1. **CALL TO ORDER/ROLL CALL/WELCOME**

Chair Kelly called the meeting to order at 9:00 a.m.

Board members present: Kirby Dyess, Hannah Fisher (9:05), Brian Fox, Jim Francesconi, Paul Kelly, Dalton Miller-Jones, Rosemary Powers, Preston Pulliams, Tony Van Vliet, and David Yaden. Board members absent: Don Blair and John von Schlegell.

Presidents present included: Presidents Mary Cullinan (SOU), Dave Frohnmayer (UO), Dixie Lund (EOU), Chris Maples (OIT), John Minahan (WOU), Ed Ray (OSU), and Wim Wiewel (PSU); and Provost Lesley Hallick (OHSU).

Chancellor’s Office staff included: Chancellor George Pernsteiner, Susan Bragdon, Neil Bryant, Ryan Hagemann, Jay Kenton, Bob Simonton, and Susan Weeks.

Others present: Gail Achterman; Jennifer Allen, PSU Center for Sustainability Research, Tamara Henderson (OSA); James Hutchison, UP Green Chemistry, David Kennedy (BEST), Bob Turner (IFS).

Guests: Sam Adams, mayor of Portland; Randall Edwards, state treasurer; Michael Parker, executive director of the college savings plan.

2. **REPORTS**

   a. **Oregon Savings Plan**

   Chair Kelly invited state treasurer, Randall Edwards, to speak about the Oregon College Savings Plan. Discussion followed.

   b. **Chancellor’s Report**

   Chancellor Pernsteiner and Neil Bryant spoke about the recently completed election.
3. **CONSENT ITEMS**

   a. Plan Document: Tax-Deferred Investment 403(b)
   b. Optional Retirement 401(a) Plan Restatement
   c. Financial Irregularities Reporting Policy

Chair Kelly moved onto the Consent items: Plan Document: Tax-Deferred Investment 403(b); Optional Retirement 401(a) Plan Restatement; Financial Irregularities Reporting Policy. There being no questions, Chair Kelly called for a motion to approve the Consent items. Directors Miller-Jones and Dyess made the motion and seconded, respectively. Motion passed.

4. **ACTION ITEMS**

   a. Academic Program Policy Review

Chair Kelly asked Susan Weeks to present the item on Academic Program Policy Review. He noted that the during the October Board discussion of the proposed new Academic Program Review Policy, Board members suggested revisions to clarify the role of the Chancellor and vice chancellor in the review process; the role of the Board in resolving interinstitutional disagreements in the delivery of existing programs to a new location; the importance of addressing unnecessary program duplication, especially at the graduate level; and the nature of organizational support needed to effectively implement the policy. Those revisions have been incorporated and are now submitted for Board approval.

Chair Kelly asked for a motion to approve the revised Academic Program Policy Review. Director Dyess made the motion. Motion passed.

5. **DISCUSSION ITEMS**

   a. A Coordinated Sustainability Approach in OUS

The Board of Higher Education has recognized for nearly four years that “sustainability” is the brand that will provide Oregon and the University System a competitive advantage, making Oregon a living laboratory for teaching, testing, and practicing new ways of living needed in today’s world. The Board’s OUS Portfolio Subcommittee concluded in 2007 that the System should “create a System reputation (each university, all universities together) for excellence in sustainability education and research.” The Subcommittee noted that achieving this goal requires discerning “the ways in which OUS, as a System, can draw the strengths of its universities together to build a reputation for excellence in sustainability for Oregon, as a whole, and for OUS universities, individually.”
At the OUS Sustainability Summit in April 2008, Director John von Schlegell posed and addressed three alternatives for how the System could achieve a reputation as the place for teaching, testing, and practicing sustainability:

1. Each university could create its own “blanket” covering the many areas of sustainability (e.g., energy, sustainable community, economics, policy, environmental law);

2. The System could sew a “patchwork quilt” with different patches supplied by different campuses – feasible but difficult to coordinate and ensure continuity; or

3. The System could work together to weave a “tapestry,” integrating core strengths and leveraging funds to create a greater, more dynamic System.

The overwhelming conclusion of the Summit was that weaving a tapestry is necessary to capitalize on Oregon’s strengths in sustainability and position it to be a world leader in education, research, facilities management, and community outreach.

The purpose of the November 2008 Board discussion is to learn more about what is happening across the System on education, research, facilities, and outreach related to sustainability, discuss what needs to be done to make the System an international leader in sustainability, and decide upon next steps.

**Background:**

The Board’s Academic Excellence and Economic Development (AEED) Working Group was formed in 2004 to identify two to five areas with high economic development potential that could build on existing or emerging academic excellence in Oregon’s postsecondary institutions. AEED sought to link Oregon’s current and future economic drivers more closely to the priorities and investments made in postsecondary education. Over the course of two years, the AEED Working Group identified “sustainability” – broadly defined to encompass natural resources, renewable energy, and sustainable systems and practices – as one of the key opportunity areas.

The AEED Working Group concluded that sustainability has enormous potential as a designated opportunity area for further development because sustainability offers opportunities for significant improvements in business practice, draws on major areas of existing research expertise, addresses critical needs in every part of Oregon, and builds on Oregon’s long-standing national and international reputation for innovation and cutting-edge policy in this area. A focus on sustainability also aligns the System with other statewide efforts — the Oregon Business Plan, the Sustainability Board, the Oregon Economic and Community Development Department (OECDD), and Brand Oregon initiatives — advancing Oregon’s reputation as the “Sustainability State.”

The challenges to achieving the System’s potential in sustainability could be addressed by adopting the ideas identified in the overall AEED strategy: fostering interdisciplinary thinking and practice to support the interdisciplinary nature of sustainability efforts; greater partnership and collaboration to help break down barriers erected out of a
tradition of competition among institutions; better communication to improve access to postsecondary expertise; and establishing an international presence for OUS to provide the international context, perspective, and opportunities currently missing in the sustainability area.

AEED’s work contributed significantly to the Oregon Innovation Council (Oregon InC) and 2007 Oregon Legislature’s decision to create and fund the Built Environment Sustainable Technology Signature Research Center (Oregon BEST).

The AEED work also was picked up by the Board’s Portfolio Subcommittee in 2007. In addition to the overall recommendation that the Board create a System reputation for excellence in sustainability education and research, the Subcommittee made specific suggestions that the Board:

- Create “asset maps” of OUS academic programs and identify areas in which OUS can strategically focus within the broad area of sustainability.
- Identify and remove policy and institutional barriers to faculty work in targeted sustainability areas, including barriers related to inter-institutional course and enrollment funding, development of interdisciplinary programs and pedagogical approaches, and faculty promotion and tenure considerations.
- Discuss with Oregon InC and the Oregon Business Council ways in which OUS academic program offerings and faculty work in the targeted sustainability areas can harmonize with and complement the research, industry, and policy efforts also taking place. Consider potential synergies.

The Portfolio Subcommittee concluded by recommending that the Board start to fill in the detail – giving substance and structure to what it means to designate sustainability as a System focus of excellence. Specifically, it recommended that the Board “further develop the context, meaning, structure of coalition, and potential institutional contributions to the OUS sustainability theme.”

The first effort at further development occurred at the OUS Sustainability Summit on April 3, 2008. A local business leader challenged all participants with his vision of Oregon as a leader in sustainability, with Oregon serving as a proof of concept where:

- We have an evolved context where we correctly engage natural systems and correctly apply value to natural resources;
- We have the capacity to locally/regionally research, invent, design, grow, manufacture, construct, operate — all within the sustainability context; and
- All people have valuable roles to play where they understand their function within the natural system.

Chancellor Pernsteiner summed up the far-reaching discussion by referencing John von Schlegell’s metaphor and asking the System leaders, “Can we identify what it will take
to weave the tapestry John talked about?” He emphasized that we have a business community that is ready, a political environment that is ripe for Oregon to become the leader. What we lack as a state is momentum. The OUS System lacks an overarching framework, philosophy, and approach that will allow us to say that sustainability is the brand of Oregon and its universities. He said, “The question is: how are we going to think differently, act differently, and live differently in order to provide the leadership that needs to be provided over the next 20 years? Approached deliberately, directly, persuasively, intelligently, we can compete, succeed and the advantage will be ours to gain. We must identify the rewards, the impediments, and make plans for dealing with the impediments, and craft the philosophy and focus that will animate the tapestry that we hope to weave.”

Elements of the November Discussion:
Three panel presentations for the November Board discussion have been developed to address the key areas for higher education focus: 1) educational programs and curricula, 2) research, and 3) facilities and operations.

- **Educational programs and curricula.** Higher education prepares most of the professionals who develop, lead, manage, and teach in society’s institutions. Part of the job of higher education is therefore to prepare the future workforce for the challenges and opportunities it will face. As noted by Jay Coalson, Principal of Green Building Services, at his presentation to the April Sustainability Summit, competitive universities are producing students prepared to compete in a rapidly integrating market and these programs tend to produce “archineers”/“engitects” (programs that combine the fields of architecture and engineering), civil scientists, and “environomists” (environmentalists and economists). Mr. Coalson expressed concern that OUS institutions are not providing the needed interdisciplinary degrees and educational experiences that other states are providing their students.

- **Research.** Higher education also plays a primary role in research. Innovation is critical because there are no ready answers to questions of whether or how people in Oregon and in societies around the world will be able to achieve their aspirations for a better quality of life without degrading the Earth’s life support systems. In addition and despite the growing privatization of research and development, universities continue to be critical to the basic research that forms the foundation of sustainable science. The growing collaboration with private entities is testament to the value of university research to economic development. Finally, in relation to economic development, at the early stages of market development, sustaining the university research base can be critical to ultimate success in creating markets.

- **Facilities and Operations.** To further identify ways of thinking that can apply in various contexts, an OUS Sustainability Conference was held on October 23-24, 2008, in which students, staff, faculty, researchers, administrators, and OUS Board members discussed the challenges to our social and economic systems.
For more than a decade Oregon's public universities have been reducing their environmental footprints by experimenting with a wide range of initiatives. OUS institutions operate half of all state owned buildings and are home to more than 80,000 students. Consequently, we have a significant opportunity (and responsibility) to shrink our environmental footprint while preparing tomorrow's leaders for challenges that lie ahead. During the past few years, OUS campuses have built green buildings, invested in renewable power, improved building performance, and supported student initiatives that have brought OUS institutions well-deserved recognition as national leaders in the campus sustainability movement. This kind of leadership by example has earned us a strong green reputation and is something of which we should all be proud.

However, it is crucial that we take the steps necessary to develop a more comprehensive approach to climate action. A Systemwide action plan will refer to the collection of policies, programs, and practices that will guide our greenhouse gas emission reduction efforts into the future. Many campuses across the nation, including five OUS campuses, have already signed the Presidents Climate Commitment, which outlines the necessary steps toward developing a comprehensive OUS climate action plan:

- Create a Systemwide greenhouse gas inventory to account for the amounts and sources of emissions of greenhouse gases attributable to the operations of each of our seven campuses;
- Consider emission reduction targets and timetables;
- Develop a System climate action plan; and
- Implement the plan.

Given the diversity of circumstances, perspectives, and missions throughout the System, it is important that we develop a consensus set of general sustainability principles on which to base our thinking and our actions. Ultimately, sustainability is about shared values, but we need new ways of thinking to leverage our individual strengths more effectively to find principles and frameworks that get different groups aligned with top-level goals.

It is important to note that this division among the educational, research, and facilities approaches to sustainability is for convenience, but in reality a strategic framework must consider how each can reinforce and strengthen the others. Another related endeavor is outreach both in terms of relationships to different communities and in terms of marketing of the universities overall.

The New Imperative: Collaborations and Partnership:
Collaboration among Oregon's academic programs and initiatives is especially important in fields of sustainability because it is the only way OUS will be able to compete with other more generously supported academic institutions and because by its very nature, sustainability will require interdisciplinary and multi-institutional integration. Existing funding and incentive structures have not tended to reward interdisciplinary or multi-institutional efforts and, in addition, there are likely unintended,
but real, barriers to these efforts. University faculty and staff have experienced an environment of decreasing resources and the need to “do more with less.” Anything that adds to workload without a corresponding structural change will be difficult to implement.

Nevertheless, Oregon’s institutions of higher learning are increasingly undertaking interdisciplinary and multi-institutional initiatives. These initiatives are not necessarily undertaken in any systematic way. With the appropriate means and incentives to collaborate, university strengths can be harnessed more effectively to increase funding opportunities nationally and internationally, attract and keep students and develop a competitive workforce, and create opportunities and products from Oregon’s research.

We need to better understand the barriers that exist to collaboration in education, in research, in facilities management, and in outreach. Even more, we need to understand how we can more systematically foster collaboration and coordination and actually use it to leverage Oregon’s position with respect to federal and international funding, and market, consultative, and other professional opportunities.

The AEED, the Portfolio Subcommittee, and the April Sustainability Summit all concluded that in OUS’ approach to sustainability, the whole is and can be greater than the sum of its parts. It is equally clear that any framework for sustainability will need to build on the established branches of scholarship and their respective research, programs, and activities. Assuring the health of these foundational programs and their priority endeavors is a fundamental prerequisite to any strategic vision. While tremendously valuable, much of the connection and interaction among the universities has to this point been ad hoc. The question before the Board now is how we come together to form a more strategic response, building and capitalizing on strengths within universities and among universities. At a minimum, the strategic response will need:

- To support existing excellence and foundational programs while enhancing the connection to a larger system of interactions;
- The endorsement of leadership and the support of the faculty and staff that will be part of a collaborative effort;
- Incentive structures including release time and sabbatical leave that will enable ongoing participation;
- To maintain the entrepreneurial spirit of the collaborating institutions and productive competition;
- To provide a framework for building on interactions among partners in universities, industry, foundations, and other organizations; and
- To promote innovation and the production of new knowledge.
Increasing connectivity offers opportunities to enhance:

- Collaboration and coordination;
- The ability to compete for students with better funded universities;
- Oregon’s reputation (leading to indirect and direct economic opportunities);
- Leveraging of federal and international dollars;
- The role of the university as a “neutral” convener of conferences, advisory groups, or in providing advice to public or private sector entities;
- Attracting and teaching students and other professionals; and
- Consultative and other professional opportunities for faculty and staff.

**Moving OUS Sustainability Initiatives Forward:**

Innovation – whether in educational programs, research, or facilities and operations – requires core competencies in traditional disciplines but with an understanding and connection to larger System interactions. A mechanism for information-sharing, coordination, and collaboration would facilitate these kinds of connections.

Participants in the April OUS Sustainability Summit agreed on the overarching goal of Oregon being a leader in sustainability education, research, and operations. The Summit concluded that the universities are moving along on the operations and need to continue to do so as do all state agencies. Moreover, through its innovative approaches to sustainable facilities and business practices, OUS creates a living laboratory for students and researchers. To address research at the System level, four multi-institutional interdisciplinary research institutes focused on basic sustainable systems have been created and BEST has been launched to translate applied research into business innovation. In the area of academic programs, there is increasing collaboration among the campuses. The question now is, in addition to supporting the individual strengths of the OUS institutions, what, if anything, would be enhanced if we did it in collaboration across campuses? This was essentially the question posed to the AEED on research and the Board may consider it timely to consider a similar Board initiative but looking now also at educational programs and curricula and the connections among instruction, research, and facilities.

Advancing OUS initiatives in sustainability would benefit from the direction and coordination provided by a Board committee. The initial work of such a committee might focus on key themes, such as signature elements in sustainability; bringing collaboration around these elements; removing impediments; infusing sustainability into the university curricula; and packaging, branding, and marketing Oregon’s and OUS’ strengths in sustainability. From these discussions, the committee could recommend priorities to the Board and suggest a timeline and process for action.
Board Discussion

Susan Weeks presented the item and asked speakers from UO Green Chemistry, PSU Center for Sustainability Research, and BEST to make remarks. Gail Achterman and Susan Bragdon also spoke. Bob Simonton spoke regarding sustainable facilities.

After a brief discussion, Chair Kelly called for a motion to accept the report, A Coordinated Sustainability Approach in OUS. Directors Dyess and Van Vliet made the motion and seconded, respectively. Motion passed.

b. Portland Higher Education Committee

Director Francesconi discussed the Portland Higher Education Committee and asked Portland mayor Sam Adams to address the Board concerning his thoughts on Portland higher education.

6. REPORTS

a. Interinstitutional Faculty Senate (IFS) President

Bob Turner gave the report from the Interinstitutional Faculty Senate.

b. Oregon Student Association (OSA) Chair

Tamara Henderson gave the report from the Oregon Student Association.

c. Standing Committee Reports

Director Miller-Jones mentioned that people could go to the Board’s webpage and check out the agenda for the Student Participation and Completion Committee.

d. Other Board Committees

No reports given.

7. PUBLIC INPUT

No public input.

8. BOARD COMMENTS

No Board comments.
9. **DELEGATION OF AUTHORITY TO BOARD’S EXECUTIVE COMMITTEE**

“At the Bylaws of the Board of Higher Education, the Board delegates to the Executive Committee authority to take final action as here designated or deemed by the committee to be necessary, subsequent to the adjournment of this meeting and prior to the Board’s next meeting. The Executive Committee shall act for the Board in minor matters and in any matter where a timely response is required prior to the next Board meeting.”

It was moved by Director Dyess to adopt the delegation of authority as stated in the docket. Director Van Vliet seconded. Those voting in favor of the motion: Directors Dyess, Fisher, Fox, Francesconi, Kelly, Miller-Jones, Powers, Pulliams, Van Vliet, and Yaden. Those voting no or abstaining: None. Motion passed.

10. **ADJOURNMENT**

There being no further business, Chair Kelly adjourned the meeting at 1:33 p.m.