May 30, 2014

TO: MEMBERS OF THE STATE BOARD OF HIGHER EDUCATION

The Oregon State Board of Higher Education and its Academic Strategies Committee will convene on June 5-6, 2014.

The Committee on Academic Strategies is scheduled to meet on Thursday, June 5, 2014. Agenda items include: academic program approvals at EOU, OHSU, OIT, PSU, and WOU, OUS Achievement Compacts for 2014-15 and several informational items. The following morning, June 6, 2014, the State Board of Higher Education will convene in open session to consider the following action items: 2014-15 Tuition and Fees; Board Officer nominations; resolutions to transfer retirement plan sponsorship to the University of Oregon and an OUS-IP bank account to Oregon State University; OUS Achievement Compacts; ETIC Transition Report; and WOU presidential contract extension, among other items.

Additionally, the Chancellor, Board Committee Chairs, and Interinstitutional Faculty Senate President will provide informational reports to the Board. These meetings will be held in the OSBHE Boardroom at the times listed below:

**Thursday, June 5, 2014**
1:00 p.m.—4:00 p.m. Academic Strategies Committee

**Friday, June 6, 2014**
9:00 a.m.—2:00 a.m. State Board of Higher Education

The OSBHE Boardroom is located in the Academic and Student Recreation Center (ASRC), suite 515, which is located at 1800 SW 6th Avenue. Telephone messages for Board members and institution officials attending the meetings may be called to (503) 725-5700. If special accommodations are required, please contact the Board's Office at least 72 hours in advance.

Sincerely,

Charles L. Triplett III
Secretary of the Board
Oregon State Board of Higher Education
Committee Assignments, 2013-14

Academic Strategies Committee
- Middleton (Chair)
- Elland
- Francesconi
- Kenison
- Plec
- Yaden

Governance & Policy Committee
- Kelly (Chair)
- Ford
- Ganjifard
- Schueler
- Yaden

Finance & Administration Committee
- Schueler (Chair)
- Ciuffetti
- Forbes
- Ford
- Ganjifard
- Kenison

Delegation Assignments
State
- College Savings Board
  - Kelly

Education
- OHSU Board
  - Yaden
Oregon State Board of Higher Education

Regular Meeting of the State Board
June 6, 2014
9:00 a.m. – 2:00 p.m.

1. CALL THE PUBLIC MEETING TO ORDER/ROLL CALL/WELCOME

2. REPORTS
   a. Chancellor’s Report
   b. Committee Action Reports ................................................................. 1
      i. Academic Strategies
      ii. Finance & Administration
      iii. Governance & Policy
   c. HECC Transition Final Report .......................................................... 3
   d. Interinstitutional Faculty Senate (IFS) President
   e. Oregon Student Association (OSA) Chair

3. CONSENT ITEMS
   a. Corporate Banking Resolution – Account Transfer ............................. 8

4. ACTION ITEM
   a. ETIC Transition Report to OEIB .......................................................... 10
   b. Transfer of Retirement Plan Sponsorship ............................................. 11
   c. OUS, 2014-15 Proposed Tuition and Fee Rates and Policy Changes, Amendment of OAR 580-040-0040 ....................................................... 12
   d. OUS Achievement Compacts, 2014-15 ................................................. 21
   e. Board Officer Elections
   f. WOU Presidential Reappointment
   g. Presidential Search Process Guidelines

5. ADJOURNMENT
Committee Action Reports

Academic Strategies Committee

May 1, 2014 meeting canceled; Convening June 5, 2014

Action under consideration on June 5, 2014
• Academic Program Approvals at EOU, OHSU, OIT, PSU, and WOU
• OUS Achievement Compacts for 2014-15

Informational Items on June 5, 2014
• Program Approval Process for 2014-15
• Committee Structure Post June 30, 2014
• Update on Early Warning System Project

Finance and Administration Committee

Convened April 18 and May 16, 2014

Action Items
• Approved TRU capital budget requests to forward to HECC
• Approved 2013-2015 General Fund Appropriations: settle-up and new funding allocation
• Accepted Oregon State University 2013 Annual Financial Report
• Authorized the sale of new Article XI-F(1) Bonds
• Approved 2014 Internal Audit Division Progress Report
• Approved proposed OUS 2014-15 Tuition and Fee Rates and recommend approval to full Board at the June 6, 2014 regularly scheduled meeting
• Accepted Quarterly Management Reports as of March 31, 2014
• Accepted Quarterly Risk Management Report as of March 31, 2014
• Accepted FY14 third quarter Investment Report

Discussion Items
• Asbestos settlement distribution
• EOU Financial Sustainability Plan
Governance and Policy Committee

Convened May 16, 2014

Action Items
• Approved Board Officer nominations for 2014-15 and forwarded to full Board for consideration at the June 6, 2014 meeting

Discussion Items
• 2014-15 Board work plan and meeting calendar
OSBHE/HECC Transition Final Report

In September 2013, the Oregon State Board of Higher Education established the Higher Education Coordinating Commission (HECC) Transition Planning Work Group, led by Director Orcilia Zúñiga Forbes to assist the State Board of Higher Education in successfully transitioning current Board of Higher Education and Chancellor’s Office responsibilities to the Higher Education Coordinating Commission. The Work Group Charge follows:

1) Develop a detailed timeline and work plan transitioning State Board of Higher Education responsibilities and authorities listed in HB 3120C to the Higher Education Coordinating Commission by July 1, 2014.

2) Identify and prioritize Board of Higher Education and Office of the Chancellor activities in service to the statewide public higher education mission that are not specifically identified in HB 3120C for transitioning to the Higher Education Coordinating Commission or another appropriate entity.

3) Recommend best practices in Oregon public university coordination to the Governor’s Office, the Oregon Legislature, the Oregon Education Investment Board, and the Higher Education Coordinating Commission.

4) Monitor progress of the Working Group on University Shared Services to identify current shared services that are not likely to move to a new shared services entity and recommend a transition strategy or discontinuation.

5) Recommend appropriate funding and staffing levels to maintain statewide coordinating activities and achieve a successful transition.

Throughout the year, the workgroup developed a detailed timeline and work plan to clearly articulate responsibilities and transition points for the Higher Education Coordinating Commission (HECC). Many of these responsibilities are specifically listed in HB 3120C but the group also included activities in service to the statewide public higher education mission that are not specifically listed in the legislation.

Chancellor’s Office staff met regularly with HECC staff and commissioners to share best practice in Oregon public university coordination and worked in tandem with HECC staff to secure appropriate funding to maintain statewide coordinating activities and achieve a successful transition. The follow matrix details much of the academic strategies work that has been completed to date. Official letters notifying effected parties of the transition to HECC are included in the appendix. A final comprehensive report describing the transition work in both academics and finance will be presented during the meeting.
<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>OUS FORMER ROLE</th>
<th>TRANSITION STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provosts’ Council/ Academic Program Approval</td>
<td>Charged by the Chancellor</td>
<td>• Provosts’ Council charge drafted and discussed at Presidents’ Council meeting (5/22/14).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Provosts’ Retreat tackled remaining transition issues (5/9/14).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Mission Alignment documents forwarded to HECC (4/14/14).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Program Approval discussed with HECC during various meetings.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Program Approval documents forwarded to HECC throughout the Winter and Spring.</td>
</tr>
<tr>
<td>Coordination of other student services and</td>
<td>Coordinator</td>
<td>• Will be self-convened or convened by the Provosts’ Council.</td>
</tr>
<tr>
<td>academic groups (Student Affairs Council,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registrars, Financial Aid Directors,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enrollment Managers, Deans of Education, etc.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government-to-Government Education Cluster</td>
<td>State Agency Liaison</td>
<td>• Letter sent to Karen Quigley and each Tribe’s Education Director (4/17/14).</td>
</tr>
<tr>
<td>LEAP State Status</td>
<td>Point Person/ Agency for AAC&amp;U LEAP</td>
<td>• Introductory conference call between Ben Cannon, Karen Marrongelle, Terry Rhoades (AAC&amp;U), and Susan Albertine (AAC&amp;U) completed (3/12/14).</td>
</tr>
<tr>
<td></td>
<td>activities</td>
<td>• Letter sent to Susan Albertine (5/23/14).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Oregon-ized Summits report and next recommended steps produced and delivered to HECC (4/18/14).</td>
</tr>
<tr>
<td>AAC&amp;U Quality Collaboratives</td>
<td>State Point Person/ Agency</td>
<td>• Remaining grant funds used to support Teaching Talks II, May 30-31</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Final report for project will be filed by CO with AAC&amp;U.</td>
</tr>
<tr>
<td>Degree Qualifications Profile</td>
<td>University Point Person/ Agency</td>
<td>• Campus point persons will continue to participate.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Latest DQP Project report sent to Ben Cannon via email (5/27/14).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Letter sent to Carol Shaafsma and Ron Baker, Oregon Lumina grant leads (5/27/14).</td>
</tr>
<tr>
<td>Multi-State Assessment Collaborative</td>
<td>State Point Person/ Agency</td>
<td>• Letter sent to Julie Carnahan at SHEEO indicating that the University of Oregon will lead for Oregon (5/19/14).</td>
</tr>
<tr>
<td>Workgroup</td>
<td>Coordinator</td>
<td>Notes</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Learning Outcomes &amp; Assessment Workgroup</td>
<td>Coordinator</td>
<td>• Charge and work plan forwarded to Provosts’ Council for consideration at their 6/5/14 meeting.</td>
</tr>
</tbody>
</table>
| College Readiness Partnership Project (AASCU, SHEEO, CCSSO)              | Oregon Team Liaison and Coordinator | • Email sent to Terry Janicki (CCSSO Oregon contact) indicating Hilda Rosselli, OEIB will be Oregon’s new point person (5/19/14).  
 • Final report for 2013-2014 drafted and sent to Hilda Rosselli (5/22/14). |
| APLU Science and Mathematics Teaching Initiative                         | University Point Person/Agency     | • Letter sent to Kacy Redd (5/1/14).                                                                                                                                                                  |
| AP/IB Statewide Coordination Policy Workgroup                            | Policy review coordinator           | • 2015-16 Policy, Work Plan for AY ’14-’15, yearly work flow, and membership forwarded to HECC (4/22/14).  
 • Introductory Conference Call between Ben Cannon, Karen Marrongelle, and Adina Chapman (3/31/14).  
 • Letter sent to College Board (5/1/14).                                      |
| Dual Credit Oversight Committee                                          | University Point Person/Agency      | • Transitioned to campuses fall 2013.                                                                                                                                                                |
| Oregon Robotics Tournament & Outreach Program                             | Bruce Schaffer                     | • Received Oregon non-profit status. In January 2014, applied for federal (IRS) tax-exempt status to form a 501(c)3.  
 • If IRS review is delayed, house fiduciary services at OSU.                   |
| Common Core State Standards Policy Workgroup                              | University Point Person/Agency      | • Provosts’ Council will continue representation.                                                                                                                                                   |
| College and Career Readiness Alliance (Ed NW)                            | University Point Person/Agency      | • Campuses will decide on their participation.                                                                                                                                                        |
| Smarter Balanced Higher Education Lead                                   | Karen Marrongelle                   | • Marrongelle removed as Oregon delegate to Smarter Balanced (5/14/14).                                                                                                                             |
| Oregon Coalition for Quality Teaching and Learning (OCQTL)               | Karen Marrongelle                   | • Letter sent to Lindsey Capps (5/27/14).                                                                                                                                                            |
| TSPC Licensure Redesign Committee                                        | Karen Marrongelle                   | • Email sent to Vicki Chamberlain and Keith Menk (5/19/14).  
 • Hitz (PSU) and Girod (WOU) on committee.                                      |
<table>
<thead>
<tr>
<th>Docket—Meeting #878</th>
<th>June 6, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bisbee Grant</td>
<td>Oversee public university grant administration</td>
</tr>
</tbody>
</table>
|                     | - OCF will put grant program on hold for 2014-2015, while they seek a new grant administrator.  
|                     | - OUS Final Reports were submitted to OCF for 2013-2014 program in March, 2014. |

| GEAR-UP             | Stephanie Carnahan |
|                     | - Transitioning to OSU September, 2014, pending awarding of new GEAR-UP grant. |

| OUS International Programs | Krista Lane is Director |
|                           | - Transitioning to OSU beginning July 1, 2014. |

| Bernard Daly Scholarship Fund | Holliday is Chancellor’s representative. |
|                              | - Statewide coordination phased out. |

| ETIC                  | Laura McKinney is Executive Director. |
|                       | - ETIC funds flow through OEIB, per HB 4020.  
|                       | - ETIC staff report to OEIB beginning July 1, 2014. |

| Industry Partnerships | Laura McKinney |
|                      | - Industry Partnerships report to OEIB beginning July 1, 2014. |

| ATLAS                 | Statewide coordination |
|                       | - HECC will determine future of ATLAS  
|                       | - College Source invoice paid through 2/2015 and appears to be transferable to HECC. |

| OSTX and ITDS         | Statewide coordination |
|                       | - Phasing project out. |

| High School Course Approval | Statewide coordination |
|                            | - Working with HECC to identify next steps. |

| Distance Education Authorization | Statewide point person/agency |
|                                  | - Transitioning to campuses July 1, 2014.  
|                                  | - Letters being sent to states (ongoing). |

| IPEDS                 | IPEDS Coordinator for Oregon |
|                      | - Transition to institutions.  

| DAS KPMs              | Sets targets and supplies reports to DAS |
|                      | - Per Paul Siebert’s email (2/12/14), the Chancellor’s Office will set targets for all 7campuses in April 2014 and compile the Annual Performance Progress Report for Fall 2014.  
|                      | - After Fall 2014, the KPM responsibilities fall to the HECC. |

| Achievement Compacts  | Coordinate for universities |
|                      | - Chancellor’s Office will compile Achievement Compacts for EOU, OIT, SOU, and WOU in 2015.  
<p>|                      | - After July 1, 2015, all institutions responsible for their own Achievement Compacts. |</p>
<table>
<thead>
<tr>
<th>Institutional Research</th>
<th>Maintain SCARF database; statewide point person/agency for state and national reports</th>
<th>• HECC contracting with OUS Institutional Research for 2014-2015.</th>
</tr>
</thead>
<tbody>
<tr>
<td>WICHE Certifying Officer</td>
<td>Joe Holliday</td>
<td>Undetermined</td>
</tr>
</tbody>
</table>
Corporate Banking Resolution – Account Transfer

The Scotiabank in Queretaro, Mexico was opened in June 2011 by the Oregon University System, International Programs office. This account was authorized by the Oregon State Board of Higher Education, and the representative on the Scotiabank account was then director of OUS-IP, Paul Primak (approved and notarized by Charlotte Hughbank (notary) and certified by Robin Conrad, Assistant to Secretary of State: Fall, 2010). In preparation for the governance transition, OUS IP will now be under Oregon State University, and the representative of the bank account moved to Michael Green, Associate Vice President for Finance and Administration at Oregon State University. With Michael Green as the bank representative, he can manage the account, as well as close it down in the future if needed. All necessary and required documents have been apostilled except for this final resolution, which notes that Michael Green will now be the representative of this account, instead of former OUS IP Director, Paul Primak.

The resolution states:

Corporate Banking Resolution

Charles Triplett, the undersigned Secretary of the Oregon State Board of Higher Education, a company organized under the laws of the State of Oregon, U.S.A., (the “company”), hereby certify that the following resolutions were adopted by consent of the Board of Directors of the Company on June 6, 2014:

WHEREAS, the Board has determined that it is advisable and in the best interests of the Company and its stakeholders to continue having accessible the bank account in Mexico for the principal purpose of receiving customer payments; transfers from Oregon State University and making payments on behalf of the Querétaro, Mexico program.

WHEREAS, the Board desires to authorize Michael J. Green, Oregon State University Associate Vice President for Finance and Administration to manage and to close such account and;

NOW, THEREFORE, BE IT RESOLVED, that Mr. Michael J. Green is hereby authorized to manage and close such account at such time as he determines appropriate, on behalf of the Company with Scotiabank Inverlat, S.A., GTB Mexico, Blvd. Manual Avila Comancho 1, Piso 5, Lomas de Chapultepec, Mexico, D.F. and;

FURTHER RESOLVED, that Mr. Green, is hereby designated by the Company to administer the account on behalf of the Company and to manage the web banking functions; and

FUTHER RESOLVED, that Mr. Green is authorized and empowered to execute such other agreements, including but not limited to, special depository agreements and arrangements
regarding the manner, conditions, or purposes for which funds, checks or items of the Company may be deposited, collected, or withdrawn, and to perform such other acts as he deems reasonably necessary to carry out the provision of these resolutions. The other agreements and other acts may not be contrary to the provisions contained in this Resolution.

FURTHER RESOLVED, that the authority hereby conferred upon the above named agents shall be and remain in full force and effect until written notice of any amendment or revocation thereof shall have been delivered to and received by Scotiabank Inverlat, S.A.

The actual signature of Michael J. Green is shown below:

___________________________________________
Michael J. Green, Finance and Administration Associate Vice President,
Oregon State University.

I certify that the persons named above occupy the positions set forth opposite their respective names and signatures; that the foregoing resolutions now stand of record on the books of the Company; that they are in full force and effect and have not been modified in any manner whatsoever.

Staff Recommendation

Staff recommends that the Board approve the transfer of the OUS International Programs bank account to OUS Associate Vice President Michael Green as described in the docket material and contemplated by the governance transition.
Engineering and Technology Industry Council

ETIC is transitioning from the State Board of Higher Education to the Oregon Education Investment Board at mid-biennium. To facilitate that transition, and to wrap up its decade-long relationship with the Board, the Academic Strategies Committee advised the council to draft an ETIC Transition Report on behalf of the Board. The draft report is included in the appendix of this docket – an abstract is below. Pending any feedback or edits by the Board, Laura McKinney, Executive Director of ETIC, will present the final report to the OEIB on June 10, 2014.

ABSTRACT

Report from the State Board of Higher Education to the Oregon Education Investment Board on the current state of ETIC, in preparation for transfer of authority on July 1, 2014. As ETIC transitions to the OEIB, the Council is looking forward to working closely with the Board to continue ETIC’s existing restructuring and fund rebalancing efforts and to examine the question of the best long-term home for ETIC’s mission. This report is intended to give the OEIB members both the history and current status of ETIC, with an eye to helping the members come up to speed rapidly in order to be thoughtful decision-makers on the ETIC fund allocations and to provide substantive guidance on future directions.

Staff Recommendation

Staff recommend that the Board approve the ETIC Transition Report and forward to the Oregon Education Investment Board.

(Board Action Required)
Transfer of Retirement Plan Sponsorship

Board Resolution for Transfer of Retirement Plan Sponsorship to the University of Oregon

Senate Bill 270 through action of the 77th Oregon Legislative Assembly – 2013 Regular Session, provides that a university with a governing board shall continue to participate with all other public universities in shared administrative services relating to employee benefits. Employee benefits include employee retirement plans that heretofore have been sponsored by the Oregon State Board of Higher Education. Development of a shared services model for administration of the retirement plans led to agreements among the public universities that fiduciary responsibilities to plan participants would be best met if a single university would assume the role of plan sponsor rather than simply hosting the employment of shared services enterprise staff.

In November 2013, the University of Oregon agreed to accept the role of Plan Sponsor. Plan documents and vendor contract amendments reflect that governance and operations of the plans will transfer from the Oregon State Board of Higher Education to the University of Oregon on July 1, 2014. The University of Oregon will act on behalf of employees and those of Eastern Oregon University, Oregon Institute of Technology, Oregon State University, Portland State University, Southern Oregon University, Western Oregon University, and the Oregon University System Chancellor’s Office (“Participating Employers”) as described in the plan documents and in Participation Agreements between the University of Oregon and each Participating Employer.

The three employee retirement plans that will transfer to the University of Oregon on July 1, 2014, include the Optional Retirement Plan (ORP), the Tax-Deferred Investment 403(b) Plan, and the Supplemental Retirement Plan.

Adoption of Resolutions of the Oregon State Board of Higher Education is the first step in the transition. After adoption of these resolutions, the Board of Trustees of the University of Oregon will adopt corresponding resolutions to accept the plans, and will then adopt plan restatements that identify each plan as sponsored by the University of Oregon.

Staff Recommendation

Administrative staff recommends adoption of this resolution. By doing so, the Board allows participants’ and universities to implement other SB 270 changes without disruption of existing retirement benefits.

Attachment:

Resolutions of the Oregon State Board of Higher Education

(Board Action Required)
OUS, 2014-15 Proposed Tuition and Fee Rates and Policy Changes, Amendment of OAR 580-040-0040; 2014-15 Academic Year and 2015 Summer Session Fee Book

BACKGROUND

With the passage of Senate Bill (SB) 270 (2013) and effective July 1, 2014, OSU, PSU, and the UO will set their tuition and fee rates under the governance of their own institutional boards, separately from the State Board of Higher Education (SBHE or Board). As these three public universities transition from being governed by the SBHE to their own boards, SB 270 provides that policies in effect at June 30, 2014 will “continue in effect until lawfully superseded or repealed by the standards or policies of the governing board or the university.” SB 270 also provides that the SBHE shall establish a standard process under which each public university may develop and submit proposed enrollment fees for consideration. Accordingly, the SBHE provided guidance to all seven public universities in the submission of their proposed fees, including the required participation of enrolled students and recognized student governments. OSU, PSU, and the UO were asked to review their proposals with members of their institutional boards, in advance of submission to the SBHE. Each institutional board reviewed and endorsed the tuition and fee rates for the public universities to be in effect July 1, 2014.

The OUS 2014-15 Academic Year and 2015 Summer Session Fee Book draft includes proposed tuition and fee changes for the next academic year as well as the succeeding summer term for all seven public universities. Tuition and fee rates for EOU, Oregon Tech, SOU and WOU are contained in the main body of the fee book. Tuition and fee rates for OSU, PSU and UO are contained in appendices A, B, and C, respectively.

Tuition and fee rates and policies contained in OUS 2014-15 Academic Year and 2015 Summer Session Fee Book apply to OSU, PSU and UO until such time that new or changed tuition and fee rates and polices are approved and adopted by their institutional governing boards.

On May 16, 2014, the Finance and Administration Committee heard presentations from each OUS institution, as well as public testimony. Materials that were submitted in advance for Committee consideration included background information in the following proposal letters:

Attachment A – EOU Proposal Letter
Attachment B – OIT Proposal Letter
Attachment C – SOU Proposal Letter
Attachment D – WOU Proposal Letter
Attachment E – OSU Proposal Letter
Attachment F – PSU Proposal Letter
Attachment G – UO Proposal Letter
For the 2013-15 biennium, the OUS received state appropriations specifically targeted at reducing resident undergraduate tuition rates. During the 2013 Regular Legislative Session, the legislature appropriated $15 million (HB 5008) of general fund to the Oregon University System in support of reducing proposed undergraduate resident tuition rates for the 2013-14 academic year. During the 2013 Special Session, $25 million (HB 5101) of general fund was appropriated to the OUS to further limit tuition increases for resident undergraduate students. The first priority of the funding was to have zero tuition increases for Academic Year 2014-15. Any funds available beyond that were to be used to further reduce increases effective with the Winter 2014 term. As specified in the HB 5101 Budget Note, there are no increases to resident undergraduate per credit base rates for the 2014-15 academic year:

Oregon University System

The Committee increased the General Fund appropriation for public university support by $25,000,000 with direction that the money be used to reduce resident undergraduate tuition increases at the state’s seven public universities. The Committee adopted the following budget note to limit tuition increases on resident undergraduate students:

**Budget Note:**

In adopting the additional funding for the Oregon University System, the Legislature intends that increases in the base rates per credit hour paid by resident undergraduate students for the Winter 2014 and Spring 2014 terms on all seven campuses and one branch campus (EOU, OIT, OSU, OSU-Cascades, PSU, SOU, UO, and WOU) may not exceed an average of 2%. For students choosing the Tuition Promise program at WOU, rates of increase over the prior cohort may not exceed 4.3% for the Winter and Spring 2014 terms. For the 2014-15 academic year, the Legislature intends that there be no increases in the base rates per credit hour paid by resident undergraduate students at all seven campuses and one branch campus (EOU, OIT, OSU, OSU-Cascades, PSU, SOU, UO, and WOU). For students choosing the Tuition Promise program at WOU, rates of increase over the prior cohort may not exceed 2.2% for the 2014-15 academic year.

**POLICY RELATED CHANGES**

There is one proposed change within the policy section, based on legislation passed during the 2014 session.

**HB 4021** amends ORS 352.375 to include graduate students in the current Nonresident Veteran Fee Remission program. In order to minimize the fiscal impact of the bill to the universities, only newly admitted but not continuing graduate students for enrollment on or after September 15, 2014 are eligible for the fee remission program. Graduate students must meet
the same eligibility criteria as undergraduate students to qualify for the fee remission program. (See pages 21 and 22 of the Draft Fee Book for full details.)

SUMMARY OF CHANGES BY CAMPUS

The following narratives summarize the proposed tuition and fee changes for 2014-15, focusing on resident tuition and fees. This Fee Book incorporates Summer Session rates with Academic Year rates. The Summary of Changes will only address Summer Session tuition rates when they vary from the Academic Year rates and Summer Session fee rates if they exceed Academic Year rates. With the exception of the UO, which discounts their summer rate, and OSU-Corvallis and OSU-Cascades, who offer resident rates to non-resident students during the summer, all campuses Summer tuition rates are aligned with the proposed Academic Year rates. Campuses were asked to submit additional information for any new differential tuition rates in accordance with the Differential Fee Policy (Draft Tuition and Fee Book page 33).

As part of the implementation of Senate Bill 242, passed in June 2011, each institution was required to establish a process which integrated student participation in the tuition-setting process in accordance with Board established guidelines (Draft Tuition and Fee Book page 34). All campuses noted compliance with these guidelines with most establishing separate Tuition Advisory Committees. Campuses continue to develop and refine their respective processes.

The following summary of rate changes compare Spring 2014 rates with Fall 2014 rates. When viewed from an academic year perspective, “frozen” rates are actually decreasing due to the higher rates charged in Fall 2013 as compared to Winter and Spring 2014. Comportment with the budget note in HB 5101, is based on Winter/Spring 2014 rates.

EOU

Increases over Spring 2014 rates:

- Undergraduate resident: 0.0%
- Undergraduate nonresident: 5.0% ($17.00/credit)
- Graduate resident: 5.0% ($14.25/credit)
- Graduate nonresident: 5.0% ($18.50/credit)

Commensurate with student government approval, EOU is proposing to increase the Incidental Fees by $3 per term (1.2%) from $247 to $250 per term.

Oregon Tech (OIT)

Increases over Spring 2014 rates:
Undergraduate resident: 0.0%
Undergraduate nonresident: 0.0%
Graduate resident: 0.0%
Graduate nonresident: 0.0%

Oregon Tech is proposing no increases to any base tuition rates.

Oregon Tech is continuing the three year phase-in of their Engineering and Technology Majors undergraduate and graduate differentials. The differential rates were new in 2013-14 and were 5% differential over base rates. For 2014-15, the differential rates increase to 10% differential over base rates. The final phase-in of the base rate will be an additional 5% differential over base rates in 2015-16, for a total of 15% differential over base rates.

Commensurate with student government approval, OIT is proposing to increase the Incidental Fees by $5 per term (1.7%) to $300 per term at the Klamath Falls campus and by $34 per term (113.3%) to $64 per term at the Wilsonville campus. OIT-Wilsonville is also adding a Health Services fee at $15 per term.

**SOU**

Increases over Spring 2014 rates:

Undergraduate resident: 0.0%
Undergraduate nonresident: 0.0%
Graduate resident: 0.0%
Graduate nonresident: 0.0%

SOU is not proposing any increases to their base or differential tuition rates. Commensurate with student government approval, SOU is proposing a $6 per term increase (2.0%) to the Incidental Fee at all credit levels. Also, SOU is applying the Health Services fee beginning at 6 credit hours rather than beginning at 9 credit hours.

**WOU**

Increases over Spring 2014 rates:

Undergraduate resident: Base: 0.0%
Undergraduate resident: 2014 Promise: 2.4% ($4/credit)
Undergraduate nonresident: 2.0% ($9/credit)
Graduate resident: 2.1% ($7/credit)
Graduate nonresident: 3.2% ($18/credit)

WOU continues to offer to incoming resident undergraduate freshmen and transfer students a one-time choice between WOU's base tuition rate and the WOU's fixed four-year tuition rate (WOU Promise). There is no increase in the base rate over the 2013-14 base rate. The fixed rate Promise reflects a 2.4% increase over 2013-14 Promise rate. Students electing the Promise rate option will not be subject to increases for a four-year period.

As approved by student government, WOU Incidental Fees are proposed to increase by an average 4.9% ($9.50 per term) and Health Center Fees by 13.6% ($15 per term). Summer term Incidental fee is decreasing from the previous summer term rate of $115 to $112 per term. Summer term Health Center Fee is increasing from $54 to $125 per term, consistent with the academic year rate. All services, including counseling, will be available to students in the summer.

**OSU – Corvallis and Cascades Campuses**

**Corvallis Campus**

OSU Corvallis Increases over Spring 2014 rates:
- Undergraduate resident: 0.0%
- Undergraduate nonresident: 0.0%
- Graduate resident: 2.1% ($9.00/credit)
- Graduate nonresident: 3.9% ($28.00/credit)

OSU is proposing no increase for resident and nonresident undergraduate students. OSU is continuing its phasing out of the undergraduate plateau over the next two years to reflect a consistent per credit hour charge. The prior years’ 12 to 16 credit hour plateau structure resulted in some students receiving up to a 25% discount from the standard per credit hour rate. As the plateau is phased out, cost for enrollments in credit levels of 13 and above will result in higher percentage increases than the standard per credit hour rate increase. Summer tuition rates have no plateau.

There are no proposed increases to Differential programs for undergraduates. At the graduate level, only the Medical Physics differential program is proposing a change with a 16.2% reduction for residents and a 12.8% increase for non-residents. This program is part of a joint program with OHSU and OHSU sets the rates.

Commensurate with student approval, Academic Year Incidental Fees are increasing by 2.4% ($7.54 per term) with the already significantly discounted summer rates decreasing slightly by
0.5% (-$1.08 for the Summer). OSU is proposing a $1.00 (0.8%) increase to the Health fee and a $50.00 (16%) increase to the one-time Matriculation Fee, for both the academic year and summer term.

OSU resident Summer rates remain consistent with Academic Term rates. For Summer 2015, OSU continues to offer resident rates to nonresidents.

**Cascades Campus**

Cascades resident undergraduate rates remain lower than OSU Corvallis Campus rates. Cascades Nonresident, Graduate, and Differential rates are equivalent to Corvallis Campus rates.

OSU-Cascades increases over Spring 2014 rates:

- Undergraduate resident: 0.0%
- Undergraduate nonresident: 0.0%
- Graduate resident: 2.1% ($9.00/credit)
- Graduate nonresident: 3.9% ($28.00/credit)

OSU Cascades is proposing no increases to their Differential program rates.

OSU Cascades is proposing no increases to Academic Year or Summer 2015 fees.

**PSU**

Increases over Spring 2014 rates:

- Undergraduate resident: 0.0%
- Undergraduate nonresident: 1.0% ($5.00/credit)
- Graduate resident: 1.2% ($4.00/credit)
- Graduate nonresident: 1.1% ($6.00/credit)

In general, mandatory fees are not increasing. The academic year Incidental Fee is increasing $2 per term at each credit level.

PSU is adding two new graduate differentials in the School of Business. These programs are being broken out from the general School of Business graduate differential due to cost differences in the programs. The new **Master of Science in Financial Analysis** differential will be 21.5% lower (-$124/credit) than the general business graduate differential. The new **Master of Science in Global Supply Chain Management** differential will be 13.2% higher ($76/credit.
hour) than the general business graduate differential. Both differentials are being proposed in accordance with the requirements outlined by the Differential Tuition policy.

**UO**

Increases over Spring 2014 rates:

- Undergrad resident - 0.0%
- Undergrad Non-resident - 3.0% ($19/credit)
- Graduate resident – 0.0% - 5.0% (Varies depending on school)
- Graduate non-resident – 0.0% - 5.0% (Varies depending on school)

Commensurate with the respective student government approval, UO is proposing the following changes to mandatory fees:

- Incidental Fees increasing 3.5% ($7.25 per term)
- Recreation Center Fees increasing 13.2% ($6.50 per term)
- Health Service Fees increasing 0.6% ($1 per term)
- New EMU fee of $67 per term

UO is also proposing a $13 increase to the Matriculation Fee (3.6%).

UO continues to offer substantially discounted Summer tuition rates with Summer fees either consistent with or less than Academic Year rates.
CHANGES IN ANNUAL TUITION & FEES BY CAMPUS FOR RESIDENT UNDERGRADUATES AT 15 CREDIT HOURS PER TERM

PROPOSED RATES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EOU</td>
<td>$6,030</td>
<td>$6,060 ($30)</td>
<td>-0.5%</td>
<td>$7,449</td>
<td>$7,470 ($21)</td>
<td>-0.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OIT-Klamath Falls</td>
<td>$6,975</td>
<td>$7,010 ($35)</td>
<td>-0.5%</td>
<td>$8,460</td>
<td>$8,480 ($20)</td>
<td>-0.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OIT-Wilsonville</td>
<td>$6,975</td>
<td>$7,010 ($35)</td>
<td>-0.5%</td>
<td>$7,347</td>
<td>$7,235 ($113)</td>
<td>1.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOU</td>
<td>$6,307</td>
<td>$6,338 ($31)</td>
<td>-0.5%</td>
<td>$7,720</td>
<td>$7,733 ($13)</td>
<td>-0.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WOU Base</td>
<td>$6,675</td>
<td>$6,705 ($30)</td>
<td>-0.4%</td>
<td>$8,277</td>
<td>$8,214 ($63)</td>
<td>0.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WOU Promise</td>
<td>$7,566</td>
<td>$7,419 $147</td>
<td>2.0%</td>
<td>$9,168</td>
<td>$8,928 $240</td>
<td>2.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSU-Corvallis[^3]</td>
<td>$7,650</td>
<td>$6,828 $822</td>
<td>12.0%</td>
<td>$9,122</td>
<td>$8,274 $848</td>
<td>10.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSU-Cascades[^3]</td>
<td>$7,245</td>
<td>$6,468 $777</td>
<td>12.0%</td>
<td>$7,800</td>
<td>$7,023 $777</td>
<td>11.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PSU</td>
<td>$6,525</td>
<td>$6,555 ($30)</td>
<td>-0.5%</td>
<td>$7,794</td>
<td>$7,818 ($24)</td>
<td>-0.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UO</td>
<td>$8,190</td>
<td>$8,220 ($30)</td>
<td>-0.4%</td>
<td>$9,918</td>
<td>$9,703 $215</td>
<td>2.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unweighted Average</td>
<td>$7,014</td>
<td>$6,861 $153</td>
<td>2.3%</td>
<td>$8,305</td>
<td>$8,088 $218</td>
<td>2.8%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

[^1] 2013-14 annual rate is based on each distinct term (Fall, Winter, Spring). There was a decrease in the UG Resident rates between Fall and Winter terms. 2014-15 rate changes were based on Spring 2014 rates.

[^2] Mandatory Enrollment Fees include Building, Incidental, Health Services, and Recreation Center/Student Union fees, most of which are recommended by student organizations and/or approved by student referendums.

[^3] OSU has been maintaining a tuition plateau from 12 to 16 credit hours. 2014-15 is the second year of a three year phase out of the plateau. The 12% increase is reflective of this year’s reduction to the plateau discount. The actual base per credit hour rate increase for 2014-15 is 0%.

OPPORTUNITY FOR PUBLIC COMMENT

On April 21st, a media alert was issued regarding the available forum for public comment. This year, in light of the governance changes in the university system and no increases in undergraduate tuition, it was decided that the Chancellor’s Office would not host any in-person public hearings. Instead, the public was encouraged to submit their comments via email. Communications about the Fee Book calendar, call for public comments, and draft documents go to the customary interested parties: Student Body Presidents, Budget Directors, Housing Directors, Registrars, Vice Presidents for Student Affairs, and the Oregon Student Association.
The public comment period was April 21st through May 2nd. Only two public comments were received through electronic submission. Neither comment expressly supported nor opposed the tuition and fee rates proposals. Both were concerned with the overall cost of higher education. One focused on student debt and one expressed a need for fee caps for online courses. Both comments were from students at WOU. A full report of all comments received is in Attachment H.

In addition, Attachment I contains public comment letters received at the May 16, 2014 Finance and Administration Committee hearing and a list of those that presented public testimony in person.

Committee Recommendation to the Board

On May 16, 2014 the Finance and Administration Committee considered campus tuition and fee proposals for 2014-15 and recommends that the Board adopt OAR 580-040-0040 by permanent rule.

OAR 580-040-0040 Academic Year Fee Book

Through this action, the document entitled “2014-15 Academic Year & 2015 Summer Session Fee Book” dated June 6, 2014, is hereby amended by reference as a permanent rule. All prior adoptions of academic year and summer session fee documents are hereby repealed except as to rights and obligations previously acquired or incurred there under. The Chancellor or designated staff is permitted to make revisions as needed to comport with any subsequent legislative actions and is authorized to make minor adjustments to the final document, if necessary.

(Board action required.)
OUS Achievement Compacts

Target setting for the Achievement Compacts was a collaborative process between the OUS Chancellor’s Office and campus provosts, including campus institutional research and enrollment management offices. The OUS office of institutional research, in conjunction with the director of performance measurement and surveys, compiled all data, including preliminary projections and targets. Campuses were provided with drafts of 2012-13 actuals, 2013-14 projections, and 2014-15 targets on April 25, 2014. The draft Achievement Compacts were discussed during the Provosts’ Council meeting held on May 8, 2014.

Campus provosts, along with their offices of institutional research or enrollment management, checked all reported data for accuracy, reconciled it with their own reports, consulted with OUS institutional research, and made recommendations for changes to targets on or by May 22, 2014. OUS made appropriate adjustments, including updating targets where necessary.

Achievement Compacts are available online at: [http://ous.edu/sites/ous.edu/files/2014-15_ous_achievementcompact_all_campus_final_to_board.pdf](http://ous.edu/sites/ous.edu/files/2014-15_ous_achievementcompact_all_campus_final_to_board.pdf). They will be reviewed and endorsed by the Board’s Academic Strategies Committee on June 5, 2014.

Committee Recommendation to the Board

The Academic Strategies Committee recommends that the full Board endorse the 2014-15 Achievement Compacts and authorize the Chancellor to submit to the OEIB before the July 1, 2015 deadline.

(Board action required.)