1. Call To Order/Roll Call
The meeting was called to order at 3:45 by President Lussier. The following Board members were in attendance:

- Mr. Kerry Barnett
- Dr. Geri Richmond
- Mr. Roger Bassett
- Ms. Phyllis Wustenberg
- Ms. Leslie Lehmann
- Mr. Tim Young
- Mr. Jim Lussier

Chancellor’s Office staff present: Chancellor Jarvis, Tom Anderes, Shirley Clark, Grattan Kerans, Ben Rawlins, Virginia Thompson, Diane Vines, and Susan Weeks

Others: Philip Conn (WOU), Phillip Creighton (EOU), Martha Anne Dow (OIT), Lesley Hallick (OHSU), Tim White (OSU), and Elisabeth Zinser (SOU)

Meeting attendees also included other institutional representatives, members of the Chancellor’s Office staff, and interested observers.

Welcome/Context Setting
President Lussier welcomed participants to the first meeting of the Board in the New Year.

The Work Session, President Lussier noted, was to focus the Board’s attention on several documents that have come together in the System Strategic Directions 2003-04: a presentation made at the July Board’s Renewal Work Session, the report of the Strategic Work Group and the framework that was adopted in December that articulates a budget acquisition strategy called, The Deal; and a work plan the Board adopted in December.

2. Action Items
a. System Strategic Directions 2003-04

Summary
This document contained the Strategic Directions proposed by the Board President for the period January 2003 through December 2004. It follows the themes discussed at the Board Renewal session in July 2002 and provides additional context for the Work Plan adopted by the Board in December 2002.
A. **System Design**: Examine the operating framework of the Board and the System, and strengthen the working relationships of the Board, System, and institutions:

1. Develop a **Decision Structure** to best achieve the goals of public higher education in Oregon.
   a. Clarify the decision-making structure of the **Board** of Higher Education
      1) Set an annual agenda
      2) Modify meeting format and frequency and the use of committees to improve Board effectiveness
      3) Assign to committees the appropriate strategic initiatives
      4) Review and update the Board Bylaws
   b. Articulate the roles of the **Chancellor and the University presidents** in development of policy recommendations for the Board and in implementation of Board policies and achievement of Board goals
   c. Develop appropriate **System and institutional** roles and relationships to improve the efficiency and effectiveness of both within an integrated system of higher education
      1) Adopt and promote the Flexibility Initiatives in the 2003 Legislative Session

2. Develop a **Strategic Development Plan** for OUS with which institutional plans should be compatible and supportive.
   a. Adopt a **vision** for OUS
   b. Develop a statement of the OUS **goals** and anticipated services to the citizens of Oregon
   c. Refine **mission statements for each University** and align with OUS vision and goals, identifying distinctions between and strengthening collaborative relationships among the institutions
   d. Develop **policies** that include measurable outcomes and outline the respective OUS and University responsibilities for:
      1) Quality and enrollment management
      2) Increased diversity of students and faculty populations
      3) Access and admission standards
      4) Tuition and fees (see B.2 on Affordability)
      5) Academic program approval
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e. Strengthen the role of the OUS and individual institutions working with the business community in support of Oregon’s economic development

f. Identify unmet higher educational needs of the state

3. Develop policies to facilitate and direct the System and the Universities to increase the effectiveness of their partnerships with:
   a. Oregon community colleges to optimize access through dual enrollment, articulation, and transfer
   b. Oregon K-12 Education to support seamless transitions through K-16
   c. Other Oregon state and local government agencies to maximize public services during times of restrained public funding

4. Explore effectiveness of current governance structures as needs arise.
   a. Local university advisory boards – assess possible scope of responsibilities in the light of progress with the Flexibility Initiatives presented to the 2003 Legislature, and determine whether formal Board policy statement is necessary
   b. Joint Boards – assess ability to achieve goals with Oregon community colleges and K-12 under the current structure

B. Propose a new Higher Education Financial Strategy for Resource Acquisition (The Deal)

1. Establish an agreement with the State to define a foundation for funding the quality of OUS institutions that will be competitive nationally: by providing State support for OUS indexed at 80 percent of the average funding of peer institutions by 2003, growing to 85 percent in 2005 and 90 percent in 2007. Examine implications for Oregon public finance policy.

2. Improve affordability by increasing financial aid resources available to qualified Oregon residents through the Oregon Opportunity Grant, institutional aid programs, and System policy on tuition revenue set-aside.

3. Establish competitive benchmarks for the compensation of faculty, staff, and administrators so that Oregon can maintain a competitive position in the nation.

4. Pursue avenues for new sources of revenue and/or expense reduction.
   a. Partnerships with business and industry
   b. Increasing the use of philanthropy
   c. Developing enterprise opportunities
   d. Reducing overhead expenses, System-wide and institutionally
   e. Reviewing PERS and other related benefit expenses
5. Increase **flexibility in the use of non-state revenue** through the implementation of the Board-approved Flexibility Initiatives.

6. Seek authority to use Bond proceeds to fund all **delayed facilities’ maintenance** programs by 2004.

7. Continue to **identify unmet educational needs of the state** and prioritize suitable candidates for targeted initiative funding.

C. **Create and Promote a new Social Contract/Covenant with the citizens of Oregon and with State Government**

1. Document and promote the critical **importance of higher education** for all qualified Oregonians.

2. Provide a specific **strategic plan implementation schedule** to insure that OUS and the Universities meet the identified needs of the state.

3. Ask the citizens and government of the state to increase their **investment** in higher education (as proposed in The Deal).

4. Facilitate the increase of institutional specific **philanthropy**.

5. Create an OUS/citizen **advocacy program** for higher education in Oregon.
   
   a. Business Support (AOI, Oregon Business Council, Chambers of Commerce, etc.)
   
   b. Government (Governor and legislative leadership)
   
   c. The general public
   
   d. Other education sectors

**Staff Recommendation to the Board**
Staff recommended that the Board approve the System Strategic Directions 2003-04 as a blueprint for developing strategies to move the agenda of the Board forward.

**BOARD DISCUSSION:**
Using a power point presentation, Director Lussier outlined the key points of the System Strategic Directions. (A copy of the PowerPoint presentation can be found on the web at [http://www.ous.edu/board/meetingmaterials.htm](http://www.ous.edu/board/meetingmaterials.htm)).
At the conclusion of the presentation, Director Wustenberg asked if any consideration had been given to prioritizing the list of important activities needing Board attention. President Lussier responded that each of the Committees would be focusing on that during their meetings. He observed that some of the items would have to come first as the System prepares for the legislative session.

Director Bassett thanked President Lussier for his leadership in assuring the document was prepared, indicating that it provides a sense of where the Board is at any given time. In addition, he requested that President Lussier continue his leadership role in keeping the Board focused and, after discussion, on target with the priorities and time lines to which the Board has agreed.

Director Wustenberg asked about the work of the Joint Boards and if there were any working agreements among the leaders of the other education sectors that related to the present plan. President Lussier commented that relationships are becoming much stronger and clearer. There may be more impetus toward collaboration because of the environment of very scarce resources. “I don’t think we can afford to play a zero sum game because we’re not going to win in that kind of environment,” he added. He underscored that it was extremely important for the Board of Higher Education to continue to exert leadership in advancing the agenda of all of the educational enterprise.

Both Directors Lehmann and Bassett concurred and added that members of the Board of Education appear ready to work on the same strategic priorities as higher education. Director Bassett added that the key to working collaboratively is to view the work from the students’ perspective. “From a student’s point of view, it takes an experience in all three sectors, or at least two (K-12 and post secondary) to finish what they would see as their preparation for life. I think it’s not so easy for those of us in advocacy roles for one sector to remember that or act as though that is a priority,” Director Bassett offered.

Director Richmond observed that the System Strategic Directions articulates the momentum that the Board is experiencing in its work. “I also want us to keep track of the fact that we, along with K-12 and community colleges, pass on knowledge – that’s what we do when we teach. But our research universities also generate new knowledge and that is a strong component of what we do which is quite different than the other parts of the education system, and I don’t want us to lose track of that aspect of our mission,” she added.

Chancellor Jarvis, in checking perceptions and understanding regarding the use of the System Strategic Directions, asked if the document now would go to the Committees where work plans would be developed. President Lussier indicated that was his goal, adding that some of the topics had already been designated for one or the other of the Committees. That work would then be mapped onto a master planning document where the progress could be tracked.
President Creighton offered that most of the institutions were doing many of the things described for the Board. “What happens, now,” he added, “is the coherence of these efforts locked together through the document and that is the real benefit of the current effort.” Presidents Zinser, Conn, and White concurred and added that the presidents had many opportunities to discuss the topics included in the System Strategic Directions.”

There was general agreement that the System Strategic Directions 2003-04 should be adopted at the full Board meeting and that the System Strategic Planning and Budget and Finance Committees would review it, indicate those areas of their responsibility, and begin building a work plan.

b. Board Work Plan and Committee Assignments

**DOCKET ITEM:**

**SYSTEM GOALS, PRIORITIES AND DECISIONS: 12-24 MONTHS**

<table>
<thead>
<tr>
<th>System Design Strategy</th>
<th>Committee</th>
<th>Due Date</th>
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<tbody>
<tr>
<td>A. Develop an OUS policy on access and affordability.</td>
<td>SSP, Joint Boards</td>
<td></td>
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<tr>
<td>B. Within parameters set by the Board, approve an OUS policy on tuition for use by institutions in proposing tuition increases.</td>
<td>SSP, Flex Initiative</td>
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<tr>
<td>C. Develop an OUS policy on expediting academic program initiation and approval.</td>
<td>SSP, Flex Initiative</td>
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<td>D. Across the System, promote collaborative partnerships with community colleges to:</td>
<td>SSP, Joint Boards</td>
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<tr>
<td>• Increase dual enrollments</td>
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<td>• Facilitate transfers</td>
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<td>E. Continue to revise the existing OUS strategic plan by:</td>
<td>Vote:</td>
<td>12/20/02</td>
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<tr>
<td>• Approving the new Vision for OUS</td>
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<td>• Working toward differentiated mission statements for each institution</td>
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<td>F. Revisit the adopted OUS policy on Governance and use of University Advisory Boards for each institution in OUS</td>
<td>Defer SSP consideration until Flex Initiative outcome is determined</td>
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**Financial Strategy**

A. Propose legislation or amendments to existing statutes that                         | B & F/Flex Initiative |


would allow OUS and member institutions more financial flexibility.

B. Outline possible new sources of revenue/expense reduction for OUS. B & F/Flex Initiative

C. Gain Legislative/Executive agreement on The Deal, to provide a funding floor to support the access-quality relationship. B & F/The Deal

D. Continue to pursue improvement in need-based student financial aid using other states, for example the state of Washington, as templates. SSP, B&F, Opportunity Grant Coalition

Social Contract/Covenant (Board)

A. Develop specific recommendations to modify the role and relationship between the State of Oregon and OUS. The Deal and Flex Initiative

B. Develop a comprehensive advocacy program for higher education targeted to the general public, government, and business.

C. Review status of Board policy and System practices regarding achieving competitive faculty, administrative, and staff salaries. Compensation Committee report

BOARD DISCUSSION
The items included in the Work Plan were incorporated into the discussion around the System Strategic Directions. No action was taken in the Committee meeting.

3. Discussion Items
   a. Chancellor Goals and Objectives for 2003-04

CHANCELLOR’S GOALS FOR 2003-2004
The Chancellor has responsibility for:
   • supporting the Board in carrying out its core functions and in meeting its fiduciary obligations for the System, including the development and allocation of resources to achieve the institutions’ and System’s purposes and goals;
   • supporting the Board in the establishment of Board goals and measures of progress;
   • support the Board in reviewing, revising (as needed), communicating, and implementing Board policies;
   • working with the Board in appointing institutional presidents and key System staff;
   • creating the organizational framework and management expertise within the OUS that enable the institutions and System to provide Oregon strong
educational and research services, support for economic and community
development, and especially access to high quality higher educational
opportunities at an affordable cost for all Oregonians;
• ensuring that all applicable policies, laws, and mandates are followed; and,
• building public understanding of and commitment to investing in the essential
roles of higher education in realizing a strong Oregon for its citizens, businesses,
communities, and environments.

Each year the Board and the Chancellor will agree to a set of annual goals that, along
with the Chancellor’s job description and contract, form the criteria used in his
evaluation. Following are the Chancellor’s proposed goals for 2003.

1. **System Design, Policy Development & Planning.**
   Provide leadership to the Board and the presidents to establish a decision structure
   that strengthens the effectiveness and efficiency of collaboration between and
   among the Board and Chancellor, the Chancellor and the institution presidents, and
   among the institution presidents.

   The Chancellor and his staff will:
   1.1 Work through a planning process with the Board that will result in clear direction
       for the ways in which Board goals will be articulated, adopted, and accomplished.
       1.1.1 Develop preliminary statements of OUS vision and goals for Board
           approval.
   1.2 In areas targeted by the Board for policy review and development this year
       (such as quality, affordability, and access), provide the Board with the research
       and other tools required to arrive at new policies that may be required to achieve
       the goals established by the Board.
       1.2.1 For any new policies approved by the Board, develop implementation
           plans and measurable outcomes to determine the level and timetable of
           accomplishment.
   1.3 Assure timely and useful staffing to Board committees.
   1.4 Working with the presidents, refine institutional mission statements and assure
       they are aligned with OUS vision and goals.
   1.5 Establish productive working relationships between the Chancellor and the
       institution presidents, individually and collectively, that will help to implement
       Board policies and to provide System services to the campuses that are
       consistent with Board policies and expressed values
       1.5.1 At least once a year report to the Board on the successes and
           challenges found in collaborative/cooperative endeavors.
       1.5.2 Review the performance evaluation program for presidents (and propose
           modifications/changes as advisable) and evaluate alternative models of
           presidential compensation and contracts to ensure that OUS remains
           competitive nationally.
   1.6 Develop with the Board and the institution presidents strategies to improve the
       relationships between and among all sectors of the K-16 community in Oregon
1.6.1 Establish productive working relationships with the State Superintendent of Public Instruction and the Commissioner for Community Colleges and Workforce Development
1.6.2 Assess ability to achieve Board goals with Oregon Community Colleges and K-12 under the current Joint Boards structure
1.6.3 Work closely with the Joint Board to promote closer collaboration between OUS and the Oregon Community Colleges
1.7 Working with the presidents, members of the business community, and appropriate agencies of state and local governments, establish mechanisms to strengthen the effectiveness of OUS and the institutions in support of economic development in Oregon.
1.8 Manage the System Administration ("Chancellor’s Office") as efficiently and effectively as possible, delegating to the campuses those processes and services that can be better performed or delivered there and regularly reviewing the value-added provided by activities that are retained centrally.
   1.8.1 Review administrative structure of staff reporting to the Chancellor in the light of the strange work style of the new guy

2. Budget Acquisition/Legislative Campaign.
   During the 2003 Legislative session, in particular, and for the foreseeable future, a primary responsibility of the Chancellor will be to develop a plan to achieve the best possible results in terms of stable and increased funding and attention focused on the challenges facing the Board and OUS.
   2.1 Work with the Board and presidents to develop a strategy to build an agreement or set of agreements with the state on the relationships between funding, quality, access, affordability, and enrollment management across the OUS.
   2.2 Develop a package of administrative efficiency/"flexibility” initiatives that will encourage the state to empower the Board, and in turn, through the Chancellor and presidents, the System and the institutions to operate more efficiently.
   2.3 Staff a review by the Board of procedures to determine faculty and staff salary targets & evaluate progress in achieving them.
   2.4 Coordinate legislative efforts of Board members, presidents, and OUS staff

3. New Social Contract with the State
   3.1 Develop an advocacy plan for the Board to support the legislative and budgetary agenda for OUS, and to establish a secure and sustainable long-term commitment of all major stakeholders in Oregon to support higher education
   3.2 Establish the personal networks within the state for the Chancellor to serve as an effective advocate for public higher education

4. Personal & Professional
   4.1 Teach freshman course in discipline (physical geography) at different campuses within OUS
   4.2 Establish presence in national professional associations in higher education
BOARD DISCUSSION
Chancellor Jarvis briefly reviewed the areas of his goals and objectives for 2003-04 and indicated the ways in which they reflect the goals and objectives of the Board. He indicated that these would be the areas to be included in my performance evaluation.

b. Board Advocacy During 2003 Legislative Session

The Board was presented with a packet that contained an Advocacy Plan for the State Board of Higher Education. The overall goal of the plan is to support the legislative and budgetary agenda for OUS and to establish a secure and sustainable long-term commitment to the support of higher education of all stakeholders in Oregon, including the general public, government, and business.

Included in the presentation and the materials were:
1. A suggested list of constituent groups that included legislators; community/civic groups; business related groups; partner, agency, and education groups; and the media.
2. Suggested Board advocacy activities that are intended to increase public understanding of the critical issues affecting students and the System, and communicating System and partner efforts that will maintain access, quality, and accountability of our public universities for all Oregonians.
3. Tools such as talking points, fact sheets, “leave behinds,” PowerPoint presentations and speeches, and so forth.

Board members were asked to complete a Board Advocacy Form that would provide staff information as to which Board members would be interested in and effective with particular individuals and groups.

BOARD DISCUSSION

Chancellor Jarvis introduced an advocacy plan and reminded the Board that one of the purposes for placing the topic of advocacy on the Board’s agenda is that a number of directors have pressed him for assistance with the advocacy role that the Board should play, in particular with regard to the upcoming legislative session. The focus is on how the System office can support the Board members’ efforts to support the agenda and priorities that have been discussed.

Vice Chancellor Vines highlighted the purpose of the materials included for Board use:
• Overall goal of the advocacy plan, derived from President Lussier’s work, to create and promote the new social contract and covenant with the citizens and state government.
• Identify constituent groups the Board wants to reach: legislators and legislative leadership at both the state and federal levels, the community and civic groups and leaders, business-related groups, and so forth.
• Listing of a range of advocacy activities as a guide for Board members use.
• Listing of tools Board members could use including items such as talking points on identified issues, fact sheets on items of high interest, including The Deal, speeches given by the Chancellor, and so forth.
• “Who to Call” includes phone numbers and email addresses for people in the System office who can be contacted and areas of expertise.
• A Board Advocacy Form which provides the names of groups that Board members can use if they know some individuals within those groups.
• An list of suggested ways to talk to the press and ways in which staff can provide assistance.

Mr. Kerans reviewed items related to Board legislative outreach. He reviewed a calendar and tentative time line for both state and federal legislative matters. He reminded the Board about some cautions or “don’ts” of working on political issues. The first is that Board members are free to speak on their own behalf and can be identified as a member of the Board of Higher Education. However, the Board itself cannot take a position. Secondly, Board members are limited in the number of hours they can spend in direct face-to-face time with legislators without having to register as a lobbyist.

Director Bassett indicated that he understood the application of all of the materials, but expressed the belief that it seemed too much one way. “Just as it is appropriate for us to deliver our message to others, it is equally as important that the messages of the folks out there come to us with more or less the same discipline,” he observed. “So it would be helpful to me, in thinking of advocacy in the broadest sense, that anything with the definition of ‘do’s and don’ts,’ include as much attention to how we bring what we hear out there back here and that we make it a part of our deliberations.”

In response to a request from Director Lehmann for one or two points that a Board member might use in discussions about higher education, Chancellor Jarvis responded that he would share with the Board the “take-aways” that he is using when he meets with legislators or others in public arenas. One of the first areas of frequent conversation is enrollment – the history and the future of enrollment trends. The point to be emphasized is that the System saw the loss of half a decade of enrollment growth in the 1990’s post Measure 5 era. “We’re now facing the possibility of another plateau as resources flatten. This plateau is coming at the same time we would, in fact, be projecting sustained and, indeed, increasing enrollments.” Chancellor Jarvis expressed deep concern that the same patterns of the early ‘90s are on the horizon again. Already in this biennium the System has suffered a greater loss in dollars, down five percent against real earnings, and a greater increase in enrollment in just these two years than in the entire decade of the 90’s. Said another way, there is a growing gap between enrollment pressure and resource availability. “Whenever you talk about access denied, the public image tends to focus on students unable to achieve admission to an institution. But,” Chancellor Jarvis emphasized, “that drives through a lot of categories. Some students never appear; some are unwilling or are unable to take on substantial loan debt and that impacts most harshly on those who are the most needy. The point that the campuses always make very forcefully, is that “a reduced number of class
sections limits choice and academic process and denial out is the same as and as adverse as denial in.”

Director Lussier stressed that it must be very clear that if you adjust for inflation, there is even less money and that is a difficult concept to get across to people.

Another point is that the Opportunity Grant, as the primary source of financial aid, is a top priority and the resources appear to be continuing a downward slide. The amount available and the number of students receiving funding is virtually flat and the proportion of students who are eligible for the Opportunity Grant is diminishing biennium by biennium. “At the present time the grant provides 10 percent of the need,” Chancellor Jarvis underscored. “The target level for increased support, if indeed the request of the coalition were granted, which is going to be a tough lift, is to get that up to 15 percent. And even then, only one in three eligible applicants will be funded next year.” Frequently, in his presentations, the Chancellor makes the comparison with the state of Washington that reveals that we are far short of where that state is, as well.

In legislative briefings, deferred maintenance is also included. It presents another major set of problems for the System and the institutions. Highlighted in the conversations is the fact that campus buildings are aging – half of all facilities were constructed between 1960 and 1975 and this creates some serious risk factors.

Chancellor Jarvis concluded that when he talks with legislators, he avoids putting out a particularly large dollar figure because there is no way of knowing what that figure is at the present time. “What I say is, we are a System that has substantial unmet demand and we need to see a commitment to growth and access for public higher education in the state of Oregon. We need to establish a relationship between access and quality and then we need to invest in quality and I attempt to get at that through the device of seeking funding at 80 percent and then growing that over three biennia. The message that drives to is, invest in quality and stick with it. Financial aid is the third point that I always talk about because if the financial aid dilemma is not resolved, then we simply can’t address either of the other two. And, finally, we can’t simply address these items without the Flexibility Initiatives because they provide avenues for additional resources outside the state resource base.”

Director Lehmann asked that staff prepare a response to the comment people often raise that Oregonians pay more taxes or have a higher tax rate than any other state. On another point, she said she would like to be able to demonstrate the relationship between higher education and economic recovery.

Director Barnett indicated that another area needing more clarity is the use of the term “80 percent of national peers. In what percentile would that put us? It strikes me that it may not be clear to all audiences what a modest goal that is. My question in part,” he continued, “is how compressed are these funding levels? Does 80 percent of our peers put us in the 10th percentile, the 30th? Here is the problem. Eighty percent sounds higher
than I believe it is because it sounds like it’s pretty close to 100 percent. We know that 100 percent actually equals average, but do others know that?”

An additional item of clarification was provided in response to a question of how often there was an adjustment in the peer comparison. Vice Chancellor Anderes pointed out that his office is currently conducting a thorough review of the updated figures of our peers. This kind of extensive review occurs, he indicated, about every four years since it is a fairly detailed process.

Referring to a point in the presentation about enrollment post Measure 5, Provost Moseley suggested adding an element that showed in 1989 an all time enrollment high. Then Measure 5 passed, enrollments dipped, and then went back up. He suggested that the graph could be convoluted with the freshman participation rate during that same period (approximately 22 percent in 1989), with a series of points that could be quantified. You could then make the point of a lost generation of students. This would be a way to make visible the point we all understand.”

Director Bassett observed that during the last drop in higher education enrollment the argument was that the students were going to the community colleges. “That is less true now than it was at an earlier time. Showing these facts would make it more difficult for those with decision authority to take an easy way out,” Mr. Bassett concluded.

President Lussier brought the discussion to a close by observing that it would be extremely useful for Board members to have a page with bullet points that could be used when they have only three or four minutes to make a point or get information conveyed. He reminded people that everyone needs to do a much better job of advocating for higher education.” I hope we expand the advocacy even more into almost a public relations campaign, to really get our point across and keep hammering at it because people do take us (higher education) for granted and I don’t think we can allow that current environment.”

4. Report Item
   a. 2003-04 OUS Enrollment Report

DOCKET ITEM:
Summary
Oregon University System (OUS) enrollment reached 78,111 as of the fourth week of class, up 5.7 percent over fall 2001. For the fifth year in a row, OUS has reached all time enrollment almost matching exactly the OUS projections. All campuses except Southern Oregon University reached individual campus enrollment records. First time freshman participation continues to fuel the increases. The growth in new resident undergraduates has remained strong for five years, filling the enrollment pipeline and assuring large graduating classes for another five years. Specifically contributing to the growth are the large high school graduating class for 2002 and an increase in resident transfer and graduate enrollment. With the continued growth of high school graduates, a broadening gap in income between those with and without a bachelor’s degree, and the
trend toward a knowledge-based economy in Oregon, demand for higher education in Oregon will likely be tempered in the current decade only by affordability.

In addition to the across-the-board growth in credit enrollment, an estimated 200,000 students will enroll in OUS noncredit courses in 2002-03.

**Eastern Oregon University**
Fourth week enrollment at Eastern Oregon University is up 14.8 percent, the largest percentage increase of OUS campuses for the fourth year in a row. Resident first time freshman counts are up 16.7 percent from fall 2001, to 286 students; nonresident first time freshman enrollment is steady; and transfer and graduate enrollment has increased, despite losing headcounts to programs offered through the OSU Cascades campus. The total enrollment also reflects an increase in nonadmitted students as Eastern continues to expand its outreach role in a region encompassing nearly one quarter the area of Oregon.

**Oregon Institute of Technology**
OIT shows a 1.7 percent increase in enrollment, with a continued increase in new transfer students from within the state making up for a 5.9 percent decrease in resident first time freshmen. This may be due in part to Klamath Community College students matriculating to OIT, as well as OIT’s unique mission drawing more transfer students from other parts of the state. OIT has taken over applied health services programs from Oregon Health and Science University, adding to their Portland presence. Since OIT graduates have a very high rate of employment after graduation, demand for their programs is likely to stay strong.

**Oregon State University**
With graduate level growth and strong retention, OSU managed a new all-time high enrollment of 18,774, up 4.1 percent overall, despite a lower undergraduate recruiting yield for the first time in four years. Campus administrative reorganization, expansion to central Oregon, and continued investments in engineering and research keep OSU in the public eye. The pharmacy program is now fully enrolled, finalizing the migration from an undergraduate to a professional level program.

**Portland State University**
Portland State continues to show increases in resident first time freshmen, with enrollment in that category up 10.6 percent. Strong growth for more than five years has allowed PSU to set a new OUS enrollment high of 21,841. Community college transfers and transfers from other OUS campuses are up significantly. PSU continues to support the Portland area, but is also attracting students from Oregon high schools and community colleges throughout the state and the west. Expanding partnerships with OHSU, a continued effort to attract and retain first time freshmen, and joint admission programs with the urban community colleges make PSU attractive to both in-state and out-of-state undergraduates and graduates.
Southern Oregon University
Southern Oregon University enrollment has remained relatively flat for the fifth straight year with an increase of nine students over fall 2001. An increase in first time freshmen and community college transfers has not been enough to replace the graduating seniors. Nonresident enrollment is down slightly, likely due to California’s commitment to providing financial aid to their residents. Key programs such as Theatre Arts continue to draw more students than can be accommodated. However, recruitment efforts have not resulted in the desired overall enrollment increase.

University of Oregon
Resident first time freshman enrollment increased again this fall, up 3.4 percent over last fall, and up more than 15 percent in two years. Nonresident freshman admits were also up, possibly reflecting the positive reviews by national publications, including a listing among America’s “best deals” in colleges. UO continues its increasing trend in resident undergraduates, but graduate enrollment is up as well. With the remodel of Gilbert Hall under way, classroom capacity is likely to be challenged until construction is completed.

Western Oregon University
At 5,048, Western Oregon University has grown 3.1 percent overall, with improvements in nearly all categories. Western exceeded the 5,000-enrollment mark only seven years after surpassing the 4,000 mark in 1995. With teacher education drawing more students, graduate enrollment continues to lead the increases, and now accounts for over 9.5 percent of the admitted students.

OSU Cascades Campus
Headcount enrollment at Cascades Campus met expectations, increasing from 245 to 387 in OUS programs offered through the Bend campus. Program offerings have expanded, and other partners offering coursework through Cascades include Linfield College and OHSU, which are not reflected in OUS reports. The dedication of Cascades Hall in September adds to the visibility of the campus, local support has been strong, and joint or co-enrollment with COCC students is growing.
Tables A through C provide the 2002 and 2001 enrollment statistics.

**Table A. Summary of OUS Headcount Enrollment 2002-03**

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<th></th>
<th>Fall 2002</th>
<th>Fall 2001</th>
<th>Change</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate Resident</td>
<td>54,087</td>
<td>51,144</td>
<td>2,943</td>
<td>5.8</td>
</tr>
<tr>
<td>Undergraduate Nonresident</td>
<td>9,065</td>
<td>8,744</td>
<td>321</td>
<td>3.7</td>
</tr>
<tr>
<td>Graduate Resident</td>
<td>12,448</td>
<td>11,623</td>
<td>825</td>
<td>7.1</td>
</tr>
<tr>
<td>Graduate Nonresident</td>
<td>1,636</td>
<td>1,566</td>
<td>70</td>
<td>4.5</td>
</tr>
<tr>
<td>Law Resident</td>
<td>255</td>
<td>248</td>
<td>7</td>
<td>2.8</td>
</tr>
<tr>
<td>Law Nonresident</td>
<td>259</td>
<td>269</td>
<td>(10)</td>
<td>(3.7)</td>
</tr>
<tr>
<td>Vet Medicine Resident</td>
<td>54</td>
<td>55</td>
<td>(1)</td>
<td>(1.8)</td>
</tr>
<tr>
<td>Vet Medicine Nonresident</td>
<td>16</td>
<td>17</td>
<td>(1)</td>
<td>(5.9)</td>
</tr>
<tr>
<td>Pharm.D. Resident</td>
<td>216</td>
<td>146</td>
<td>70</td>
<td>47.9</td>
</tr>
<tr>
<td>Pharm.D. Nonresident</td>
<td>75</td>
<td>71</td>
<td>4</td>
<td>5.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>78,111</strong></td>
<td><strong>73,883</strong></td>
<td><strong>4,228</strong></td>
<td><strong>5.7</strong></td>
</tr>
</tbody>
</table>

Definitions:
1. "Resident" fee category includes any student assessed resident fee rates.
2. "Nonresident" fee category includes students assessed the nonresident fee rate.

**Table B. Summary of Institution Headcount Enrollment Changes 2002-03**

<table>
<thead>
<tr>
<th></th>
<th>Fall 2002</th>
<th>Fall 2001</th>
<th>Change</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Oregon University</td>
<td>3,418</td>
<td>2,978</td>
<td>440</td>
<td>14.8</td>
</tr>
<tr>
<td>Oregon Institute of Technology</td>
<td>3,139</td>
<td>3,088</td>
<td>51</td>
<td>1.7</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>18,774</td>
<td>18,032</td>
<td>742</td>
<td>4.1</td>
</tr>
<tr>
<td>OSU Cascades Campus</td>
<td>387</td>
<td>245</td>
<td>142</td>
<td>58.0</td>
</tr>
<tr>
<td>Portland State University</td>
<td>21,841</td>
<td>20,185</td>
<td>1,656</td>
<td>8.2</td>
</tr>
<tr>
<td>Southern Oregon University</td>
<td>5,478</td>
<td>5,469</td>
<td>9</td>
<td>0.2</td>
</tr>
<tr>
<td>University of Oregon</td>
<td>20,044</td>
<td>19,008</td>
<td>1,036</td>
<td>5.5</td>
</tr>
<tr>
<td>Western Oregon University</td>
<td>5,030</td>
<td>4,878</td>
<td>152</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>78,111</strong></td>
<td><strong>73,883</strong></td>
<td><strong>4,228</strong></td>
<td><strong>5.7</strong></td>
</tr>
</tbody>
</table>
Table C: First Time Freshman Enrollment 2002-03

<table>
<thead>
<tr>
<th></th>
<th>Resident 2002</th>
<th>Resident 2001</th>
<th>% Change</th>
<th>Total 2002</th>
<th>Total 2001</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Oregon University</td>
<td>286</td>
<td>245</td>
<td>16.7</td>
<td>424</td>
<td>375</td>
<td>13.1</td>
</tr>
<tr>
<td>Oregon Institute of Technology</td>
<td>334</td>
<td>355</td>
<td>(5.9)</td>
<td>367</td>
<td>385</td>
<td>(4.7)</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>2,623</td>
<td>2,804</td>
<td>(6.5)</td>
<td>3,057</td>
<td>3,229</td>
<td>(5.3)</td>
</tr>
<tr>
<td>Portland State University</td>
<td>1,180</td>
<td>1,067</td>
<td>10.6</td>
<td>1,444</td>
<td>1,243</td>
<td>16.2</td>
</tr>
<tr>
<td>Southern Oregon University</td>
<td>709</td>
<td>667</td>
<td>6.3</td>
<td>883</td>
<td>860</td>
<td>2.7</td>
</tr>
<tr>
<td>University of Oregon</td>
<td>2,363</td>
<td>2,286</td>
<td>3.4</td>
<td>3,394</td>
<td>3,152</td>
<td>7.7</td>
</tr>
<tr>
<td>Western Oregon University</td>
<td>752</td>
<td>747</td>
<td>0.7</td>
<td>796</td>
<td>830</td>
<td>(4.1)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,247</strong></td>
<td><strong>8,171</strong></td>
<td><strong>2.3</strong></td>
<td><strong>10,365</strong></td>
<td><strong>10,074</strong></td>
<td><strong>2.9</strong></td>
</tr>
</tbody>
</table>

**BOARD DISCUSSION:**

Mr. Bob Kierans provided a brief overview of the report highlighting that the good news is that enrollment is up and the bad news is that enrollment is up. “This is the fourth year in a row the System has hit a record high enrollment, with six of the institutions also at record enrollment.” Resident undergraduate enrollment is up 10 percent over the last 10 years – from 42,500 to over 54,000 this past fall. In addition, the quality of entering students as measured by the SAT and ACT scores and high school GPA profiles of entering freshmen are better than the previous year, according to Mr. Kierans.

Ten years ago, Director Richmond recalled, the projection was for a large increase in student population. Mr. Kierans pointed out that they would have been projected at less than the current 78,111 level of today. One trend that was pointed out is that both Eastern and Portland State University are showing, through strong increases, a trend more toward the four-year student that they are able to recruit and retain.

Director Barnett observed that there appeared to be some discrepancies between the “F” in affordability that Oregon received in the “Measuring Up Report” with the accompanying indications that fewer and fewer students can afford to attend OUS institutions and the fact that the present report on enrollment indicates that enrollment is, in some instances, at an all time high.

Chancellor Jarvis responded that the major portion of the growth is not in first time freshmen but from other sectors of the population who, perhaps, can or will afford a greater loan debt. There was general agreement that a clear message should be developed to explain the two somewhat disparate concepts highlighted by Director Barnett.
President Lussier suggested that the Work Session should be adjourned and the discussion regarding enrollment would continue for a brief period of time at the beginning of the System Strategic Planning Committee meeting.

**BOARD ACTION:**
No Board action required.

5. **Adjournment**
The Work Session adjourned at 5:45 p.m.