OREGON STATE BOARD OF HIGHER EDUCATION
MINUTES OF EXECUTIVE COMMITTEE MEETING
March 22, 1991

ROLL CALL

LEGISLATIVE AGENDA

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PRESIDENT'S REPORT

ADJOURNMENT
March 22, 1991

OREGON STATE BOARD OF HIGHER EDUCATION
MINUTES OF EXECUTIVE COMMITTEE
SMITH MEMORIAL CENTER, PORTLAND STATE UNIVERSITY
PORTLAND, OREGON

March 22, 1991

EXECUTIVE COMMITTEE MEETING

A meeting of the Executive Committee of the Oregon State Board of Higher Education was held in the Cascade Room, Smith Memorial Union, Portland State University, Portland, Oregon.

ROLL CALL

The meeting was called to order at 9:40 a.m., Friday, March 22, 1991, by the President of the Board, Mr. Mark Dodson, and on roll call the following Executive Committee members answered present:

- Mr. Robert Adams
- Mr. George E. Richardson
- Mr. Rob Miller
- Ms. Janice Wilson
- Mr. Mark S. Dodson

Other Board members in attendance were: Ms. Britteny Davis and Mr. Christopher Halsey.

Chancellor Bartlett and Presidents Brand, Byrne, and Wolf were present.

LEGISLATIVE AGENDA

President Dodson called on Vice Chancellor Larry Large to report on the Legislative Agenda. Dr. Large suggested that the report of Legislative activities could best be framed in three separate venues.

The first venue is the situation prompted by new leadership in the House of Representatives where, for the first time in 20 years, party leadership has changed. This has resulted in significant changes in the composition of standing committees. In addition there are several new committees, among them a committee on Agency Reorganization and Reform. Many of the bills are focused on fundamental ways that state government and state agencies are organized, how business has been conducted, and the history of prior spending patterns.

The second venue is Ways and Means, the critical place for presenting the Board's budget and other issues for the forthcoming biennium. Vice Chancellor Large indicated that, although formal presentations before the subcommittee have not begun, President Dodson and
Chancellor Bartlett already have met with Subcommittee members, presented the Board's priorities, listened to their concerns, and gained an understanding of the major issues that would be addressed at the hearings. Several key issues were identified: tuition surcharge, restoration of programs eliminated through the budget cuts, enrollment limitations, productivity, and faculty salaries. It has been requested that the state-wide public services be presented first to the Subcommittee, followed by the education-in-general budget. A schedule has been prepared for Board member participation in the hearings.

The third venue is the Senate, whose leadership is already very familiar with higher education staff and issues.

Dr. Large provided Board members with a cursory review of some of the bills of interest to, and being tracked by, higher education. Obviously, it is too early in the session to predict the outcomes of these bills, but Dr. Large and Roger Bassett frequently attend the hearings and represent the views of the State System. Finally, Dr. Large indicated that the issue of replacement revenue is still open and many legislators are questioning the timing for action.

Mr. Miller indicated lack of clarity on how to respond to questions concerning the Board's position regarding potential replacement revenues. Would the funds be used for restoration of programs? To lower tuition? One reason for raising the question now is that the Board has such limited opportunity to discuss issues such as these and, if funds were made available, it is questionable that the Board would have much opportunity to discuss options. Other Board members agreed it was important not to get trapped into making comments or decisions without opportunity for discussion of priorities.

Chancellor Bartlett responded it was difficult to discuss "what would happen" in the abstract. Much would depend on the magnitude of restorations. He reminded the Board that there were guidelines the institutions had used to reach the required budget reduction levels and, if there was restoration of funds, the institution and System budgets and decisions would need to be re-examined.

President Byrne remarked that if new funding patterns
were established, Oregon State University would need to examine program reductions and enhancements in the context of the total budget. There is no guarantee that a program which had been eliminated would be restored.

Mr. Richardson observed that the discussion was focusing on policy decisions. For example, if restoration of funds meant reducing the surcharge by $10 versus losing momentum on other priorities, the decision would be relatively easy. However, if there was to be a significant infusion of resources (in the range of several hundred dollars per student) then the decision would assume different dimensions. Mr. Adams pointed out that additional resources might need to be allocated to areas of high priority such as faculty salaries, replacement and repair of deteriorated buildings, and equipment.

Ms. Wilson and Mr. Richardson reminded Vice Chancellor Ihrig that the Committee on Finance and Administration had requested a working session for the Board on the topic of tuition with an opportunity to examine different models and short- and long-term implications.

Vice Chancellor Large commented on the importance of the presence of Board members at the hearings in Salem and commended President Dodson and Vice President Richardson for the amount of time they had already spent in the Legislature on behalf of higher education.

Mr. Miller asked the Chancellor's staff to prepare a "talking paper" of the top 10 to 15 issues that Board members are likely to have to address from the Legislature. Dr. Large indicated that there would be an attempt to do that, but cautioned that the half-life of documents of this type is very short as focus shifts quickly during the Legislative session.

The Chancellor opened his remarks by commenting on the bill under consideration which would require the State System to submit line-item budgets with even more detailed information than is currently provided. He indicated that presently there are reams of detailed reports which go to the Legislature. One source of information generally overlooked is the Fact Book, published every year, which contains virtually all of the statistical information (with the exception of the budget) that anyone would need to know. There are indicators that the public is beginning to recognize
that information about higher education in Oregon is open, accessible, and available to anyone who wants it.

The Chancellor addressed a draft document just completed entitled, Higher Education in the Portland Metropolitan Area. The paper was prepared at the request of the Governor's office in response to the question, "Now that the Portland Commission has completed its work, what comes next?". During the life of the Commission, the idea of a Council of Presidents was developed which consisted of the heads of all higher education institutions in the Portland area. This will be used as the basis for future development. The document describes three groupings: one for undergraduate, another for graduate level programs, and one specializing in engineering.

Highlights of the document include the concept of interinstitutional cooperation and the development of consortia arrangements. The first element focuses on undergraduate education that consists centrally of Portland State University and the community colleges, emphasizing flexibility of access for those in the Portland metropolitan area. It also draws in the independent institutions so that there is a public/private interface. This configuration will also reach into the secondary schools and, therefore, the Portland Public school system through the Portland Educational Network (PEN).

The Commission, in the course of its deliberations, formed a Council of Presidents consisting of the heads of all institutions in the Portland area. This Council will essentially focus on undergraduate work.

Another set of relationships involve Portland State University with Oregon Health Sciences University, University of Oregon, and Oregon State University in a consortium with a core that is brought together around doctoral level work in advanced professional education areas.

The third set of groups revolve around advanced work in engineering and would include Oregon State University and Portland State University Engineering Schools, University of Oregon with its strong program in Computer Sciences, and Oregon Graduate Institute, a private institution that would be part of the Oregon Joint Graduate Schools.
The lynch pin in this total process for the State System would be Portland State University, tied together with one group focused on undergraduate education, another on graduate studies and, finally, another with specialized focus on Engineering.

The Chancellor indicated that the draft proposal suggests several low-budget items, ways in which programs could be started. The hope is that there will be some resources to enable a start on several of the topics presented in the paper.

The final topic which the Chancellor discussed was the Commission's proposal to form a Portland Trust which is to be established as a private, 501C3 organization, not a quasi-governmental body. It is to be established for the purpose of raising funds to support interinstitutional projects. The specific focus on interinstitutional projects is not accidental since each institution presently has individual fund-raising programs and there would be no point in the Trust getting into a position of competing for funds with those individual institutional processes. Similarly, the Trust is not to be involved in public fund-raising with, for example, the state or federal government. The challenge will be to find resources for projects which involve several of the institutions in areas of importance to the greater Portland area.

Although the State System may be limited in its ability to direct much financial support toward the initiatives in the draft paper, it lays out a general approach to implementation of a concept that must be kept on the "screen." It takes general ideas and puts them into a working framework for discussion and decision-making by the Board.

Mr. Miller observed that there was no mention of internationalization of education and questioned the wisdom of not including it in an effort of this nature.

Chancellor Bartlett indicated that he shared Mr. Miller's concern that we not lose sight of the importance of opportunities to support internationalization topics, but that those issues were bigger than just Portland -- they were relevant to the state as a whole. The Chancellor indicated that he would keep a focus on the issue and whenever there were opportunities, assure that resources were directed to the area of internationalization.
The Chancellor indicated that President Dodson and he had been continuing to work toward the development of a Joint Engineering Council and that he took great pleasure in announcing the formation of that Council. It is to be called the Engineering Council of the Oregon Joint Graduate Schools of Engineering (OJGSE). Ogden Beeman, President of Ogden Beeman & Associates, Inc.; Frank Gill, Senior Vice President of Intel, Inc., and President of Intel's Systems Groups; Jerome J. Meyer, President and Chief Executive Officer of Tektronix; and James W. Poirot, Chairman of the Board of CH2M Hill, have accepted membership on the Council. Board member Thomas H. Bruggere, Chairman of the Board and Chief Executive Officer of Mentor Graphics, has accepted appointment as chair of the Council. In addition, the presidents of the four participating institutions (John Byrne, Oregon State University; Judith Ramaley, Portland State University; Myles Brand, University of Oregon; and Dwight Sangrey, Oregon Graduate Institute of Science and Technology) will serve as ex officio members. The Chancellor indicated that his vision is that this Council has the potential of setting a state strategy for advanced engineering and technology education.

President Dodson indicated that Don Frisbee and Tom Bruggere had given a considerable amount of time and effort to assuring that this initiative continued to move forward, despite the set-backs caused by Measure 5.

President Dodson closed the meeting by reminding Board members that the April 26 meeting was a visitation to the Oregon Health Sciences University.

The Executive Committee meeting of the Board was adjourned at 11:00 a.m. to Executive session pursuant to ORS 192.660(1)(h), for the purpose of consulting with counsel concerning the legal rights of the Board with regard to potential litigation.

Mark Dodson, President
Virginia L. Thompson, Secretary