1. Call to Order/Roll Call/Welcome

Board Members present included: President Paul Kelly, Kirby Dyess, Hannah Fisher, Brian Fox, Dalton Miller-Jones, Rosemary Powers, Kirk Schueler, Tony Van Vliet, and David Yaden. Board members absent: Jim Francesconi, Preston Pulliams, and John Von Schlegell

Chancellor’s Office staff present included: Chancellor George Pernsteiner, Neil Bryant, Ryan Hagemann, Ruth Keele, Jay Kenton, and Susan Weeks.

Others included: Presidents Mary Cullinan (SOU), Dave Frohnmayer (UO), Bob Davies (EOU), Chris Maples (OIT), John Minahan (WOU), Ed Ray (OSU), and Wim Wiewel (PSU); Jim Bean (UO), Michael Jeager (EOU), Gail Achterman, John Cassady (Research Council), Peter Gilkey (IFS), Tony Leinweber, Mike Goodwin, Mark Abbott

Chair Kelly called the meeting to order at 10:05 a.m. He noted the presence of President Pelton from Willamette University and thanked him for hosting the Board. He then turned to Director Van Vliet, who introduced Bob Davies, newly appointed president at EOU.

2. Reports

a. Chancellor’s Report

Chancellor Pernsteiner expressed his appreciation to WOU president Minahan and his team for effectively and professionally dealing with the H1 flu case on the Western campus. He also thanked colleagues from the Oregon Department of Human Services for their help on dealing with the flu case. He then informed the Board that admissions were up on almost every campus in the System but due to the financial uncertainty, some of current students and some potential students will be unable to attend for financial reasons. He continued, “So at this point, it is not possible to say what the enrollment is likely to be this fall. Some of it will be due to tuition decisions that this Board will be asked to make in July. That is considerably later than usual but we decided it didn’t make a whole lot of sense to postpone tuition decisions for the Fall of 2009 when we had no clue about what the state budget would be. We will get a glimmer of clarity on May 15th when the state’s financial forecast is released. It is my hope that we will know sometime in June what the likely budget will be for our System so that we can
begin to make the allocations to the campuses for 2009-2010 and determine then an estimate for tuition. Chancellor Pernsteiner then called upon Neil Bryant for the legislative report.

Mr. Bryant noted that rumors surrounding the May 15 revenue forecast are that it, while still falling, is leveling off. On May 18th, the co-chairs will give their budgets. He explained that they’re working on several scenarios but the one they’ve made public is that they were operating on a deficit of $4.4 billion in the next biennium.

b. Research Council Report

Dr. John Cassady, Chair of the Research Council, highlighted three general topics in his report: federal funding opportunities, interinstitutional research partnerships, and an update on the university venture development fund.

c. Interinstitutional Faculty Senate Report

Peter Gilkey, president of the Interinstitutional Faculty Senate, gave the IFS report. He presented a snapshot of activities occurring on the campuses of the Oregon University System and the current budgetary challenges facing them. He affirmed that faculty believe passionately in shared governance. He continued, “As far as I can tell, all of our administrations on all of our campuses are engaged actively with the faculty, communicating with them, sharing ideas, our senates are also actively engaged in talking to our administration. So, bottom line, I think things are going well as far as shared governance is concerned.”

d. Oregon Student Association Report

Kelly Horvath, Board Chair for the Oregon Student Association, presented the OSA report. She observed that OSA is concerned with the plight of Oregon students, especially those who may not make it through this fiscal crisis. She stated, “For many, the prospect of diminished opportunity grants and increased tuition means nothing less than a foregone education. Some will be forced to leave campus and this is unavoidable. But there are steps to be taken that can ensure that as many students as possible make it through this crisis with a quality education and those include keeping it affordable and mitigating tuition increases to the smallest degree of what is reasonable.”

3. Report Items

a. OSU/PSU/UO Foundations Update

Tony Leinweber, Executive Director at the Portland State University Foundation, informed the Board of what their endowments can and cannot do in this particular environment. He indicated that, “We have hundreds of thousands of different funds being administered at your university foundations. Your charitable gifts primarily funded through bequests. In other words, the traditional fund raising of tele fund and annual appeals and capital campaigns and that type of thing, generally those are funded from
current funds and people begin to get into the planned gift mode and leave bequests. The donors typically tell us how they want the money spent.”

Mike Goodwin, president of the Oregon State University Foundation continued the discussion by explaining the philosophy that is brought to operating the endowments. The first principle is they manage the endowments to provide intergenerational equity so that future generations of students and faculty will benefit to the same degree that current students and faculty do from the funds. To achieve that, Foundations try to have a sustainable return in the range of 9% to 10% over many years and of that some in the range of 4% to 5% gets distributed out to the current use.

b. Campus Public Services

Mark Abbott, dean of the College of Oceanic and Atmospheric Sciences down at Oregon State University spoke about the Veterinary Diagnostic Lab at OSU, sharing that the VDL is necessary in several areas, both for teaching and research. He indicated that, “VDL provides real world experience for students and researchers into new and unknown problems, really beyond what’s in the textbook and gives them that feet on the ground view of what’s going on in the real world. It’s truly a two way street between the university and its research and education missions and the community that have problems to be solved and bring new problems for people to study and to learn from.” He moved on to speak briefly about the Oregon Climate Change Research Institute, which was established in the last legislative session. The Climate Institute looks at the regional impacts of climate change and is highly aligned with the OSU sustainability initiatives.

Gail Achterman, PSU, spoke about the Institute for Natural Resources, which is one of the multi-campus research institutes within the University System aimed at sustainability. She related that, “the INR has existed only since 2003 and it’s already completed over 90 reports and integrated digital libraries. INR is a terrific investment. I don’t know where else you can go where the state invests $230,000 and gets from a low of 3 to 1 return to a high of 6 to 1 return on the dollars the state spent in terms of the additional grants and contracts that we’ve been able to bring in. INR also links the University System to the business community and the broader civic community.”

Michael Jaeger informed the Board that Eastern Oregon University has three leveraged activities that it is engaged in: Rural Oregon Institute, Mine Safety Education, and the Small Business Development Center. He shared with the Board that the, “Small Business Development Center is more than just public service activity. It is vital for our county. It is vital for our region. It’s important as a way for us to partner up. Especially when you think about the advantages it offers our communities. Our students use that opportunity in business for internships. They write business plans. They’re actively engaged in the processes to help business’s market and manage change.”

Jim Bean, Provost at the University of Oregon, commented on the inseparability of public service programs from the core academic mission. He continued by talking about those linkages. “The Oregon Bach Festival was ranked recently as one of the three top music festivals in the United States that attracts visitors to the Willamette Valley from literally all over the world. But critical to our educational
mission, it also attacks many of the best musicians in the world to Eugene who work in master classes with our music students. QWACKS FM classical radio station, which is not only in Eugene but broadcasts in Florence and Redmond, helps distribute cultural content and helps engage music and communications within the university. The Museum of Natural and Cultural History is founded by the State Legislature and is the official repository of many of the archeological finds in the state. The Jordan Schnitzer Museum of Art is the second most significant art museum in the state. It has one of the greatest Asian Art collections in the United States. The Oregon Office for Community Dispute Resolution, which is housed in the School of Law but engages students from across the University and in fact to Portland State as well, is engaged in alternative or appropriate dispute resolution as an educational program. The Labor Education and Research Center is a group that does research in labor issues and economic issues. They add labor based material into courses and programs that don’t have labor faculty so again they’re heavily integrated into our core educational missions as well as have a significant traditional public service role.”

President Mary Cullinan, SOU, spoke of the integral connections between these services and SOU’s academic mission. She highlighted the SPDC, noting that, “We’ve created opportunities for businesses to obtain $1.47 million in capital that was reinvested in their businesses. We’ve helped with startups, helped unemployed workers start their own businesses. So, we’re doing a lot of excellent work in the community and then at the same time helping our students really learn about this work and get involved with these businesses.” She added that Jefferson Public Radio, which was started at SOU 40 years ago, and now reaches over a million listeners in about 60,000 square miles, and Rogue Valley Television, which also was founded SOU, broadcasts to about 70,000 homes in Jackson and Josephine counties.

4. Public Testimony

Tricia Smith, Oregon School Employees Association, spoke about the Association’s experience with the Labor and Education Research Center at the UO and asked the Board to do what it could to maintain the Center as the integral part of our community that it had been for more than 30 years. She stated, “We believe, as you have heard from others, does fit very importantly into the core functions of the UO and into higher education in Oregon and into our communities across the state.”

Keith Leights, an Air Force ROTC Jag student at the Oregon University School of Law and a fellow in the in the Oregon Office for Community Dispute Resolution, explained that conflict resolution and law student classes and clinics are supported by that office, as well as internship and externship positions that are provided to students. He affirmed that the Oregon Office for Community Dispute Resolution is one of the few tangible programs that can help students secure opportunities beyond law school.

Amy Cleary, program coordinator for the Clackamas County Dispute Resolution Center, spoke of her support for the Oregon Office for Community Dispute Resolution. She told the Board that the office was an integral part of what’s happening with students’ experiential learning.
Lauren Beany and Tim McCabe spoke of their support for the Oregon Office for Community Dispute Resolution at the UO.

Board discussion followed.

5. **Report Items - continued**

c. **2009 Performance Report**

Susan Weeks provided the Board with a foundation and a context for performance measures and where Oregon ranks in its public four year institutions on different measures. Ruth Keele then spoke to the System level performance on most of the measures, with an emphasis on three: access, graduate satisfaction and success, and student progress and degree completion.

Board discussion followed with president responding to their institutions performance measures.

6. **Committee Reports**

a. **Sustainability Initiatives Subcommitee**

Director Yaden gave a brief update on the Sustainability Initiatives Committee, noting that on May 27 an event will take place with campus leaders around sustainability. “We will take a hard look at where are we really in terms of making full use of our position at universities and the cost of sustainably. It really will be an effort of trying to move more of this into the some creative clustering around some major themes that people will come up with and take on.”

b. **Oversight Committee on Sexual Assault**

Director Powers announced that on May 22, the Sexual Assault Oversight Committee will be having a symposium with important campus leaders to look at the work being done by the Committee and trying to get feedback.

c. **Student Participation and Completion Committee**

Director Powers also announced that the Committee is planning a symposium for the fall where best practices with regard to outreach to underserved students will be looked at.

7. **Board Comments**

There were no Board comments.

8. **Delegation of Authority to the Board’s Executive Committee**

Chair Kelly called for a motion to delegate Board authority to the Executive Committee as stated in the docket materials; it was moved and seconded. Motion was passed.
9. **Adjournment**

With no further business before the Board, Chair Kelly adjourned the meeting at 1:30 p.m.