MINUTES OF REGULAR MEETING OF THE
OREGON STATE BOARD OF HIGHER EDUCATION

May 27, 1994

ROLL CALL

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OREGON STATE BOARD OF HIGHER EDUCATION
MINUTES OF REGULAR MEETING
MT. SHASTA ROOM, COLLEGE UNION BUILDING
OREGON INSTITUTE OF TECHNOLOGY

ROLL CALL

The meeting of the State Board of Higher Education was called to order at 10:15 a.m. by President Janice J. Wilson.

On roll call, the following answered present:

Mr. Herb Aschkenasy  Mr. Rob Miller
Mr. Bob Bailey  Mr. George Richardson
Ms. Diane Christopher  Mr. Les Swanson
Mr. Bobby Lee  Mr. Jim Willis
Ms. Karen Madden Evans  Ms. Janice Wilson

Mr. Donahue was out of the country.

Chancellor's Office -- Chancellor Thomas A. Bartlett; Virginia Boushey, Assistant Vice Chancellor, Academic Affairs; Andy Clark, Associate Director, Government Relations; Shirley Clark, Vice Chancellor, Academic Affairs; Francesca Clifford, Public Relations Specialist; Thomas Coley, Assistant Vice Chancellor, Academic Affairs; David T. Conley, School Reform Liaison; Nancy Goldschmidt, Senior Policy Associate, Academic Affairs; Melinda Grier, Director, Legal Services and Compliance Officer; Dale Hess, Senior Policy Associate for Assessment and Planning; Weldon E. Ihrig, Vice Chancellor, Finance and Administration; Susan Johnese, Executive Secretary, Finance and Administration; Steve Katz, Controller; Grattan Kerans, Director, Government Relations; Larry Large, Vice Chancellor, Public Affairs; Joe McNaught, Attorney-in-Charge, Education Section; Roger Olsen, Director of OCATE; John Owen, Vice Chancellor, OCATE; Stacy Pearson, Director, Internal Audit Division; George Persteiner, Associate Vice Chancellor, Finance and Administration; Davis Quenzer, Associate Vice Chancellor, Budget and Fiscal Policies; Vicki Shives, Associate Board Secretary; Joe Sicotte, Associate Vice Chancellor, Personnel Administration; Lisa Stevens, Public Affairs Officer; Audry Symes, Staff Assistant, Finance and Administration; Virginia L. Thompson, Board Secretary; Holly Zanville, Associate Vice Chancellor, Academic Affairs.
Eastern Oregon State College -- President David Gilbert; James Hottois, Provost/Dean of Academic Affairs; Richard Stenard, Dean of Student Affairs; Peggy Young, Assistant to President.

Oregon Health Sciences University -- President Peter Kohler; Tom Fox, Vice President, Development and Public Affairs; Lesley M. Hallick, Provost/Vice President for Academic Affairs; Jim Walker, Vice President for Finance and Administration.

Oregon Institute of Technology -- President Lawrence Wolf; Nancy Cox, Secretary to the President; Martha Anne Dow, Provost; Tim Stanaway, Dean of Students; Shelby Wilsdon, Personnel Director; Doug Yates, Dean of Administration.

Oregon State University -- President John Byrne; Roy Arnold, Provost/Vice President for Academic Affairs.

Portland State University -- Lindsay Desrochers, Vice President, Finance and Administration; Michael Reardon, Provost.

Southern Oregon State College -- President Joseph Cox; Ronald Bolstad, Dean, Finance and Administration; Sara Hopkins-Powell, Assistant to the Provost; Stephen Reno, Provost and Dean of Faculty.

University of Oregon -- Interim President-Designate Dave Frohnmayer; William Lamon, Special Assistant to the Vice Provost; Randy MacDonald, Director, Legislative & Community Relations; Gerard Moseley, Vice Provost; John Moseley, Vice President of Research; Norman K. Wessells, Provost; Dan Williams, Vice President, Administration.

Western Oregon State College -- President Richard Meyers; Bill Cowart, Provost; Leta Edwards, Dean for Institutional Advancement; Bill Neifert, Dean of Administration.

Interinstitutional Faculty Senate -- Bill Danley, Southern Oregon State College; Herb Jolliff, Oregon Institute of Technology; Eric Wakkuri, Oregon Institute of Technology.

Others -- Denise Baratta, Ashland Daily Tidings; Molly Bartlett; Bill Graves, The Oregonian; Steve Kadel, Klamath Falls Herald & News; Robert Nosse, Executive Director, Oregon Student Lobby; Russell Working, Medford Mail-Tribune.
MINUTES APPROVED
The Board dispensed with the reading of the minutes of the April 22, 1994, regular meeting and the May 11, 1994, special telephone conference call meeting of the Board. Mr. Lee moved and Mr. Willis seconded approval of the minutes as submitted. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.

PRESIDENT'S REPORT
OIT Visit
President Wilson thanked President Wolf and staff for an outstanding visit. "We really appreciate reviewing the senior projects. It was another step in educating the Board. It's very important for us to see and understand what students are learning and what they feel is important."

Dave Frohnmayer
Ms. Wilson welcomed Mr. Frohnmayer to the meeting and congratulated him on his appointment as interim president of the University of Oregon.

Chancellor's Retirement
Ms. Wilson indicated that a press conference had been held the previous week to announce the retirement of Chancellor Bartlett, effective July 1. He will continue working half time as Chancellor Emeritus. Dr. Bartlett has had a distinguished career as an educator, both domestically and internationally. Chancellor Bartlett has guided the State System through the effects of Measure 5, supported academic and administrative reform, and attracted outstanding leadership throughout the System. On behalf of the Board, President Wilson thanked the Chancellor for his outstanding service.

CHANCELLOR'S REPORT
The Chancellor thanked Ms. Wilson for her remarks and indicated that he would make final comments at the June Board meeting.

WICHE Commissioner
Dr. Bartlett noted that Mr. Dick Hensley has resigned as WICHE commissioner due to poor health. The Governor has appointed Mr. George Richardson, Jr., to fill the position. "Since George's term on the Board must end, this is a way to capitalize on his long experience with higher education. Fortunately, George has accepted the appointment and will begin his term this spring."

Ramaley Evaluation
President Ramaley's evaluation has been completed. The report will be presented at the June Board meeting.

Dave Frohnmayer, UO
Chancellor Bartlett extended his sincere appreciation to Dave Frohnmayer. "We are extraordinarily fortunate to have someone who is so capable, so well recognized, and so universally supported available to take on the
Dr. Bartlett reported that Dr. John Moseley has been appointed to replace Provost Norm Wessells at the University of Oregon, July 1. Dr. Wessells will return to status of faculty member in "full." The Chancellor thanked Dr. Wessells for his fine work as provost.

The Chancellor indicated that Mr. Jim Walker's responsibilities have been expanded. "He now becomes chief financial officer at the University Hospital, with the title of vice president for finance and administration. This is part of a pattern Oregon Health Sciences University is going through -- consolidating its senior management positions as part of the efficiency effort." Tom Fox has accepted the position of president and chief executive officer at the Liberty Science University.

Dr. Bill Danley, president of the Interinstitutional Faculty Senate (IFS), congratulated the Board on appointing Dr. Joe Cox as Interim Chancellor. "He enjoys widespread support and admiration, and though all of us at Southern Oregon State College are sad to lose him as president, we cannot think of a better alternate way for him to serve us and all of Oregon than as Chancellor. Congratulations, too, to Tom Bartlett, for his years of service to the State System. Our thanks to him for his dedication to OSSHE and to Oregon citizens, and our best wishes as he pursues his many other interests."

Dr. Danley expressed the IFS concern that the legislature and public are unaware of the extent of damage to the State System from Measure 5. "I'm glad we have been able to continue to provide many programs and services to our students in the face of these cuts, but it would be less than candid to say that they have not been hurt in terms of both quality and access."

Dr. Danley also noted that, in general, faculty remain unopposed to the public corporation proposal; however, they would like more specifics about the plan. "In summary, faculty would like to ask the Board to consider two requests: one, to be more vocal in communicating to the public and the legislature the damage being done to higher education by Measure 5; and two, to provide faculty more details of the plans to convert to public corporation status."
Finally, the Chancellor commented on the remarkable stability in administrative leadership in the System. In his opinion, the Board and System are displaying a great deal of wisdom in moving quickly to make internal changes. Using people in new roles who are already familiar with the issues and know the System allows for smooth transition.

President Wilson announced that she and Vice President Rob Miller had met to discuss who should fill the position of Interim Chancellor. From that meeting they agreed that they would recommend Dr. Joseph Cox, president of Southern Oregon State College, as interim Chancellor. His appointment would be for two years beginning July 1, 1994, at a salary of $133,668 plus expenses incident to position, and a housing allowance for Portland.

**Board Discussion and Action**

Ms. Christopher described the overwhelming support and positive reactions of the campus and community for Dr. Cox.

Ms. Wilson moved and Mr. Miller seconded the motion to approve the appointment of Dr. Joseph Cox as Interim Chancellor. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.

Dr. Cox thanked the Board. "I am humbled by the honor you have presented me. I'm inspired by the expression of confidence and support from the Board and from my colleagues, and I am energized by the challenge more than I can ever possibly tell you.

"I can't give sufficient credit to Tom Bartlett for having gotten us over these first two hurdles. It is a bittersweet experience for me because, as a close personal friend, his mentorship has meant a great deal. He has presented a tremendous example to follow.

"You probably need to know I'm absolutely a product of public higher education. I owe everything to a set of parents who did without so that I might have that education, but more importantly, to a magnificent land grant university that gave me a chance and a quality education at a price I could manage. You may, on occasion, have to explain or apologize for my sense of humor. And I may have to, on occasion, apologize for the
Meeting #629

May 27, 1994

TOM BARTLETT, CHANCELLOR EMERITUS

President Wilson recommended the Board appoint Dr. Thomas A. Bartlett Chancellor Emeritus, working half time for the period of July 1 through December 31, 1994. He will work with Dr. Cox through the final stages of budget preparation; continue his work to advance the international agenda; engage in fundraising activities; and help with next steps in the Higher Education 2010 planning.

Board Discussion and Action

Ms. Wilson moved and Mr. Richardson seconded the motion to approve the recommendation. The following voted in favor: Directors Aschenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.

Ms. Wilson indicated that Chancellor Bartlett, Dr. Cox, and Ms. Christopher would meet in informal consultations with Southern Oregon State College faculty, staff, and students to gather opinions about who should be interim president. The recommendation will go to the Board at a called meeting of the Board via a telephone conference call.

CONSTRUCTION OF HARRISON HALL, PSU

Summary

Officials at Portland State University proposed construction of an 8,000-square-foot multipurpose facility to address needs for a handicapped accessible meeting and classroom facility. The proposed Harrison Hall will provide space for 400 seats and can be used for lectures, social gatherings, and conventions. It provides a large facility to handle class sizes not readily served currently on the Portland State University campus and is a key element of the University's Academic Productivity and Educational Reform Plan. Portland State University officials estimate that the construction of Harrison Hall will permit an additional 120 full-time equivalent (FTE) students to be served. The $1.5 million project will be financed with auxiliary bonds, with debt service and operating costs to be repaid from rental charges for the facility.
Staff Report to the Board

Officials at Portland State University propose construction of an 8,000-square-foot multipurpose building on campus to be used for lectures, classes, conventions, and social events. The $1.5 million structure is included in Portland State University's draft University District Plan, with a location at the end of Harrison Street near the former Southwest 11th Avenue. The proposal is to construct the largest fully accessible classroom/meeting facility on the campus (approximately 400 seats), with full audio-visual capability, a food service area, storage, and an instructor's room. The flat-floor facility (with raised lecture platform/stage) is deemed by Portland State University officials as appropriate for classes, meetings, banquets, exhibitions, student recreation activities, and cultural arts performances.

Schematic designs have been completed and preliminary concurrence secured from the City of Portland for the use and the design.

For up to seven years of Harrison Hall's operation, Portland State University officials anticipate significant use during weekdays for lectures, with weekend and school break use being devoted to student and community events. For the remainder of its life, the facility is expected to be used primarily by student and community groups, particularly those associated with on-campus student housing. Portland State University plans call for the construction of a major new instruction building by 2001. It would be located adjacent to this site and would include large classroom facilities.

Portland State University proposed utilizing Article XI-F(1) bonds to pay for design and construction and to pay the debt service and the operating costs from charges to facility users. The estimated annual cost, including debt service, is $155,000. Although Portland State University officials believe that the entire amount will be paid from housing, student service, and community sources after seven years, a large portion of the cost in the early years will be borne by rental payments made by the educational and general program at Portland State University to the auxiliary program. (This is similar to the arrangement on the Mill Street Building, purchased and rehabilitated in 1991.) The first-year projections call for $55,000 of income from student and community events, student movie revenue, and paid performances. This is based on events now turned away from other Portland State University facilities due to overbooking. (Portland State University officials indicate that they turned away 220 such events last
year, while booking just 150 events due to schedule conflicts.) The balance of the costs ($100,000) in the first year (and, presumably, each year through the seventh year) will come from rental of the facility for lectures and classes.

Portland State University academic officials estimated that the University would be able to serve an additional 120 FTE students if the facility were constructed. The additional capacity would result from the ability to schedule more students into existing lectures and classes that fill up now due to small room size. Tuition payments from 120 FTE resident undergraduate students (at the 1994-95 estimated instruction fee) would bring nearly $300,000 of revenue into the State System’s tuition pool per year.

Portland State University sought approval from the Board to request that the Emergency Board establish an Other Funds Limitation of $1,500,000 and to expend that amount for the design and construction of a multipurpose facility to be known as Harrison Hall.

Staff Recommendation to the Board

Staff concurred with the request of Portland State University and recommended the Board authorize staff to seek approval from the Emergency Board to establish an Other Funds Limitation in the amount of $1,500,000 and to expend that amount for the construction and equipping of a multipurpose facility at Portland State University.

Board Discussion and Action

Mr. Swanson moved and Mr. Bailey seconded the motion to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.

Summary

State System officials have been negotiating with the Tektronix Corporation, Portland Community College, and other public education organizations for the establishment of an education center at a facility currently owned by Tektronix near Hillsboro. At the time the docket was being prepared, it appeared that an agreement might be reached among the
parties in time for discussion and possible action by the Board at the May 1994 meeting.

**Staff Report to the Board**

Last year, the Tektronix Corporation entered into discussions with a consortium of school districts from suburban Portland, Portland Community College (PCC), the Washington County Educational Service District (ESD), and the Oregon Center for Advanced Technology Education (OCATE -- a part of the Oregon State System of Higher Education) regarding the establishment of an education center at the Tektronix site at 185th and Walker Road near Hillsboro in Washington County. This facility is near the current OCATE location on the campus of the Oregon Graduate Institute.

The various parties discussed the use of the two buildings on the Tektronix property as classroom/laboratory/supply and office space for several programs offered or planned by the various educational organizations. Building 92, a 218,000-square-foot facility, is being considered by six school districts for a regional technology high school. Bond issues may be presented to voters next year in those districts to determine whether or not that building will be acquired from Tektronix.

PCC has received voter approval to buy or build a facility to house instructional programs in Washington County. PCC has an immediate need for 50,000 to 60,000 square feet of space in the area.

OSSHE programs that have been considered for this regional educational center include the offerings of OCATE, whose lease at the nearby Oregon Graduate Institute will expire soon; the Oregon Joint Graduate Schools of Engineering, whose funding was increased substantially by the 1993 State Legislature; the Oregon Joint Schools of Business, also funded by the last legislature and in need of offering instructional programs in the Washington County area; Oregon Institute of Technology, whose unique offerings tie well into the programs proposed by the school districts; and the continuing education program of the University of Oregon. The programs have identified needs for 40,000 square feet of space in the area of the Tektronix facility. Expansion space is available to OSSHE colleges, universities, and programs within Building 94, a 180,000-square-foot, single-story facility. Appraisals, preliminary site development plans, and tentative plans for building systems upgrades and tenant improvements have been completed. The Washington County ESD, which requires about
40,000 square feet in the area, joined with PCC and OSSHE in considering Building 94.

Educational and financial plans are being developed by the parties with the possibility that an agreement could be reached with Tektronix before May 27 for the acquisition and rehabilitation of Building 94. If so, the principles and details of such an agreement would be discussed with the Board and authorization sought from the Board to conclude the agreement with Tektronix, to enter into management and joint ownership arrangements with Portland Community College and/or the Washington County ESD, and to seek approval from the Emergency Board for the establishment of an appropriate Other Funds Limitation and the authorization to expend funds for this purpose. An auxiliary would be formed to manage the OSSHE portion of the effort and to issue and retire the Article XI-F(1) bonds needed to finance its acquisition and renovation.

If all agreements can be reached and all approvals can be secured, OSSHE programs could be offered at the new site by fall 1995.

**Staff Recommendation to the Board**

Staff recommended the Board authorize the Chancellor, in consultation with the president of the Board or designee, to enter into an agreement with Portland Community College to effect the joint purchase of Building 94 at 185th and Walker Road in Hillsboro from Tektronix, Inc., for a price acceptable to the Chancellor and the president of the Board or designee. Staff recommended further that the Board authorize staff to seek approval from the Emergency Board to establish an Other Funds Limitation in an amount sufficient to acquire and improve the Board's portion of Building 94 as part of the CAPITAL Center and authorize the expenditure of that amount for such acquisition and improvement.

**Board Discussion and Action**

Mr. Miller moved and Ms. Christopher seconded the motion to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.
Introduction

The University of Oregon requested that the College of Business Administration be renamed the Charles H. Lundquist College of Business. In accordance with Board policy, approval for renaming a specific school, college, department, division, center, or institute must have Board approval.

Background

The College of Business Administration, the largest of the University of Oregon's six professional schools, plays a vital role in the University's mission of teaching, research, and service. The fall 1993 enrollment of the College was 2,063 students with 41 full-time faculty, 8 adjunct faculty, and 11 emeritus faculty members.

Charles H. Lundquist recently gave the University of Oregon a fully paid gift of $10 million, which was in addition to an earlier gift of $1 million. Mr. Lundquist, a native of Oregon, graduated from the University of Oregon College of Business Administration in 1942. He received several tuition scholarships and was an active University of Oregon student. During his distinguished career, Mr. Lundquist has received many awards and was honored by the University of Oregon as a recipient of the "Pioneer Award" in 1990.

The Lundquist Endowment will have fundamental and far-reaching impact on the quality of programs in the business school. The funds will be used to address the needs of Oregon and West Coast business, with special emphasis on start-up firms and existing small companies as they reach out to international markets, particularly across the Pacific. The gift will enable the College of Business to promote and develop the entrepreneurial spirit that drives much of the economic development and job creation in Oregon.

Specifically, the gift from Mr. Lundquist will (1) create renewable five-year Charles H. Lundquist Professorships in accounting, finance, marketing, and management for faculty whose activity is dedicated to entrepreneurship; (2) provide teaching and research support to other business faculty members whose activities relate to entrepreneurship; (3) support one or more Charles H. Lundquist Distinguished Visiting Professorships to enable business students and faculty members to gain from the experience of outstanding business educators from around the world; (4)
finance activities related to the Charles H. Lundquist Center for Entrepreneurship such as the summer internships program, information resource center, and visiting professorships program; (5) fund postgraduate internships with industry for all qualified MBA students who want such support and who have taken two or more courses through the Lundquist Center; and (6) develop and integrate courses and topics related to business ethics and social consciousness.

**Staff Recommendation**

Staff concurred with the recommendation of the University of Oregon that the College of Business Administration be renamed the Charles H. Lundquist College of Business in honor of the generosity of Mr. Lundquist.

**Board Discussion and Action**

On behalf of the Board, President Wilson thanked Mr. Lundquist for his generosity.

Ms. Christopher moved and Mr. Swanson seconded the motion to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.

**Introduction**

At the January 28, 1994, meeting, the Board adopted the proficiencies contained in the Proficiency-based Admission Standards Study (PASS) report as a policy direction for the State System of Higher Education. These proficiencies will be used to develop new admission procedures that enhance the alignment between high schools implementing House Bill 3565 and higher education admission. Beginning in 1999, students will be admitted to OSSHE institutions based on their demonstrated proficiency in six content areas and nine process areas.

The Board charged the OSSHE Academic Affairs' PASS project staff with gathering input and reactions to the proficiencies and returning to the Board at the May 27, 1994, meeting with a revision of the proficiencies. The Board was then to consider adopting these proficiencies as the basis for developing the assessments and performance levels necessary to determine proficiency.
Recent Activities of the PASS Project

The PASS project has completed the following activities between January 28 and May 15, 1994, to respond to this charge:

- More than 800 copies of the PASS report were distributed, accompanied by a handout answering commonly asked questions regarding the PASS project, to all superintendents and high school principals in Oregon, community college presidents, other Oregon educators and policymakers, and an array of national and international organizations. All materials contained an invitation to the recipient to communicate reactions, suggestions, or concerns regarding PASS to the OSSHE Office of Academic Affairs.

- David Conley, Project Director, conducted 33 informational sessions with more than 1,400 educators from public schools, OSSHE institutions, community colleges, the Oregon Department of Education, and other state and national organizations.

- The vice presidents of both the American College Testing (makers of the ACT) and the College Board (makers of the SAT) met with OSSHE Academic Affairs staff. Both organizations have indicated interest in the PASS project, and both have offered to provide specific technical assistance and in-kind contributions to support the development of assessments.

- A formal network of states and organizations interested in proficiency-based college admissions has been established. Under the sponsorship of the Education Commission of the States and the State Higher Education Executive Officers, the network will initially include Oregon, Minnesota, Colorado, and Wisconsin. Other states are expected to join. The network will allow participants to exchange ideas, provide mutual assistance, and provide added political legitimacy to this shift in higher education admission practices.

- OSSHE Academic Affairs staff submitted a federal grant proposal in April to request additional resources for assessment development and other activities related to developing a proficiency-based admission system. Notification of funding status will be received this summer.
• OSSHE Academic Affairs staff communicated regularly with representatives from the Department of Education to help ensure coordination between Certificate of Advanced Mastery (CAM) and PASS assessment development.

• A day-long meeting was held in Eugene on April 29 to conduct a systematic critique of the proficiencies. Seventy-five people attended the meeting. Approximately half were from OSSHE institutions and half from public schools and community colleges. Many of the suggestions that resulted from this meeting were incorporated into the revised proficiencies being presented to the Board.

• Work proceeded separately on the development of foreign language proficiencies. The foreign language proficiency development was initiated in January 1993, when the Board adopted a proficiency-based foreign language admission requirement to be implemented for students entering in 1997-98. Committees have been meeting during 1993-94 to developing proficiencies and performance levels. A status report will be presented to the Board this summer.

Proposed Next Steps

Once the proficiencies are adopted by the Board, the following activities are proposed to continue development of a proficiency-based admission system:

• A framework for developing assessments will be created with the help of OSSHE institution faculty, teachers, Department of Education and community college staff, and national consultants.

• Four "partnerships" will be used as the focal point for assessment development. Each partnership will consist of a high school, OSSHE institution, and community college, with an objective to develop a series of assessment tasks and their associated performance levels prerequisite for testing their use as proficiency assessments for college admissions. The four partnerships would include:
  - Ashland High School, Southern Oregon State College, and Rogue Community College;
High schools were selected based upon their progress in implementing school reform curricula and interest in addressing the articulation interface to proficiency-based college admissions. These partnerships will yield important information on proficiency-based assessment.

- Regular updates will be provided to the Board. The goal is to expand the number of pilot sites from the four partnerships initiated in 1994-95 to approximately 15 sites beginning September 1995. Final assessment development will occur during the 1995-96 school year utilizing this expanded pool of sites.

- The 1996-97 school year will be used to refine the assessments and allow schools to employ proficiencies for admission on a voluntary basis.

- All elements of the new admission system will be in place by September 1997, allowing schools two full years to utilize the PASS system, assuming full implementation of the CAM.

**Staff Recommendation**

Staff recommended the Board adopt the revised proficiency-based admission standards to be applied to entering freshmen in the fall of 1999 and that the adopted proficiencies serve as the basis for the development of assessments and performance levels necessary to specify proficiency in operational terms.

**Board Discussion and Action**

Dr. David Conley indicated that the changes in the proficiencies added clarity and integrated suggestions from educators (K-12, community college, and higher education) and Board members. Support has been
widespread among educators of all sectors. Furthermore, the vice presidents of both the College Board and the American College Testing Service traveled to Oregon to indicate their support and to offer technical assistance in developing the actual assessment strategies.

Dr. Conley mentioned that he had just returned from a Goals 2000 orientation session in Washington, D.C., where federal legislation related to national educational standards was explained. The emerging policy directions of Goals 2000 mesh well with the work being done in Oregon.

Ms. Christopher asked what the reaction of the community colleges had been to the proficiencies. Dr. Conley responded that once given the opportunity to explain the system, support has been positive. Within the next couple of months, Drs. Coley and Conley will identify specific issues affecting community colleges.

Mr. Richardson asked if the subjectivity of the student's evaluation was increased or decreased with proficiency-based assessment. "It should radically decrease," Dr. Conley replied. "Now we have grade point averages, which are summaries of perhaps 20 or 30 different teachers -- individual judgements about students based upon standards each teacher sets."

Mr. Richardson moved and Mr. Miller seconded the motion to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.

**PROPOSED CHANGES TO PROFICIENCIES**

(Note: Shaded material indicates = Addition; Strike-through indicates = Deletion from January 28, 1994, version)

* * * * *

Proposed Content Proficiency Areas:

a. **Math**

*Extended Definition:* Mathematics is a form of communication that complements natural language as a tool for describing, defining, expressing, and answering questions about the natural world. Mathematics is a compact,
carefully defined symbolic language that facilitates modeling, solving, and communicating problems from a wide variety of disciplines, not only science and technology. Much of its utility derives from the power of abstraction, the ability to generalize and then apply constructs to particular problems. Mathematics is the science of logical reasoning and of pattern identification. It is a mode of inquiry that provides fundamental insights into the order of our world. Learning mathematics is a dynamic endeavor involving the acquisition of skills, processes, and concepts. Numeric, algebraic, and geometric concepts are fundamental vehicles for developing competence in mathematics. The processes of problem clarification, deduction of consequences, formulation of alternatives, and development of appropriate tools are as much a part of the modern mathematician's craft as solving equations.

Proficiencies:
1. Apply integrated mathematical problem-solving strategies to problems from within and outside mathematics including but not limited to: modeling (tables, graphs, finding and expressing patterns); guess and check; expressing relationships as equations/inequalities; selecting and applying appropriate technologies for problem solving.

2. Express mathematical ideas orally and in writing by using appropriate mathematical terminology and/or symbols; read, understand, interpret, and evaluate mathematical expressions of ideas and written presentations of mathematics.

3. Follow and judge the validity of arguments including but not limited to: (direct and indirect proofs); and proofs using mathematical induction; formulate and test conjectures (e.g., make generalizations from observations); draw logical conclusions from given/known information.

4. Recognize mathematical connections, including connections within mathematics and its application to other disciplines, the connections among mathematical areas (e.g., geometry and algebra) and to other disciplines by using mathematics in other subjects.

5. Use computation, estimation, and proportions to solve problems; use estimation to check the reasonableness of results, especially those obtained by technology.

6. Use algebraic operations and mathematical expressions to solve equations and inequalities including but not limited to exponentials and logarithms.
7. Use patterns and functions to represent and solve problems; understand
functions as relationships between inputs and outputs; understand
connections among symbolic, graphic, and tabular representations of
functions; interpret functions in terms of rate of change and relative
maximums and minimums.

8. Represent problem situations with geometric models and apply properties
of figures; be able to visualize geometric figures in two and three
dimensions; use analytic geometry to solve problems.

9. Understand the nature and role of probability and statistics in various
disciplines and the real world; recognize and apply valid sampling
techniques; understand and apply averages (e.g., mean, median, and
mode), variability, and correlation; and apply measures of central
tendency, variability, and correlation; understand sampling and inference
and their roles in statistical claims; create and interpret discrete probabili-
ty distributions; understand the role of probability and statistics in various
disciplines and the real world.

10. Represent problem situations using discrete structures such as finite
calculus and its relationship to other areas of mathematics and to other
disciplines, conceptual foundations and applications of calculus and
trigonometry and their relationship to other areas of mathematics and
other disciplines.

b. Science

Extended Definition: Science is the rational and systematic observation,
identification, description, experimental investigation, and theoretical explana-
tion of natural phenomena. Natural and physical sciences include physics,
chemistry, biology, geology, astronomy, and ecology. Science attempts to
answer questions about the physical and living world. It involves critical
thinking and logical reasoning. Science uses various different methods of
investigation, such as observation, comparison, experimentation, and mathe-
matical manipulation of data. Science has practical application and has to be
understood in its larger cultural context. It is through inquiry that students are
able to view science as an interdisciplinary study applicable to society.
systematic process for producing the knowledge necessary to comprehend the natural world. It is concerned with investigating and understanding natural phenomena and processes. Natural and physical sciences include physics, chemistry, biology, geology, and ecology. The evaluation and interpretation of data are critical as science requires absolute verifiability for any information or concept to be held true. The study of science focuses on critical thinking and logical reasoning. Science does not simply involve the memorization of facts and formulas. It requires an understanding and investigation of concepts in order to verify them through experiments. It is through scientific inquiry that students are able to view science as an interdisciplinary study applicable to the real world.

**Proficiencies:**

1. Use writing, speaking, reasoning, and mathematics to recognize and state scientific problems.

2. Design an experiment using principles of scientific inquiry. Collect and analyze data pertaining to a natural phenomenon or problem. Communicate the results in a way that can be understood clearly. Critique experimental designs, including those that do not appear to work.

3. Organize, analyze, and draw logical conclusions from data gathered in the field and the laboratory.

4. Determine when a given conclusion is supported by data or observation.

5. Use technology for scientific research including the use of computers for data collection, data analysis, graphic display, and literature searches. Recognize the limitations of these technologies.

4. Understand unifying concepts of the life and physical sciences including but not limited to: cell theory, geological evolution, organic evolution, atomic structure, chemical bonding, ecological relations, biodiversity, and transformation of energy.

5. Understand and correctly apply basic scientific concepts, principles and terminology from among the following topics: including but not limited to include such topics as: the following topics:
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- **Physics**: rotational motion, angular momentum, fluids, thermodynamics, simple harmonic motion, electricity and magnetism.
  - Quantum physics.
- **Geology**: geology, properties of the earth, solid earth, processes; biological, processes; hydrological, processes; and atmospheric processes.
- **Chemistry**: including states of matter; structures of matter; reactions of matter; solutions; reactions of matter; energy changes; equilibrium; kinetics; periodic classification.
- **Biology**: including molecular and cellular aspects of living things, structure and function in plants and animals, genetics, evolution, plant and animal diversity, principles of classification, ecological relationships.

6. Read and critically evaluate the accuracy of information and claims presented in popular and science-oriented magazines. Demonstrate awareness of the implications of the information and the claims presented for the individual and society.

7. Identify the social and cultural context of major scientific theories and concepts, such as the theory of organic evolution and Newton’s laws of motion. Recognize how scientific discoveries, ideas, and applications affect human society and culture.

8. Consider the moral, ethical, and philosophical implications of scientific research and discoveries.

9. Describe the social significance of contemporary research, such as medical and ecological research.

c. **Social Sciences**

*Extended Definition*: The social sciences focus on a wide diversity of social relationships, group arrangements, and human understandings that characterize human affairs over time and throughout the world. They include the study of social, economic, political, and cultural events as well as appropriate content from the humanities, fine arts, mathematics, and sciences. They offer concepts and methods for studying social events and processes at global, national, regional, local, and individual levels. The scope of the social sciences ranges
from examining the mental processes of the human mind to the distribution of
human beings on this planet, from understanding the functioning of human
society to the causes and effects of technologies, from problem solving in small
groups to the use of power internationally. Understanding the social sciences
includes knowledge of theories regarding societal and group functioning,
appreciation of the uses of empirical data and map analysis, awareness of how
the careful study of contextual events explains the important influences that
shape human life, and how this information can be used to address current
issues.

Proficiencies:
1. Compare, contrast, argue; interpret, and analyze, write and use maps to
and debate orally, and in writing, and with the use of maps, social science
econcepts—issues in ways that identify the strengths, weaknesses, and
evidence—perspectives and demonstrate an understanding of the strengths
and weaknesses of different social science perspectives.

2. Distinguish fact from opinion when discussing or writing about social,
economic, political, and cultural problems; apply these skills to
current events using data gathering techniques including the oral interview
and primary source documents.

3. Illustrate Develop insight into the interactions and interrelationships
among local, regional, national, and international events; understand the
social, political, cultural, and economic aspects of these events; discuss
the role of ethics, ethical values and individual responsibility in relation
to such events.

4. Understand the historical evolution and philosophical basis of the United
States government, its current configuration and operation; the relation-
ship of the states to the federal establishment; patterns of democratic
participation in the American political scene; the structure of power,
authority, and governance; the role and responsibilities of citizenship; the
Bill of Rights and the notion of conflicting rights as evidenced in the
modern American political scene; other major forms of government and
compare these to the United States government.

5. Exhibit knowledge of perspectives on the chronological flow of events,
and identify several the major themes and dynamics of historical change
in human society from selected prehistoric through contemporary periods.
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6. Use geographical concepts such as location, place, human-environment interaction, movement, and regions to understand contemporary social, economic, political, and cultural, and environmental issues; identify major world and national geographic entities including countries, cities, land forms, and water bodies in context; understand the interrelationships between geography and history.

7. Explain the structure and functioning of various economic systems, their geographical distribution, relationship to national and international political and social systems, and the underlying conditions that influence the selection and adaptation of such systems.

8. Understand the dynamics of individual, groups, and communal human behavior; individually, in groups, and in communities; social-cultural contexts; understand several psychological concepts including theories of human personality development; and the individual; appraise the role and impact of culture and ethnic diversity within a society and among societies.

9. Use mathematical and statistical operations to analyze social science issues and to construct and interpret graphs, charts, maps, and tables. Identify and use appropriate technologies to assist with these tasks.

10. Identify and use various appropriate technologies to assist with the discussion, analysis, and presentation of social science issues.

11. Analyze and pose potential solutions to complex societal issues; identify social, political, economic, scientific, and other dimensions of the issues, and the relationships among these dimensions; employ a wide variety of data sources and perspectives, including literature and the arts to understand these issues.

d. Foreign Languages

Extended Definition: Foreign language study comprises the four-skill areas of speaking, listening, reading, and writing. Within these skill areas, communicative competence is attained through mastery of linguistic functions, supported by grammatical structures, lexical items, and awareness of different registers (e.g., formal and informal); a concern for accuracy, including proper native-like pronunciation, structural precision, and socio-linguistic appropriateness. Cultural
knowledge ranging from everyday culture to a civilization's literary and artistic monuments, has an important role to play, not in isolation, not as a separate entity, but rather as is an integral part of all foreign language study. And knowledge of culture is a complex phenomenon that includes recognition of and ability to execute linguistic and paralinguistic behaviors, to understand knowledge of societal norms and institutions, and to appreciate appreciation of artistic and intellectual achievements. Foreign language learning is a long-term and cumulative process that provides a springboard for critical and analytic thinking, for insight into and understanding of human diversity, and for understanding and a deeper appreciation of subject matter across disciplines, the wealth that a variety of cultures bring to the world:

Proficiencies:
There are no proficiencies for foreign languages included in this report since OSSHE recently initiated a separate project in fall 1993 to develop proficiencies in this area. Planning for this project began before the mandate to develop proficiency-based admission standards was issued by the State Board of Higher Education in July 1993. The project brings together foreign language educators from public and private baccalaureate institutions and community colleges, school districts, and the Department of Education.

OSSHE and ODE have established Foreign Language Proficiency Committees in four languages: Spanish, French, German, and Japanese. Other language committees will be constituted next year. Committees have been asked to complete draft proficiency standards by late spring 1994, then to address assessment approaches. Committees first met November 29, 1993, and have been meeting regularly since December and January, with additional meetings scheduled for February and March. Additional review will be conducted by statewide review groups made up of K-12 foreign language teachers and higher education faculty who indicated a previous interest in being included in this process. Approximately 100 people will serve on these review groups.

The recommendations that result from this process will apply to students seeking admission in 1997-98 (prior to proficiency-based admissions proposed in all areas for students seeking admission in 1999).

A status report on foreign language proficiencies will be made to the Board in summer 1994.
e. Humanities/Literature

**Extended Definition:** Studies in Humanities and literature explore the human experience through historical, linguistic, cultural, philosophical, and literary lenses. Students, teachers, scholars, and authors study what it means to be human by engaging in ongoing dialogue, inquiry, reading, and reflection. Thus, it is not possible to "master" humanities, only to enhance one's levels of thought regarding the human condition. What may be learned are habits of the mind that will enable learners to acquire, create, and critique knowledge throughout their lives: lifelong acquisition, and critique and creation of knowledge.

**Proficiencies:**

1. Recognize the ways in which language, history, culture, and tradition shape our character, assumptions, and society.

2. Read texts of varying length and complexity including but not limited to: a broad selection of classical, contemporary, and multicultural literature; poetry, novels, essays, short stories, and drama; full length works of fiction and non-fiction.

3. React to, discuss, and analyze in writing. Analyze, discuss, react to and consider literature by and about various groups and cultures including but not limited to: women and men; racial, ethnic, and cultural groups; diverse socio-economic backgrounds; various belief systems; religious, political, and social entities.

4. Understand and analyze literature's significance to one's own life.

5. Understand and analyze texts and other media including but not limited to videos, recordings, and performances, through personal and critical response, while distinguishing between the writer's views and the reader's opinions and interpretations.

6. Demonstrate the relationship of literature to other subjects.

7. Recognize, critique, and use and appreciate literary elements and terms including but not limited to the use of stylistic, sensory, figurative, semantic, and logical strategies, attributes.

8. Interpret a writer's inferential and literal meaning.
9. Understand how historical and social contexts, and biographical and thematic background influence literary expression.

f. Fine and Performing Arts

Extended Definition: Fine and performing arts are the cultural repositories of the qualitative dimension of life through the ages. They are also the contemporaneous expressions of the human condition. The fine arts serve both to improve the quality of life, and to stimulate the senses in ways that enhance creativity and problem-solving in a variety of disciplines beyond the arts. Study in music, theater, dance, and visual arts involves history and appreciation, analysis and aesthetics, interpretation and criticism, and performance and production. These content areas are concerned with the capacity for individuals and society to communicate and to receive ideas, information, and feelings in a variety of media. The fine and performing arts prepare one to work both independently and cooperatively and develop one’s ability to make independent, critical judgments.

Proficiencies: [Note:—Students are required to demonstrate proficiency on any two of the following four proficiencies.]

1. Discuss and interpret works of art from different times, cultures and peoples through a process of critical analysis that shows a reasoned understanding of their context and aesthetic principles.

2. Use writing, oral, and technologically appropriate presentations to demonstrate the ability to analyze and evaluate art objects or events. This ability will be demonstrated through written composition, in conjunction with oral and technologically-based presentations.

3. Demonstrate knowledge awareness of the role the arts play in society and how the arts empower people to create images, artifacts, performances, and structures which manifest their beliefs, knowledge, social relationships, values, and skills.

4. Analyze, critique, and evaluate an art object or event by specifying its components and processes, showing how these elements characterize the object or event and how they convey its artistic merit.

4. Understand the significance of and potential contribution of the arts to the quality of one’s life.
Express artistic ideas through the creation, production, or performance of Create, produce, critique, or perform a musical composition, an art object, a dramatic production or interpretation, or a dance.

Proposed Process Proficiency Areas:

a. Reading

Extended Definition: Reading is the process of decoding abstract symbols in order to understand their underlying latent message or meanings. Effective readers employ a variety of strategies to improve their comprehension, to self-correct, and to discover meaning in many types of text. A fluent reader can interpret a writer's literal and inferential meaning, recognize the differing goals of different types of writing, use all of the features of a written document (e.g., tables, index, appendices, footnotes), vary the method of reading (skim, review, survey, analyze), and make connections between texts and personal experiences. Reading is undertaken for a variety of reasons, including enjoyment, information acquisition, comprehension, and critical analysis.

b. Writing

Extended Definition: Writing is a tool for communication, which also entails self-reflection. Writing may serve to inform, stimulate, and challenge a variety of audiences, any aspect of the reader's psyche. It involves both description and expression. The writer is compelled to organizes and clarifies her or his thinking so that it is comprehensible, informative, moving or entertaining to others when read. Writing has both a content and process. The content comprises a series of Conventions of writing, including grammar, syntax, spelling, structure, and voice, which must be understood and mastered. The writing process contains a number of recursive dimensions, or steps, including prewriting, drafting, organizing, revising, editing, and critiquing. Effective writers employ a variety of written forms (e.g., stories, essays, journals, technical reports, poetry, research papers), and can evaluate, monitor, and critique their own writing to produce a coherent and polished result. ridiculously correct final product.

c. Oral Expression

Extended Definition: Oral expression includes both the skills of listening and speaking. Competent oral expression is complex. It comprises the ability to ask clarifying and extending questions, express generalizations discovered through investigations, debate, persuade, initiate and sustain conversations, present
feelings and emotions, share and exchange ideas and opinions, give directions, and critique oral presentations. It involves verbal and non-verbal behaviors, and the ability to employ and to decode each appropriately.

d. Critical/Analytic Thinking

*Extended Definition:* Critical and analytic thinkers use a series of strategies to ensure that the conclusions they reach are logical and reasonable. They can apply deductive and inductive thinking, make and test conjectures, follow logical arguments, judge the validity of arguments, construct simple valid proofs, understand and apply reasoning processes, develop appropriate criteria for analyzing data or opinions, and distinguishing fact from belief, identify cause and effect, and respond to multiple perspectives. Critical and analytic thinking is necessary developed and employed in all areas of study, from the fine arts to mathematics.

e. Problem-solving

*Extended Definition:* Problem-solving is a series of skills, some systematic, some intuitive, that are developed over time as the result of attempting many complex, non-standardized problems. Problem solving may be inductive, deductive, or non-linear. Effective problem solvers employ many of the following techniques: identify the critical elements of the problem; develop multi-step solutions in a non-routine fashion; generalize familiar solutions and strategies to new problems and situations; generate alternative solutions and strategies for familiar problems and situations; conduct systematic observations and investigations to collect data; consider the policy implications and unintended effects of proposed solutions.

f. Technology as a Learning Tool

*Extended Definition:* Technology is used to store, analyze, present, interpret, process, create, and communicate information for a variety of purposes. To Mastering technology as a learning tool means coming to view any technology as an extension and enhancement of the human mind, not as a separate mechanical system. While the use of technology requires "content" knowledge, a vital key is the "process" ability to integrate the technology to facilitate inquiry, understanding, and production of knowledge. There is a content to learning how to use any form of technology, the more important skill is that of integrating the technology appropriately into the process of inquiry, understanding, and production of knowledge. The skill of Using technology utilization includes knowing how to operate and when to employ computers, online

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databases, telephones, fax machines, electronic mail and bulletin boards, and calculators; audio-visual and multimedia tools, including video cameras and recorders, projection systems, LCD panels, CD-ROMs, sound recording devices, and slide projectors. There is a hardware and software dimension to many technologies. Competent learners master both, with greater emphasis on the potentialities of the software dimension.

g. Systems/Integrative Thinking

*Extended Definition:* A system is a regularly interacting or interdependent group of items, concepts, or structures which form a unified whole. A system may take many forms including social, economic, or political organizations; doctrines, ideas, or principles; societies or social arrangements; or natural organisms and phenomena. Systems thinking requires an understanding of the interactions within, between, and among natural, social, organizational, and technological systems, and the relationship of the individual to such interactions. Systems thinking uses or combines information from across a variety of disciplines in an integrated fashion to demonstrate understanding of the world, and to solve problems or create products. Systems thinking requires the ability to synthesize and integrate information and observations from the parts to form a new pattern or framework for comprehending the whole. or for solving a problem.

h. Teamwork

*Extended Definition:* Teamwork encompasses the social dimensions of learning and doing. A learner who is proficient at learning socially works well with others to create products, solve problems, or reach consensus, negotiate, and coalesce in ways that utilize all members of the group, and cope with conflict and negotiation. Effective team members understand the diversity present in any group and how it affects performance and goal attainment; demonstrate an understanding of the various roles present in groups; show the capacity to lead and follow, depending on the situation; understand the balance between individual and group contributions and responsibilities; understand both individual and group accountability; and show awareness of the role and potential uses of humor when people work together.

i. Quality Work

*Extended Definition:* Quality is the relative degree of excellence present in a work as compared to defined standards or criteria. Quality work may be evaluated along any of a number of dimensions, including its content, structure,
presentation, insights, conclusions, or entertainment value. Quality work demands students capable of comparing their work continuously to internal and external standards. Schools striving for quality create an ethos in which the nature of quality is discussed, and standards for achieving quality are identified. Quality work involves on-going critique and evaluation of products as they evolve. A quality ethos within a school encourages discussion of the nature of quality, the identification of standards, and of the critique and evaluation of products as they are being developed, and when they are completed. Students with an understanding of quality can describe the nature of quality and of standards, and can critique and evaluate the quality of products as they are being developed and when they are completed.

DESIGNATION OF THE OREGON REGIONAL PRIMATE RESEARCH CENTER AS AN INSTITUTE OF OHSU

Summary

Oregon Health Sciences University requested approval to establish an official connection with the Oregon Regional Primate Research Center by designating it an institute of the University and to approve related changes in the University Foundation. Although the work of the Primate Center has always been closely associated with the University, it is not formally a part of the institution.

Background

The Oregon Regional Primate Research Center was established in 1960 in a joint statement of responsibilities signed by the Chancellor, the University of Oregon President, the Dean of the Medical School, two prominent medical researchers, and the chair of the Medical Research Foundation of Oregon. (In 1960, the Medical School was an academic unit of the University of Oregon.) The Medical Research Foundation of Oregon (MRFO) owns the Primate Center and has fiscal responsibility for management of the $8 million in National Institutes of Health (NIH) grants received by the Center. The President of Oregon Health Sciences University is the principal investigator on the NIH core grant that funds the Center and exercises final appointment authority for the Primate Center director.

The MRFO is an Oregon corporation whose primary function is to own and manage the Primate Center. MRFO also supports biomedical research in Oregon by awarding grants to researchers, supporting the M.D./Ph.D. program at Oregon Health Sciences University, and directing a recognition program for excellence in biomedical research. MRFO's "Seed Grant Program" awards research grants based upon the recommendations of a
scientific advisory committee appointed by the Dean of the School of Medicine. The committee ranks biomedical research program proposals from throughout Oregon and awards grants to the top-ranked proposals. The program has historically benefitted biomedical research at public and private institutions throughout Oregon, although the majority of grants are generally awarded to Oregon Health Science University investigators.

Upon Board approval of this proposal to establish the Primate Center as an institute of Oregon Health Sciences University, MRFO will donate its endowment assets to Oregon Health Sciences University Foundation, with the condition that, should the University Foundation dissolve or if Oregon Health Sciences University should withdraw recognition of the University Foundation, those assets will continue to be used in a manner consistent with MRFO’s current mission.

The MRFO will rename itself the Oregon Regional Primate Research Center (ORPRC) and will associate with the University Foundation under the Board’s Administrative Rule 580-46-020(5). The University Foundation will be the only member of the ORPRC and will appoint ORPRC’s Board of Trustees. ORPRC will retain the current Primate Center facility and surrounding property.

Consistent with the Board’s Administrative Rule 580-46-020(4), the OHSU Foundation will affiliate with a newly created entity called the Medical Research Foundation Affiliate (MRFA), which will manage the MRFO transferred endowment assets and oversee award of research grants.

The National Institutes of Health, which fund the Primate Center, have long recommended establishment of a closer association between the Primate Center and the University. The new organization will effect that by giving control of the Primate Center to the University Foundation, which has as a primary purpose its support of Oregon Health Sciences University. The director of the National Center for Research Resources, the agency at NIH that funds the Primate Center programs, has written in support of the reorganization. The proposed reorganization will also ensure that management and development of the land surrounding the Primate Center will be consistent with the needs of both Oregon Health Sciences University and the Primate Center.

MRFO and the Oregon Health Sciences University Foundation also have determined that they can be more competitive in fundraising for biomed—
cal research if they join forces and present a united approach to soliciting funds for biomedical research in Oregon. The two foundations further determined that a more efficient scale of operation/administration can be achieved following the reorganization and affiliation. The Board of Trustees of the MRFO has already approved these transactions.

To reflect the performance of activities other than operation of the Primate Center previously performed by MRFO, the Oregon Health Sciences University Foundation will change its name to Oregon Health Sciences Foundation (OHSF). It will have two purposes: the current purpose of supporting Oregon Health Sciences University and the purpose of supporting biomedical research. This reorganization will have the effect of expanding University Foundation’s activities beyond the institution.

The proposed reorganizations and affiliations will not require additional funds.

This proposal is consistent with the Board’s Policy on Centers and Institutes that recognizes use of the institute mechanism as a legitimate and potentially valuable alternative approach to the furtherance of the institution mission through fostering interdisciplinary research activities and attracting external funding and support.

As required by the Board’s Administrative Rules, President Kohler has approved the affiliation of the MRFA and the Oregon Health Sciences University Foundation and the association of ORPRC and the Oregon Health Sciences University Foundation and has reported his approval to the Chancellor. He has also submitted copies of the proposed new OHSF Articles of Incorporation and Bylaws, the Articles of Incorporation of ORPRC, and the reorganization agreement between MRFO and the Oregon Health Sciences University Foundation. Staff has reviewed them and believes them to be consistent with Board requirements. A copy of the full proposal and all background documents are on file in the State System office.

**Staff Recommendation**

Staff recommended the Board approve this request to make the Oregon Regional Primate Center an institute of Oregon Health Sciences University and to allow the Oregon Health Sciences University Foundation to adopt its new dual purpose including affiliation with an entity that supports activities beyond the institution.
Board Discussion and Action

Mr. Richardson moved and Ms. Christopher seconded the motion to approve the staff recommendation. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.

Introduction

Southern Oregon State College requested authorization to offer a Bachelor of Science degree in Environmental Studies. The proposed program will be offered by the School of Science in consultation with the departments of biology, chemistry, geography, and geology, with augmentation from mathematics and the social sciences. No new administrative unit will be required.

The proposed program is possible through a reorganization of existing courses and faculty positions in the School of Sciences and responds to the increasing demand by students for an environmental studies program. This program was under development in 1991 but delayed by Measure 5-related planning until program reductions and reorganizations could be effected and resources to support the effort clearly identified.

The Environmental Studies program is designed to provide its majors the broad, competitive background necessary to understand environmental systems. It is intended to develop comprehensive approaches to environmental thought, issues, and problems.

The proposed program will prepare students for jobs in federal and state agencies as well as in private consulting and engineering companies. There are several external developments in southern Oregon that provide a positive context for this program at the college. The Applegate Partnership (a joint program of the Bureau of Land Management, U.S. Forest Service, timber companies, and environmental groups), the U.S. Fish and Wildlife Service Forensic Laboratory, and the new Pacific Northwest Museum of Natural History will provide both undergraduate research opportunities and potential employment.

A copy of the proposal was included in the supplementary materials section of the docket. Additional information is on file in the State System Office of Academic Affairs.
**Staff Analysis**

1. **Relationship to Mission**

   The proposed program is supportive of the mission of Southern Oregon State College to provide residents of the region with a rigorous, vibrant, and challenging undergraduate liberal arts and sciences program, together with undergraduate and graduate preparation in selected professional fields. The proposed program is also supportive of the College's responsibility as a leader and investment partner in the economic, cultural, and environmental future of the Rogue Valley.

2. **Evidence of Need**

   In the past few years, there has been a demonstrated and growing awareness of, and concern for solutions to, environmental problems at national, state, and local levels. Topics involving ecology, surface and groundwater flow, pollution, and conservation are best understood from the viewpoint of physical and biological sciences, yet must be moderated with an understanding of other subjects such as economics, mathematics, sociology, and political science. Currently, no single program at Southern Oregon State College provides a broad, integrated approach to environmental studies. The proposed program will fill that need.

3. **Quality of the Proposed Program**

   The quality of the proposed program is assured by the quality of the participating faculty and the well-conceived program objectives and course of study.

4. **Adequacy of Resources to Offer the Program**

   **Faculty.** In the budget reductions and reorganizations resulting from passage of Measure 5, some faculty positions were restructured with the intent of moving toward specific goals. Recently filled positions in departments affiliated with the proposed program have allowed faculty strength to be built in the direction of environmental studies. No additional faculty will be needed to implement the proposed program. However, several replacements due to upcoming retirements will undoubtedly occur.
Library. The major additional library requirement for the proposed program will be for specialized materials covering topics encompassing environmental studies. Specifically, the library will need to provide an indexing or abstracting service covering environmental materials, relevant journal literature, and significant monographs in the field. The cost of these additions will be approximately $2,500 for books and journals and an additional $1,500 for the index, for a total annual cost of $4,000 plus inflation.

Facilities and Equipment. The College currently has the buildings, equipment, and laboratories necessary to offer the proposed program. No additional facilities are required.

Budget Impact. The proposed program will draw on existing courses taught by faculty in the School of Sciences. The only budget impact will be in the area of library resources. Funds in the amount of $4,000 per year, plus inflation, will be provided from part-time faculty enrollment reserves.

5. Duplication

Portland State University offers an Environmental Sciences and Resources degree, but only at the Ph.D. level. Environmental Studies is offered at the University of Oregon as an interdisciplinary minor. Environmental Resource Interpretation is an option within the Forest Recreation Resources program at Oregon State University.

The interdisciplinary baccalaureate program in Environmental Sciences at Oregon State University, approved by the Board in October 1992, has some similarities to the proposed program. However, the proposed program is not interdisciplinary and contains only biology, chemistry, geology, and geography as structured option areas in the major, without including a minor.

The proposed program will serve the regional needs of students who are seeking a strong undergraduate degree with an environmental emphasis who would not, or could not, attend institutions in the Willamette Valley.
Program Review

The proposed program has been reviewed by colleagues at Oregon State University and Portland State University and by representatives of the Bureau of Land Management, the U.S. Forest Service, timber companies, environmental groups, the U.S. Fish and Wildlife Service Forensic Laboratory, and the new Pacific Northwest Museum of Natural History. Many of the suggestions made by these reviewers have been incorporated into the program design. The reviewers stressed the importance of a broad undergraduate base, as opposed to focusing on a set of specific skills. The proposed program is consistent with that vision. The program proposal has also been reviewed positively by the Academic Council.

Staff Recommendation to the Board

Staff recommended the Board authorize Southern Oregon State College to establish a program leading to the Bachelor of Science degree in Environmental Studies, effective fall term of 1994, with a follow-up review of the program to be conducted by the State System Office of Academic Affairs during the 2000-2001 academic year. The proposal should be placed on the consent agenda for final action at the May Board meeting.

Board Discussion and Action (April 22, 1994)

Vice Chancellor Clark provided contextual information, reminding the Board that in the first two rounds of Measure 5, the Board had approved the elimination or suspension of approximately 100 degree programs. "Over that same period of time (three-plus years), we have added only 19 programs, so our net program loss stands at about 81. This has caused serious repercussions for sustaining our enrollment. Programmatic changes continue to evolve, however, and by design we have a number of new programs in the pipeline."

Mr. Bailey moved and Mr. Miller seconded the motion to approve the program and place it on the consent agenda for the May meeting. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Donahue, Lee, Madden Evans, Miller, Swanson, Willis, and Wilson. Those voting no: none.
Board Discussion and Action (May 27, 1994)

Ms. Christopher moved and Mr. Miller seconded the motion to approve the program. The following voted in favor: Directors Aschkenasy, Bailey, Christopher, Lee, Madden Evans, Miller, Richardson, Swanson, Willis, and Wilson. Those voting no: none.

President Wilson called on Mr. Miller to report on the Board Administrative Review Committee's work. He indicated that reports have been completed on Portland State University and the University of Oregon and they are very positive. He thanked all the participants for a job well done.

Dr. Large provided a brief update of the ongoing work of the Public Information Committee. Some creative ideas and themes are being presented to the Committee and reviewed by legal counsel. A more complete report will be provided at the June Board meeting.

Mr. Bailey noted that he and Ms. Christopher have been attending monthly meetings of the Joint Boards Working Group and two main issues -- teacher education and access -- would be addressed in the Joint Boards' meeting.

President Wilson reminded the Board of the upcoming Renewal Work Session in July. The tentative agenda is to review last year's work plan and develop priorities for 1994-95; evaluate the need to reinstate the standing committees; and interact with an educational representative from outside the System.

The third quarter investment report of the Pooled Endowment Fund of the Oregon State System of Higher Education for the period January 1, 1994, through March 31, 1994, was presented in two parts: first, a summary report from the Common Fund that describes the performance results of the various funds used by the State System, followed by tables showing the market value and investment performance of the State System pooled endowment funds through March 31, 1994.

COMMON FUND SUMMARY

Equity Fund - ($35.0 million market value.) The equity portion of the account was down 2.6 percent during the quarter compared with 3.8
percent for the Standard & Poor’s 500 Index. This result also was better than that of the Equity Fund (down 4.2 percent) and the South Africa Free (SAF) Equity Fund (down 3.1 percent). The account was transferred from the SAF Equity Fund to the Equity Fund at the end of February, and was in the better performing of the two funds for each month during the quarter.

While all sectors of the market were down, relative returns in the Equity Fund were helped by the Common Fund’s international, value, and small capitalization managers. Growth, long/short, and hedge managers hurt relative performance.

**Bond Fund - ($22.7 million market value.)** This fund was also down 1.7 percent, which was better than the Lehman Government/Corporate Index, which was down 3.1 percent. The decline in the bond markets was precipitated by two quarter-point tightenings by the Federal Reserve. It was aggravated by a worldwide flight to liquidity, particularly by hedged funds. The Common Fund managers who concentrate in the traditional high quality sectors of the domestic bond market were off a bit more than the market. The Common Fund’s relative returns were helped by global diversification and commitments to high yield and private strategies.

**Real Estate - ($5 million committed; 12/31/93 appraised value $4,608,000.)** The properties in the portfolio were appraised as of December 31, 1993, resulting in a net write down of 2.1 percent for the year. This compares favorably with the principal depreciation of 7.9 percent in the Frank Russell Index. Including income, the fund had a total return of 4.8 percent for the calendar year.

The Common Fund is in the final stages of arranging the sale of an apartment complex in Austin, Texas. A closing before the end of the second quarter is anticipated and a distribution of invested capital and capital gains shortly thereafter.

The Common Fund closed on a $50 million line of credit during the quarter. This enabled the pay off of existing high rate debt on several properties and provides the ability to fund capital improvements at other properties.

**Endowment Energy Partners I - ($1 million committed; 12/31/93 book value $1,139,000.)** In spite of generally lower oil prices during the quarter, the fund did well, largely because its properties are concentrated...
in natural gas where prices averaged in excess of $2 per thousand cubic
feet. Income payments during 1993 were 8.6 percent of committed capital, 
a figure that is expected to increase this year.

(Final 12/31/93 data have not yet been received from the managers of the 
following funds; thus The Common Fund is not yet able to provide year­
end values.)

Endowment Partners Fund I - ($1 million committed.) Three of the 
managers are now fully invested, and The Common Fund expects the 
remaining managers to complete their investment programs within this 
year. Most investments are making good progress. Several positions have 
been sold, resulting in attractive realized gains.

Endowment Venture Partners I - ($1 million committed.) The managers 
of this fund continue to make good progress. This fund never experienced 
the usual downturn in market value in its early years. It continues to do 
well. Several investments are maturing and being sold, allowing for 
distributions to the investors.

**OSSHE INVESTMENT PERFORMANCE**

The following tables present the investment performance results through 
the third quarter of 1993-94 for the OSSHE pooled endowment fund.

(No Board action required)
OREGON STATE SYSTEM OF HIGHER EDUCATION
1993-94 Third Quarter Investment Report
Pooled Endowment Fund
Market Value

<table>
<thead>
<tr>
<th></th>
<th>Market 7-01-93</th>
<th>Market 3-31-94</th>
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<tr>
<td><strong>TOTAL ENDOWMENT</strong></td>
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<td>$66,376,605</td>
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<td><strong>EQUITY INVESTMENTS</strong></td>
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<tr>
<td>Common Fund, Equity Fund</td>
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<td>Real Estate Investment Trust</td>
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<td>Endowment Energy Partners</td>
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<td>Endowment Venture Partners</td>
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<td>Cash</td>
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<tr>
<td>Total Other</td>
<td>9,548,760</td>
<td>8,729,382</td>
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OREGON STATE SYSTEM OF HIGHER EDUCATION
1993–94  Third Quarter Investment Report
Pooled Endowment Fund Investment Performance
Periods Ending 3–31–94
(Based on Total Return)

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<tr>
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<th>CURRENT QTR</th>
<th>FISCAL YTD</th>
<th>1 YEAR</th>
<th>3 YEARS</th>
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<tr>
<td><strong>TOTAL ENDOWMENT</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>OSSHE</td>
<td>-2.1%</td>
<td>3.2%</td>
<td>5.3%</td>
<td>10.0%</td>
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</table>

| **EQUITY (STOCK) INVESTMENTS** |            |            |        |         |
| OSSHE–SAF EQUITY/EQUITY FUND  | -2.8%       | 3.7%       | 4.7%   | 10.4%   |
| S & P 500 STOCK INDEX         | -3.8%       | 0.9%       | 1.5%   | 9.1%    |
| THE COMMON FUND EQUITY FUND   | -4.2%       | 6.4%       | 9.1%   | 12.9%   |

| **FIXED (BOND) INVESTMENTS**  |            |            |        |         |
| OSSHE--BONDS                 | -1.8%       | 3.2%       | 7.2%   | 12.0%   |
| LEHMAN GOVT/CORP INDEX       | -3.1%       | -0.2%      | 2.8%   | 9.4%    |

| **OTHER INVESTMENTS**        |            |            |        |         |
| REAL ESTATE INVESTMENT TRUST | -3.6%       | -1.6%      | -0.4%  | 1.3%    |
| ENDOWMENT ENERGY PARTNERS    | 16.2%       | 21.3%      | 23.8%  | 13.0%   |
| ENDOWMENT PARTNERS FUND      | 0.9%        | 2.9%       | 2.9%   | 1.3%    |
| ENDOWMENT VENTURE PARTNERS   | 0.0%        | 0.0%       | 0.0%   | 0.4%    |

| **OSSHE--STOCKS/BONDS COMBINED** |   |            |        |         |
| OSSHE                      | -2.4%       | 3.5%       | 5.7%   | 11.0%   |

| **WEIGHTED TARGET INDEX**    |            |            |        |         |
| 60% S & P 500 STOCK INDEX   | -3.5%       | 0.5%       | 2.0%   | 9.2%    |
| 40% LEHMAN GOVT/CORP INDEX  |             |            |        |         |

Note: All amounts are net of investment charges.
SUMMARY OF FACILITIES CONTRACTING ACTIVITIES

May 27, 1994

Staff Report to the Board
A summary of facilities contracting activities within the Office of Finance and Administration is presented below:

Contracts for Professional Consulting Services

Basic Science Building P-3 Laboratory, OHSU
An agreement was negotiated with Manfull-Curtis, Inc., for engineering services not to exceed $4,700. Financing will be provided from state funds.

Canyon Garage Elevator Upgrade, OHSU
An agreement was negotiated with MacKenzie/Saito & Associates for architectural services not to exceed $4,950. Financing will be provided from state funds.

CDRC Fire Protection Retrofit, OHSU
An agreement was negotiated with Soderstrom Architects for professional services not to exceed $22,700. Financing will be provided from state funds.

Hoke Hall Remodel, EOSC
An agreement was negotiated with Anderson Perry and Associates Engineer for soil testing services not to exceed $10,000. Financing will be provided from auxiliary enterprise balances.

Hoke Hall Remodel, EOSC
An agreement was negotiated with Anderson Perry and Associates Engineer, for material sampling, testing, and other necessary code-required testing services not to exceed $10,000. Financing will be provided from auxiliary enterprise balances.

International Residential College Feasibility Study, UO
An agreement was negotiated with Gary Moye, Architect, for professional services regarding the facilities requirements of an International College on campus, not to exceed $94,500. Financing will be provided from lottery funds.
Library/Basic Science Building Reconfigurations for the School of Medicine, OHSU
An agreement was negotiated with Ankrom Moisan Associated Architects for professional services not to exceed $58,410. Financing will be provided from state funds.

Outpatient Clinic ADA/Fire Alarm Upgrade, OHSU
An agreement was negotiated with Glumac & Associates Inc., Engineers, for professional services not to exceed $12,000. Financing will be provided from auxiliary balances available to the University.

Parking Addition, OHSU
An agreement was negotiated with Ankrom Moisan Associated Architects for professional services not to exceed $47,000. Financing will be provided from auxiliary enterprise balances.

Recreation Activity Center Feasibility Study, Design Phase, UO
An agreement was negotiated with Berry Architects for professional services not to exceed $25,000. Financing will be provided from auxiliary enterprise balances.

Surface Parking Lot Non-Conformance Mitigation, OHSU
An agreement was negotiated with Ankrom Moisan Associated Architects for professional services not to exceed $21,000. Financing will be provided from auxiliary funds.

Award of Construction Contracts

Badgley Hall, Hunt Hall, and Quinn Coliseum Reroofing Projects, EOSC
On April 8, 1994, Mt. Hood Roofing Company, Inc., was awarded a contract for this project in the amount of $299,950. Financing will be provided from capital repair funds.

Bean Hall Reroofing Project, UO
On April 18, 1994, Umpqua Roofing Company, Inc., was awarded a contract for this project in the amount of $428,880. Financing will be provided from auxiliary funds.

Campus Condensate Return System Replacement Phase I Project, OSU
On April 9, 1994, Dale Ramsay Construction Company was awarded a contract for this project in the amount of $458,024. Financing will be provided from capital repair funds.
Central Power Station Turbine #1 Project, UO
On March 16, 1994, Copenhagen, Inc., was awarded a contract for this project in the amount of $675,000. Financing will be provided from a SELP loan.

Gerlinger Annex Reroofing Project, UO
On April 5, 1994, Umpqua Roofing Company, Inc., was awarded a contract for this project in the amount of $121,560. Financing will be provided from capital repair funds.

Rogers Hall Reroofing Project, OSU
On April 5, 1994, Umpqua Roofing Company, Inc., was awarded a contract for this project in the amount of $141,864. Financing will be provided from capital repair funds.

Onyx Bridge Laboratory Modernization Project, UO
On March 24, 1994, ISEC, Inc., was awarded a contract for this project in the amount of $96,473. Financing will be provided from funds available under an NSF Grant.

Acceptance of Projects

Fenton Hall Reroofing Project, UO
This project is complete and was accepted on February 15, 1994. The final direct construction costs were $159,363. Financing was provided from capital repair funds.

Susan Campbell & Hendricks Halls Exterior Repair Project, UO
This project is complete and was accepted on February 15, 1994. The final direct construction costs were $154,158. Financing was provided from state funds.

(No Board action required)

Staff Report to the Board
In September 1993, the Board reviewed and approved its proposed work plan, including the development of campus academic productivity and educational reform plans. The Chancellor established criteria to guide campus planning (e.g., ambitious in reach and scope, relate to campus missions, affect the undergraduate experience, identify productivity outcome measures and quality indicators). The purpose of these plans is
to assure demonstrable results by describing how greater academic outcomes could be achieved in relation to the resources available to the State System.

During the 1993-1995 biennium, the State System will be moving out of a phase of exploration of productivity and educational reform and ad hoc implementation into a phase of focused planning and implementation. Campus plans were submitted to the Chancellor in early April 1994. Brief summaries and analyses of these plans follow. Each campus has received questions for further clarification or additional analyses of proposals needed to link those campus plans more directly to State System 1995-1997 biennial budget planning.

The campuses are engaged in activities that will redesign the way they function as institutions of higher education. A large number of changes are posited by the colleges and universities in their proposed plans. These changes appear to fall into five categories: faculty, students, curriculum, service delivery, and fees. Each campus will be exploring changes in at least three or four of these categories. Most of these changes could be supportive of efforts to increase the number of students served in quality instructional programs within existing staff and resource constraints and to assist more of those students to be successful in terms of achieving degrees and achieving them in less time than it takes now.

1. Changes in Faculty

In an effort to improve academic productivity, the campuses have proposed several strategies that will require changes related to faculty. These include (a) training faculty in technology, mastery learning, and advising (changing what faculty know), (b) differentiating faculty work roles that would result in some faculty teaching more, increasing faculty involvement in recruiting and advising students, and reducing committee work (changing what faculty do), (c) using part-time instructors to teach lower division undergraduate courses (changing who the faculty are), and (d) structuring incentives to reward desired faculty behavior and activity (changing the faculty culture). Although each campus takes a somewhat different approach, all examine and suggest changes in faculty roles in order to promote the common goal of helping more students obtain degrees in less time.
2. **Changes in Students**

Most of the campuses will attempt to increase retention of current students, move them more rapidly through programs to degrees, and recruit new students. Different campuses target different mixes of student populations (e.g., Oregonians, nonresidents, international students, minority students).

3. **Changes in Curriculum**

Several of the colleges and universities are suggesting sweeping changes in overall undergraduate requirements and programs: streamlined core curricula, reduced graduation requirements, more concentration in the major fields, fewer low enrollment courses, more interdisciplinary courses, and measurement and assessment of student outcomes. In addition, some campuses propose fewer but stronger graduate programs.

4. **Changes in Delivery Systems**

Some of the proposed changes build on the familiar -- larger class sizes, better scheduling of required classes, and more intensive scheduling of classes to optimize utilization of crowded facilities. Others suggest using self-paced and mastery learning approaches in courses, or sections of courses, that require rote learning, enabling faculty to redirect their efforts to higher-order learning activities. A few suggest expanding telecommunications to reach placebound students not served by the State System and to link with community colleges to integrate curricula and requirements in order to serve more Oregonians.

5. **Changes in Fees**

Changes in fees were proposed by two universities. For example, the University of Oregon wants to increase revenue as a strategy to enhance program quality through the addition of an undergraduate resource fee; Portland State University wishes to assess tuition based on a per-credit-hour fee.

Summaries of the campus plans are presented below for Board consideration. Further analyses are in the supplementary portion of the docket.
Eastern Oregon State College

Summary

All College faculty and staff members were polled for ideas. Those ideas were then reviewed and aggregated by the administration with assignments for follow-ups made to specific administrators. The Provost has been monitoring ongoing activities and organized the report to the Chancellor's Office.

Eastern Oregon State College plans to enhance academic productivity through a number of initiatives. Greater efficiencies will be achieved by attending to placement of students in appropriate classes, reducing duplication of learning goals between courses, using mastery learning approaches in selected courses, developing an accelerated baccalaureate in business/economics, setting requirements for coursework based on demonstrated competencies, and expanding cooperative programs with community colleges nearby. Student learning productivity is the focus of greater attention to student advising and developing support structures (e.g., learning communities and tracking) for students at risk of failure and dropping out. Faculty productivity and administrative efficiency will be achieved through greater applications of technology to these processes.

Oregon Health Sciences University

Summary

Although the approaches to enhanced academic productivity are specific to each school or unit, the initial and final discussions about these approaches occur in the Oregon Health Sciences University Executive Committee. Major budget reduction planning is coordinated by standing or ad hoc budget committees in each unit. The compilation of these plans is reviewed by the Executive Committee, the Faculty Senate of the University, the Executive Committees of the unions (American Federation of State, City, and Municipal Employees and Oregon Nurses Association), the All Hill Student Council, the Management Association, and others as appropriate. Following input, the proposals are forwarded to the Executive Committee and to the President. In addition, a public corporation work group has also assembled data and developed a proposal for a public corporation model for Oregon Health Sciences University. Each school within Oregon Health Sciences University has drafted a productivity plan that includes curricular review and restructuring, increasing faculty
workload, and using telecommunications to deliver programs. The Oregon Health Sciences University Productivity Plan will be completed in June 1994.

To respond to the revolution in health care and its consequences (e.g., increased primary care workload, decreased patient revenue, formation of University-wide practice group), Oregon Health Sciences University must be able to compete in a rapidly changing marketplace to maintain the highest quality possible as a tertiary referral hospital. The formation of a public corporation is the highest priority in the strategic plan developed jointly by the clinical faculty and the hospitals and clinics.

Oregon Institute of Technology

Summary

Oregon Institute of Technology embarked on an institutional planning effort in January 1993 that included activities within the campus community, the Oregon Institute of Technology Advisory Boards and Foundation, and external constituents from local and state institutions and business/industry. The goals and strategies adopted for the productivity and educational reform efforts complement the goals of the institutional strategic plan.

The Oregon Institute of Technology’s productivity plan sets goals to (a) develop innovative instructional technology to enhance opportunities for flexible program delivery and extend services, (b) develop faculty incentives to achieve productivity improvements, (c) develop outcomes and assessment plans at each department level, (d) implement an Enrollment Management Plan, (e) implement Faculty Professional Development Plans, (f) enhance collaborative efforts with community colleges and four-year colleges, and (g) increase funds from external sources. To achieve efficiencies, Oregon Institute of Technology plans to increase enrollment to 3,000 FTE students during the next five years emphasizing enrollment increases for full-time nonresident, international, and underrepresented minority students. A system for tracking enrollment and retention will be developed to facilitate assessment of these activities.
Oregon State University

Summary

Conversations and planning around instructional productivity and educational reform have involved several groups. Two groups played key roles in the development of the Oregon State University plan -- an ad hoc Faculty Productivity and Workload Task Force and the Academic Structure Work Group. Oregon State University’s academic deans and the Faculty Senate and its Executive Committee and newly formed Academic Assembly have been active participants in academic program leadership related to plan development. A central feature of Oregon State University’s plan is the requirement that each academic unit develop a specific plan to increase instructional productivity including the identification of the programmatic impacts of implementation. Preliminary unit plans are due in June with final plans due November 1994.

Oregon State University will continue to offer a core of classes to meet the basic needs of a greater number of undergraduate and graduate students by (a) redirecting instructional resources from lower-demand courses to higher-demand areas by combining or eliminating courses and programs, (b) increasing student rate of progress to degrees, (c) managing faculty workload and assignments to increase instructional productivity, (d) strengthening recruitment efforts, and (e) expanding use of instructional technology. Oregon State University plans to increase enrollment by three percent for each of the next three years (fall 1996 enrollment of 15,400), to increase numbers of students served per FTE faculty, and to achieve productivity gains of 15 percent over the 1991-92 academic year by the 1996-97 year.

Portland State University

Summary

The Portland State University plan to increase academic productivity has been developed in the context of its strategic planning. During the last three years, various faculty groups have been involved in the development and implementation of a comprehensive University plan. Each department has developed specific plans to respond to the goals and objectives of the University plan.
In order to achieve greater efficiencies in student learning, Portland State University will simplify the undergraduate curriculum by reducing specialized course offerings, the required number of classes, and the minimum number of hours required for a baccalaureate degree. Portland State University plans to reduce the proportion of Educational and General Funds devoted to fixed personnel costs (from 86 percent to 80 percent) and to provide appropriate support structures (technology upgrade, development, training) and incentives to increase faculty and student productivity and success. Departments are to be transformed into goal-setting and assessment collectives to function as the basic units of academic productivity. To respond to greater demands and shifts in markets, enrollment capacity will be increased in some existing programs, new programs will be established, quality graduate programs will be offered in the metro region through joint ventures with the University of Oregon and Oregon State University, and distance learning opportunities will be expanded in social work, business, and engineering.

Portland State University wants to (a) approve new undergraduate programs at the institutional level, (b) decentralize international programs, and (c) replace the tuition plateau with a per-credit-hour charge.

Southern Oregon State College

Summary

The Southern Oregon State College "Progress Report on Academic Productivity and Education Reform Plan" was developed in consultation with the Faculty Senate Advisory Council and the Provost’s staff. A draft plan was circulated to all department chairs and then discussed by the full Faculty Senate. Revisions on the first document were included in the final Productivity Report submitted to the Chancellor in May.

Southern Oregon State College plans to increase nonresident students two percent per year to a maximum of 25 percent of total student enrollment to generate additional revenue. In addition, a savings of $200,000 will be achieved (i.e., changing faculty staffing by reducing reliance on part-time instructors). Greater learning efficiency is the goal of a restructured undergraduate curriculum that (a) sets performance indicators for the nine course Core Curriculum, (b) includes team-taught, interdisciplinary courses, and (c) establishes outcome assessment measures for the Senior Capstone Experience in the major field and higher-order intellectual skills. The restructured Core Curriculum will be implemented in fall 1995. In
addition, majors will be simplified -- fewer electives, more efficient scheduling of classes, and cycling of courses. Southern Oregon State College will offer an accelerated baccalaureate program and will develop appropriate interconnects and points of entry into this program. These efforts are directed toward increasing undergraduate student retention by 16 percent by the end of the five-year period. Attention will be given to the costs of and demands for various graduate programs.

Southern Oregon State College wishes to explore converting to a semester system to achieve additional efficiencies.

University of Oregon

Summary

The process used to develop the Productivity Plan included extensive faculty participation in nine working groups. The University’s process also included a half-day retreat for department heads, deans, and members of key faculty committees followed by discussions in each department. This broad-based review led to a consensus affirmation of the Plan’s goals and to specific departmental proposals for activities to support these goals. The Productivity Plan is based upon three underlying themes: (a) retention of qualified students, (b) promotion of a sense of community, and (c) emphasis on student learning.

The University of Oregon’s goals for productivity improvement include (a) serving the increasing numbers of Oregonians who are qualified for and need university educations, (b) retaining and building upon the University of Oregon’s educational assets as a research-intensive member of the Association of American Universities, while enhancing its traditional college environment, and (c) establishing financial stability. To achieve these outcomes, a number of departmental and college initiatives are identified. The majority of these academic initiatives are targeted at the undergraduate level, but a few are designed at the master’s level.

The University of Oregon’s Productivity Plan will enable the campus to increase the number of resident freshmen each year to match or slightly exceed the growth in Oregon high school graduates. The University intends to meet its goals through a combination of strategies that emphasize student learning. To help as many students graduate as possible within given resources, the plan concentrates on student retention and shortened time to degrees.
The University of Oregon proposes to meet student retention goals (beyond the 59 percent graduation rate in the Basic Plan) through the assessment of new student resource fees: Educational Technology Fee of $50 per term (Level 2 implementation of 62 percent graduation rate); and Undergraduate Resource Fee of $100 per term (Level 3 implementation of 66 percent graduation rate), both by 2000-01.

Western Oregon State College

Summary

Western Oregon State College plans to increase instructional productivity by changing faculty staffing (i.e., use more part-time instructors to teach lower division undergraduate courses). In addition, self-paced learning materials and computer-assisted modules will be used to teach basic skills and knowledge in introductory courses in math, computer science, economics, business, and music, enabling faculty to focus teaching efforts on higher-order learning activities. Western is developing a uniform Core Curriculum with fewer credit hours to move students faster into major fields and to graduation. To assist teaching professionals with the implementation of K-12 school reform, in-service training will be delivered on a self-support basis to teachers through a new division within School of Education.

Board Discussion

Vice Chancellor Clark provided a brief overview of the campus plans and timelines. In June, the Board will receive a summary of changes specific to the personnel planning progress. Also in June or July, a description of the campus educational reform projects funded from seed money will be presented to the Board.

(No Board action required)

Staff Report to the Board

In 1988, the Western Interstate Commission for Higher Education (WICHE) initiated a new undergraduate student exchange program -- the Western Undergraduate Exchange (WUE). In 1989, the Oregon State Board of Higher Education approved a staff recommendation for OSSHE institutions to begin participating in WUE.
The goals of WUE are to increase student access and choice while enhancing the efficient use of educational resources among the western states. The basic assumptions underlying WUE are: (1) that most institutions have some programs that can accommodate additional students at little or no additional cost; and (2) that additional nonresident students can be attracted to those programs by offering a tuition discount.

Institutions charge nonresident WUE students 150 percent of resident tuition if they apply and are admitted to one of the designated WUE programs. WUE tuition is significantly less than out-of-state tuition at all participating institutions.

Institutions participating in WUE specify which programs will be available to WUE students and admit WUE students to those programs on a space available basis. Institutions are under no obligation to admit WUE students. The benefit to institutions is twofold: increased tuition revenue at the margin and a smoothing of enrollments across programs. The benefits to the state are efficient use of resources and increased access for residents to a wide variety of programs in other states.

WUE has proven to be a very popular program with students and parents in all of the participating states. WUE enrollments have increased dramatically over the life of the program as reflected in the attached tables.

Board guidelines for OSSHE participation in WUE require the following:

- A WUE program must be able to accommodate a limited number of additional students without requiring additional resources;

- WUE admissions must be on a space available basis and limited to the programs approved for WUE participation by the State System Office of Academic Affairs;

- Nonresident students previously or currently enrolled at OSSHE institutions will not be allowed to convert to WUE status;

- WUE students who change majors to a non-WUE program will lose their WUE status;

- WUE students enrolled in accordance with the above guidelines shall continue to be eligible for the WUE tuition rate for the
duration of their undergraduate academic program even if that program is removed from the approved list; and

- Institutions participating in WUE are required to provide an annual report to the State System Office of Academic Affairs reflecting the number of WUE students enrolled by program, together with the students’ states of origin.

The following table reflects a history of WUE enrollments related to Oregon.

During 1991-92, some members of the Academic Council and OSSHE admissions directors expressed concern at the increasing number of Oregon residents going out of state under WUE. The vast majority of Oregon WUE students attend institutions in Idaho and Montana.

Idaho public institutions have the second lowest resident tuition in the nation, with the state providing support equal to 90 percent of the cost of instruction. Since fall term 1991, WUE tuition at Idaho institutions has been lower than resident tuition at any OSSHE institution. Tuition at Montana institutions, while not as low as Idaho, is low enough to provide an attractive alternative to Oregon resident tuition.

In 1992, members of the Idaho legislature became alarmed at the number of nonresident students enrolling at their institutions under WUE. The perception was that WUE students were receiving the benefit of a generous state subsidy and crowding out resident students. As a result, Idaho placed an upper limit of 600 on the number of WUE students that could be enrolled at its public institutions. In 1993, Montana also became concerned at the size of WUE enrollments and capped them at 650. Because of the large number of WUE students already enrolled in those states, the caps are being phased in over a three- to four-year period. In fall 1991, 1,092 WUE students were enrolled in Idaho institutions. By fall 1993, the number was down to 846. WUE enrollments in Montana reached a high of 2,240 in fall 1992. They decreased only slightly by fall 1993, but are expected to decrease substantially by fall 1994.

There is some concern that Oregon could be losing its best high school graduates to out-of-state institutions as a result of WUE participation. However, a review of the academic standing of Oregon high school graduates going to Idaho as WUE students in the fall of 1990 revealed that less than six percent were in the top ten percent of their high school
graduating class. Similar data have not been available for subsequent years.

Oregon has successfully limited the number of WUE students coming into the state by strictly limiting the programs in which WUE students may enroll. Oregon has adhered to the original WUE policy of maximizing state resources by attracting additional students to targeted programs that can accommodate additional students at no additional cost. Unlike Oregon, most other states have allowed institutions to make all programs available to WUE students regardless of enrollment pressures, available resources, and marginal costs.

In a time of decreased state funding, rising tuition, reduced enrollments, and growing demand for higher education access, WUE provides Oregonians reasonably priced out-of-state alternatives. However, concerns related to the number and quality of the students leaving to attend out-of-state institutions, Oregon’s inability to compete with the low tuition available in nearby states, and the possibility that some WUE students might have come to Oregon at full nonresident tuition in the absence of WUE indicate a need for further review and analysis of the costs and benefits of continued participation.

Over the next few months, the Office of Academic Affairs will conduct a thorough analysis and prepare a recommendation to the Board regarding future participation by Oregon in WUE.

(No Board action required)

WESTERN UNDERGRADUATE EXCHANGE (WUE) ENROLLMENT HISTORY

WUE STUDENTS ENROLLED AT OREGON INSTITUTIONS

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Oregonians Going Out of State Under WUE

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Percent Change: 144% 97% 12% 20%

(Arizona, California, and Washington do not participate in WUE)

PUBLIC AFFAIRS

Mr. Kerans indicated that he and Chancellor Bartlett appeared before the Senate Interim Education Committee to present testimony regarding the public corporation proposal. The Committee's legal counsel will be meeting with Ms. Melinda Grier to address some questions that arose during that session and to refine further the legislation.

Legislative Update

Members of the Senate Education Committee and House Higher Education Review Task Force are scheduled to visit Oregon State University. In response to a request by Senator Lenn Hannon to explore the public corporation proposal in depth, he and the Chancellor signed a joint letter inviting a number of legislators to meet on June 22 to participate in an informal, yet detailed discussion on that topic.

"Kids First" Initiative

Finally, Mr. Kerans described the initiative entitled "Kids First," which has been certified for circulation. The proponents have hired contractors to gather signatures to assure that it will be on the November ballot. The initiative would dedicate, from the state General Fund, 100 percent of the current dollars that have been given to K-12 and community colleges, plus an increase for the Consumer Price Index, plus an increase for growth in student population. The effect on higher education would be an approximately 28 percent cut in the next biennium.
Meeting #629

Chancellor Bartlett voiced concern. "It makes a distinction among sectors of education that's quite artificial and flies directly against the notion about which I feel so strongly: viewing education as a process that begins in preschool and ends sometime after retirement. I just hope that, somehow, we will avoid having to get into this kind of highly discriminatory and highly divisive political process."

Responding to a question about the sponsor of the initiative, Mr. Kerans said it was chiefly financed by the Oregon Education Association.

Mr. Lee suggested that proactive measures to address public perceptions and funding cuts be discussed at the Renewal Work Session.

Measure 5, 1994

Vice Chancellor Large explained that there is another Ballot Measure 5 certified for the November election. This measure appears to be even more restrictive than Washington's Initiative 602, which was on their ballot November 1993. Dr. Large has been consulting with representatives from the University of Washington about their experiences and possible strategies to respond to the initiative.

Alternative Funding

President Wilson noted that Secretary of State Phil Keisling has expressed interest in alternative ways to fund higher education. Dr. Large and President Ramaley have met with Mr. Keisling to discuss issues related to his proposal.

STATE POST-SECONDARY REVIEW PROGRAM

As the effective date (July 1, 1994) for implementation of the State Postsecondary Review Program (SPRP) approaches, OSSHE institutions continue to work with the designated Oregon State Postsecondary Review Entity (SPRE) to develop review standards and a satisfactory complaint procedure. The process for drafting the regulations has been collaborative, and the SPRE has been responsive to input from all sectors of higher education. OSSHE institutions remain alert to the creation of any new administrative requirements as well as the development of standards that exceed the authority and intent of the SPRE as indicated in the statutory language or as reflected in congressional intent.

On May 2, OSSHE institutional SPRE representatives met to discuss the first draft of the SPRE's proposed final review standards. The memo (in the supplementary section of the docket) reflects the joint response of OSSHE institutions. The revised (second) draft of proposed final regulations is due to be released the week of May 16. OSSHE institutional
SPRE delegates will undertake a similar review process, as outlined above, to prepare comments.

According to the SPRE planning schedule, a final draft of Oregon proposed review standards and complaint process is scheduled to be submitted to the Department of Education for review on June 30.

OSSHE continues to consult with educational associations in Washington to monitor the progress of SPREs in other states and to obtain ongoing analyses of Oregon proposed review standards.

Board Discussion

Vice Chancellor Large provided an update on the State Postsecondary Review Program (SPRP), a federally funded but state-managed oversight group for students in Title IV or the Federal Student Aid Programs. SPRP is particularly aimed at reducing the default rates on student loans. The state standards are scheduled for July 1994 implementation, assuming the Congress appropriates the administrative funds to pay for the cost of operating these state review entities.

(No Board action required)

POSTSECONDARY REVIEW PLANNING SCHEDULE, 1994

<table>
<thead>
<tr>
<th>Date Begun</th>
<th>State Postsecondary Review Program Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 15</td>
<td>Mail comprehensive SPRP planning information to all Title IV participant institutions and state agencies.</td>
</tr>
<tr>
<td>March 1</td>
<td>Meet with all participating institutions and agencies. Discuss planning procedure and questions thereon.</td>
</tr>
<tr>
<td>March 15</td>
<td>Meet separately with institutional groups. Discuss problems and questions unique to each group and ask for</td>
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<tr>
<td></td>
<td>consensus on work through group representatives.</td>
</tr>
<tr>
<td>April 1</td>
<td>Meet with group and agency representatives. Begin to discuss in detail the actual content of standards and</td>
</tr>
<tr>
<td></td>
<td>complaint procedures that will be developed. Enter drafting phase.</td>
</tr>
<tr>
<td>Date</td>
<td>Action</td>
</tr>
<tr>
<td>------------</td>
<td>-------------------------------------------------------------------------</td>
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<tr>
<td>April 15</td>
<td>Mail a first draft of SPRP standards and complaint procedures to all institutions for their comments to the Office of Educational Policy and Planning (OEPP) and to their group representatives. Receive and analyze comments.</td>
</tr>
<tr>
<td>May 1</td>
<td>Begin revision of draft to assimilate initial findings.</td>
</tr>
<tr>
<td>May 15</td>
<td>Mail revised draft of SPRP standards and complaint procedures to all institutions for their comments to OEPP and to their group representatives. Receive and analyze comments.</td>
</tr>
<tr>
<td>June 1</td>
<td>Meet with group and agency representatives. Begin revision of draft to integrate conclusive findings.</td>
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<tr>
<td>June 15</td>
<td>Reconcile SPRP standards and complaint procedures with associated Title IV federal regulations and other HEA provisions, as required by SPRP rules.</td>
</tr>
<tr>
<td>July 1</td>
<td>Submit proposed Oregon SPRP standards and complaint procedures to the U.S. Department of Education.</td>
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</table>

**State Scholarship Commission**

Dr. Large reported that he has been participating in the development of the State Scholarship Commission budget, representing higher education interests. The Oregon Student Lobby has also been communicating student needs to the Commission. (The Commission is facing an approximately 14 percent reduction in General Fund dollars.)

**STAKEHOLDERS MEETINGS**

Over the past two months, the Oregon State System of Higher Education (OSSHE) conducted ten stakeholders meetings throughout the state to discuss the convergence of three events: adoption by the Board of the long-range vision plan for Oregon higher education developed by the Higher Education 2010 Advisory Panel, introduction and discussion of a plan to implement a recommendation by the Advisory Panel to change the administrative relationship between the state and OSSHE via a public corporation model, and the issuance of the Governor's 1995-1997 budget targets and the strategic decisions that OSSHE must make as it seeks to establish the System's foundation budget.

All eight OSSHE institutions served as hosts for campus-based meetings with additional community-based meetings held in Bend, Ontario, and Charleston. The nearly 500 stakeholders who attended included a broad
cross section of faculty; students; campus administrators and staff; OSSHE alumni; state legislators; local community leaders; representatives of business, industry, local school and educational services districts, community colleges, faculty unions, agriculture, and the media; and members of the arts community.

The meetings featured a core curriculum of information designed to provide a framework for understanding and discussion, including:

- BARC recommendations/implementation
- Impact on tuition and enrollment
- The future: Increased demand and the 2010 vision
- Public corporation proposal
- 1995-1997 budget choices

The handout in the Board packets provided an overview of the information presented to stakeholders.

The vast majority of discussion and questions centered on the public corporation proposal. Those discussions and questions reflected a mixture of support, openness to further consideration, healthy skepticism, and interest in learning more about how the proposal would work if approved and implemented.

The information provided during the statewide stakeholders meetings served as the basis for supplemental stakeholders meetings and initiatives that included one-on-one meetings with state legislators and members of the congressional delegation and a briefing of congressional staff members and Washington, D.C.-based OSSHE alumni.

In an effort to reach an even broader audience of stakeholders, a series of editorial board meetings were held throughout the state, the results of which were largely positive with most supporting further consideration of the proposal. A set of all editorials related to the public corporation was provided in the Board packets.

The stakeholders meetings were an important part of a long-term and integrated process to build excitement for the future of higher education in Oregon, to ensure that there is an understanding of what has been achieved through the effective and strategic management of diminishing
resources, and to generate support for ideas that seek to achieve access goals for Oregon undergraduates to affordable, quality public higher education.

(No Board action required)

WORK SESSION

President Wilson called on Dr. Kohler to briefly describe Oregon Health Sciences University to provide a framework for future consideration of the public corporation proposal for the University solely versus the State System as a whole.

Dr. Kohler explained that Oregon Health Sciences University is the only academic health center in the state and, therefore, is responsible for educating all the health care providers -- physicians, nurses, dentists, as well as allied health professionals.

The University has been streamlining its operation. For example, central administration staff has been cut 50 percent (formerly 42 employees, currently 21). The budget for the University is large. "I suspect we'll hit half a billion dollars within the very near future," said Dr. Kohler. "Less than 14 percent of that is from the state (tax-derived revenue). We are also the largest employer in the city of Portland, with 6,651 employees. Within the context of big organizations, we have more jobs than Weyerhaueser, Boise-Cascade, and Louisiana-Pacific combined in the Portland area. We also bring in more than $150 million in out-of-state revenue from a variety of sources, largely research and clinical care." Oregon Health Sciences University has competitive scientists who essentially "bring their money, their grant support, with them." The University has an excellent reputation throughout the country.

Regarding conversion to a public corporation, Dr. Kohler described some specific instances where following state-prescribed procedures resulted in unnecessary delays. As a public corporation, the University would be allowed to use those components of the state that serve their needs without being encumbered by needless bureaucratic processes. "We have the problem of working against twin tides -- a rapidly changing health care environment and dwindling state resources. We're wrapped in multiple layers of well-intended bureaucracy and regulations. We can continue on this way, but can we continue to be successful? I don't think so."

Dr. Kohler mentioned one question that has been raised repeatedly: Why not separate the Hospital from the University? "The activities of the
Hospital, the School of Medicine, and other on- and off-campus activities currently are joined together synergistically. They share resources. They share space. They share personnel. In fact, they are the same people. Those who teach the medical students also provide care at the Hospital and conduct research.

"Oregon has lots of hospitals. If we split off University Hospital, we'll have one more hospital. But Oregon has only one academic health center where teaching, research, and patient care are brought together under one single, figurative roof."

In summary, Dr. Kohler listed the problems he believes will be resolved through the public corporation:

- Slow and protracted decision making;
- Complicated and duplicative administrative processes;
- High costs of business, especially when compared with competitors; and
- Inability to respond rapidly to changes in the health care environment.

"We would continue to be a comprehensive academic public health center," concluded Dr. Kohler. "We would be a state-assisted institution, and we would be a major tertiary health care deliverer."

Ms. Wilson thanked President Kohler for his overview and indicated that Dr. Aschkenasy would continue the work of his subcommittee in analyzing and refining the public corporation proposal.

Dr. Aschkenasy introduced the discussion of the public corporation, noting that there has been some negative reaction to the words "public corporation." He stressed that what is important is the content, not the title, and concerns are being addressed in as accommodating manner as possible.

Vice Chancellor Ihrig referred to a one-page document in the Board packets that summarized significant changes in the proposed public corporation legislation since the April Board meeting. He reviewed the 14 changes, noting that they incorporate suggestions and provide clarification.

Mr. Ihrig noted that a three-page paper entitled, "System of Higher Education Public Corporation Model," summarized the proposed legislation. Issues such as various governance structures and diversified retirement were discussed. Mr. Miller described the difficulty communi-
eating, to the legislature and public, beneficial changes that aren’t easily translated into dollars saved.

Ms. Christopher asked if Oregon Health Sciences University would continue the collaborative academic programs if it became a public corporation. Dr. Kohler responded that he would expect those to continue.

President Wilson asked Dr. Aschkenasy for a recommendation. He replied that he, Dr. Kohler, and Vice Chancellor Ihrig would address as many concerns as possible, and then present a united front by the next meeting.

The Board moved to Mt. Mazama Room to have lunch and listen to a discussion led by Vice Chancellor Ihrig describing the 1995-1997 budget guidelines. He directed Board attention to a chart entitled "1995-1997 Biennium State Support," which listed the areas of budget shortfalls. Combined General Fund and lottery cutbacks total $103.2 million. Factoring in an adjustment to current service level ($27.8 million) and tuition lost from reduced enrollment due to reduced state funding (9,000 students or $38.7 million), the budget shortfall for 1995-1997 increases to nearly $170 million.

Vice Chancellor Ihrig discussed possible strategies for addressing the budget shortfall, including Decision Package requests for lottery funding, increased nonresident enrollment, and productivity measures.

The Board meeting was adjourned at 1:15 p.m.