management, broadly defined, and trying to make sure we’re as efficient as possible and that we’re focused on the right things," Director Blair concluded.

   **Joint Boards’ Unified Education Enterprise:** Director Schuette called the Board's attention to a document titled, “Oregon State Board of Higher Education UEE Work Plan for 2007: PK-20 Update.” “The key focus of UEE is to identify who’s doing the cross-sector alignment work to help manage the discussion of key policies and then, I think, to advocate particularly across sectors for continued work that supports the state’s as well as individual Oregonian’s interests. The three key policy arenas that have been identified for focus are alignment of standards and assessments, a policy governing accelerated learning and pathways from high school to college, and technical training and careers,” she underscored. She expressed the hope that the Board would discuss the UEE work soon at another meeting.

   President Lorenzen observed that the Board has a very full plate of work facing it in the coming year. “And we are doing it with a staff that is very stressed—working very hard on a number of things. We have to be very careful about how we marshal the resources to apply them in a way that makes the most sense and takes advantage of the talent we have available without burning them out completely,” he underscored.

b. **Other Board Committees**

   There were no other Committee reports.

7. **Public Input**

   There was no public input.
8. **BOARD COMMENTS**

There were no further Board comments.

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

Director Blakney moved and Director Mendoza seconded the motion to approve the Delegation of Authority as presented in the docket. Those voting in favor of the motion: Directors Blair, Blakney, Francesconi, Lorenzen, Mendoza, Miller-Jones, von Schlegell, Schuette, Sohn, and Van Vliet. Those voting no or abstaining: none. Motion passed unanimously.

10. **ADJOURNMENT**

There being no further business, President Lorenzen adjourned the meeting at: 12:50 p.m.