Summary of Work Session

July 21, 1995

Renewal Work Session Follow-up

The Board Work Session began at 1:40 p.m. President Swanson opened the Work Session discussion, a follow-up of the Board Renewal held in June, by reminding the Board of several suggestions made by Governor Kitzhaber. Specifically:

1. Improve the links between OSSHE and the community colleges.
2. Build and/or strengthen the relationships between OSSHE institutions and the regional economic strategy boards.
3. The State System must become more actively involved in initiatives that are perceived to be relevant to the needs of the state, such as public safety.
4. Public higher education must determine the role it will play in the Governor's six-year plan.

Mr. Swanson underscored the Governor's remark that all planning must be done within current resource constraints. Chancellor Cox added that the Governor was preparing for a retreat and has identified five areas of concentration:

1) Public safety; 2) Continuum of education -- pre-kindergarten through doctorate; 3) Compassion for the vulnerable; 4) Opportunities for employment (a new name for regional economic development); 5) Sharing the prosperity of economic development -- improving the quality of life.

In thinking through how to involve Board members and presidents in advancing work in these areas, Mr. Swanson indicated that he and Dr. Aschkenasy were proposing the creation of several committees or work groups. One group would focus on developing a higher education economic strategy and another on telecommunications including distance and continuing education.

Ms. Wilson supported the recommendation of forming work groups, indicating that some of the most successful work of the Board has been accomplished when the Board focused its attention on specific issues. She suggested a third area of work in which the Board should be involved: policy questions related to funding. The focus would include articulation of the need for stable funding; tuition and student financial aid issues; and clearly identifying the needs of the System.

Dr. Aschkenasy indicated that some elements of the future are very clear: no new taxes; $250 million budget deficit; and the "prison gorilla" on our backs that will continue to drain all available resources.

Mr. Swanson indicated that he, Dr. Aschkenasy, and the Chancellor would propose the make-up of these working committees. Further, he invited Board members to provide him with any preferences they may have for one or the other committee.

Student Life Forum: Oregon Family Resource Study

Vice Chancellor Clark introduced this first part of the Student Life Forum that addressed the issue of family resources and students' financial ability to attend college. Mr. George Pernsteiner summarized the work that led to hiring Human Capital Research Corporation to conduct the Oregon Family Resource Study. At Chancellor Cox's request, Mr. Pernsteiner clarified the difference between the terms "dependent students" and "independent students." Basically, dependent students can rely
upon their parents or others to pay a portion of the costs of college; independent students are financially emancipated or are over the age of 24. Dr. Cox noted that, throughout OSSHE, approximately 60 percent of the students are dependent and 40 percent independent.

Mr. Brian Zucker, Human Capital Research, indicated that his comments applied particularly to dependent students since they were the dominant population. Highlights of his presentation to the Board were:

- Income distributions are highly similar between dependents attending public and private four-year institutions.
- Median family incomes in the U.S. have remained virtually unchanged over the past five years.
- When defining sources of funding, responsibility is generally shared among parent, student, and government. When combining student and parent responsibility, families are assuming about 84 percent of the cost of attendance.
- When asked how they would handle an 11 percent tuition increase, 54 percent of respondents indicated they would pay that increase. Another alternative would be to seek attendance at a lower-cost institution.
- While families are willing to shoulder a great portion of the student's cost of college attendance, the research demonstrates that families, in general, are not saving much money toward their children's education.

Mr. Zucker's recommendations based on his conclusions from the data analyses are:

- Informed tuition policy discussions and decisions must be linked to an understanding of financial aid.
- When attempting to determine manageable levels of debt for students and families, there must be some understanding about the future earnings of those students.
- Recognize that resource allocation for such things as student services, for example, may have important fiscal implications on enrollment management. In other words, in an environment of austerity, policy makers should avoid being "penny wise and pound foolish."

Board Meeting Schedule

The final item on the Work Session agenda was reaching agreement on the number of meetings of the Board per year and the accompanying question of visits to the campuses. The general consensus was that the Board should meet between seven and nine times per year. In addition, strong preference was voiced for continuing to hold three or four of the meetings each year on the campuses and rotating the schedule so that every campus has a visit every other year.

Ms. Christopher reported on a public safety initiative that is beginning in the Ashland/Medford area. A roundtable has been started to discuss the issues related to public safety, agencies that are or should be involved, and working toward some shared solutions. Higher education is going to be an active participant, she reported.

The Work Session adjourned at 3:05 p.m.