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

Board Members present included: President Paul Kelly, Kirby Dyess, Hannah Fisher, Brian Fox, Jim Francesconi (10:15), Dalton Miller-Jones, Rosemary Powers, Preston Pulliams, Kirk Schueler, John Von Schlegell, Tony Van Vliet, and David Yaden.

Staff present included: Chancellor George Pernsteiner, Neil Bryant, Ryan Hagemann, Jay Kenton, and Susan Weeks.

Others included: Presidents Mary Cullinan (SOU), Dave Frohnmayer (UO), Dixie Lund (EOU), Chris Maples (OIT), John Minahan (WOU), Ed Ray (OSU), and Wim Wiewel (PSUJ). Associate Provost (OHSU) also attended.

President Kelly called the meeting to order at 9:45 a.m. Rosemary Powers and Brian Fox were acknowledged as reconfirmed for another 2-year term.

2. **REPORTS**

   a. **Chancellor’s Report**

   Chancellor Pernsteiner called the Board’s attention to the display boards providing information on the campuses’ participation in the state’s 150 celebration. Neil Bryant provided an update on the Ways & Means progress, noting that the legislature is anticipating convening the legislative review and approval process of the state budgets on June 15th.

   Chancellor Pernsteiner noted the upcoming retirements of Presidents Lund and Frohnmayer and read the resolution for President Dixie Lund. President Kelly called for a motion to approve the resolution, Director Powers made the motion and Director Van Vliet seconded; the resolution was unanimously approved.

   b. **Interinstitutional Faculty Senate (IFS) President (Gilkey)**

   Dr. Peter Gilkey provided an update and introduced Joel Alexander, IFS vice president. Dr. Gilkey’s report is available at [http://www.ous.edu/state_board/meeting/index.php](http://www.ous.edu/state_board/meeting/index.php).
c. **Oregon Student Association (OSA) Chair**

President Kelly called upon the interim chair, Taylor York (student body president, SOU), who provided the testimony (see [http://www.ous.edu/state_board/meeting/index.php](http://www.ous.edu/state_board/meeting/index.php)). Director Dyess asked concerning lobbying for retaining interest-earnings at the individual institutions; Director Fisher advised that the OSA has been very involved in lobbying at the capitol for this policy option package and encouraged Ms. York to take the recommendation of Director Dyess back to the OSA board for inclusion in their scheduled sit-in at the capitol (i.e., posters).

3. **Consent Items**

a. **UO, Ground Lease between UO and TC Eugene, 800 Riverfront Parkway, Riverfront Research Park**

b. **Certificates of Participation Approval**

President Kelly recommended taking these two items off of the consent agenda for discussion and separate approval. Finance & Administration Committee Chair, Kirby Dyess, advised the Board of the discussion pertaining to the ground lease between the UO and TC Eugene. Director Powers asked that the Board be advised of the public testimony shared at the Committee meeting by UO students and graduate assistants on their proposal for the land. The recommendation to the Board was modified to allow for further investigation and discovery for the site without delaying the lease proposal. Director Dyess made the motion to approve and Director Schueler seconded. Director Francesconi asked concerning the City of Eugene’s support; President Frohnmayer advised that the City is supportive of the proposed development. Directors Powers and Fisher abstained from the vote; however, the motion was approved.

Vice Chancellor Kenton described the amendments that were made to the Certificates of Participation campus requests; these amendments were made subsequent to the recently determined Attorney General’s directive. He further advised that the COPs will be repaid by Education & General funds and not student tuition and fees; however the technology upgrades will be repaid through tuition and general funds. Kenton reiterated that these classroom and IT upgrades will be beneficial to students. Director Dyess made the motion to approve the use of COPs and Director Van Vliet seconded. Director Miller-Jones expressed his hesitation of committing tuition and fees to the projects, noting that it puts more weight on the backs of students; however, Director Fox opined that tuition revenue is the largest source of funds that will support instruction. Director Powers noted her concern that students and the public will not understand the use of tuition revenues; she encouraged each campus engaging faculty and students in communicating the reasons for the use of funds. Vice Chancellor Kenton advised that each campus has an advisory budget committee that review each proposed use of funds. Chancellor Pernsteiner provided historical context for the genesis of the Board-approved process for the use of COPs rather than state-funded classroom and building projects, emphasizing how a holistic approach is needed when for funds. Motion carried.
4. **ACTION ITEMS**

a. **OSU, Request for Technical Adjustment in the 2009-2011 Capital Budget**

Vice Chancellor Kenton presented the agenda item. Following full and frank discussion, Director Dyess made the motion and Director Pulliams seconded to approve the technical adjustments to the 2009-2001 capital budget; motion was passed.

b. **OUS, Resolution for Approval with the City of Portland’s Economic Development Strategy**

Vice Chancellor Kenton directed the Board’s attention to the proposed resolution to endorse and support the City of Portland’s economic development strategy.

President Vliet expressed his strong support of the proposed economic development strategy and commended the City of Portland’s inclusion and acknowledgement of the System universities’ increased role in a higher education-based economy. Director Vliet agreed with Dr. Vliet but expressed his disappointment that the state government economic development agency has not similar plans and agreements with all cities in Oregon. Director Yaden advised the Board’s Subcommittee in Sustainability Initiatives has been discussing and supported the proposal. Director Dyess noted that the OHSU Board should provide their own endorsement. Director Francesconi noted that the System needs to be strategic in seeking financial support from the Portland Development Commission. He encouraged the Board to assign a committee to address regional economic development.

Following the discussion, Director Fisher made the motion to approve the endorsement, Director Van Vliet seconded; the motion passed.

c. **UO, Request for Emeritus Status**

President Kelly presented the resolution conferring presidential emeritus status to President Dave Frohnmayer for his accomplishments as president of the University of Oregon the past 15 years.

Director Van Vliet made the motion and Director Dyess seconded; motion was unanimously approved. President Kelly thanked President Frohnmayer for his exemplary leadership to the University and advice to the Board over the years.

d. **Policies on Undergraduate Class Size and Program Demand**

President Kelly called upon Vice Chancellor Weeks for presentation of the proposed policies. President Minahan opined that the proposed academic program review (class and program size) is micromanaging by the Board and placing heavy workloads on the Chancellor’s and campus’ staff to gather and corroborate the data. Director Fisher advised that students at PSU who are attending black studies, Chicano/Latino studies are concerned about the “trickle-
down” affect of the policies on their programs. Director Kelly opined that without the gathering of statistics, the policy would not be effective. President Cullinan shared that the proposed policies are not unusual in the academic environment. President Minahan reiterated his opinion that this policy would place an onerous responsibility on the campuses with little value. Director Yaden asked what changes to the policy Dr. Minahan would recommend; Dr. Minahan stated that he recommended the removal of the requirement for class size review. Vice Chancellor Weeks advised that an original policy was approved by the Board in 1962 and included the review of class size for viability of the program. Director Fox supported President Minahan’s recommendation. President Wiewel proposed tabling this item to allow the presidents further recommendation. Director Francesconi asked if the Provosts’ Council had approved and recommended the adoption of the policies; Weeks affirmed the Council’s involvement in the creation of the policies. Director Francesconi opined that the Academic Programs Committee should review and make recommendations concerning these policies. Director Miller-Jones reiterated his viewpoint that these policies may put undo data-recording requirements on faculty.

Chancellor Pernsteiner provided background in that the proposed policies have been reviewed over the past six months in order to curtail the legislature mandated their own policy on the System.

President Kelly tabled the item for further study by the Board Committee and System Councils.

5. **Committee Reports**

a. **Standing Committee Reports**

Director Dyess advised that the F&A Committee is in the process of revising the Committee’s charter and calendar. President Kelly advised that SB118 (board governance) has passed both chambers of the legislature and has been sent to the governor for approval. He thanked Neil Bryant and Lisa Pinheiro for their work on the bill and also the participation of OSU in lobbying for the bill.

Director Francesconi described the proposed Academic Strategy Committee’s agenda and calendar and recommended that additional Board members would be assigned to the committee in addition to the current membership.

Director Powers updated the Board on the Oversight Committee on Sexual Assault’s recent symposium and the Committee’s development of definitions.

b. **Other Board Committees**

No other Committee reports were provided.

6. **Public Input**
No public input was requested.

7. **BOARD COMMENTS**

Director Francesconi congratulated President Ray and OSU’s award on minorities. He added that he and Director Yaden had visited the University of Oregon on their graduate programs and were very impressed with the programs. Director Yaden added that he commended the collaborative efforts of OSU and UO graduate programs.

President Frohnmayer acknowledged the Chancellor’s staff in their support of the Board and expressed his appreciation for their work. President Lund, on behalf of the presidents, thanked Directors Dyess and Von Schlegell for their dedication and service to the Board over these past five years. Director Yaden thanked Director Dyess’ role in mentoring.

8. **DELEGATION OF AUTHORITY TO BOARD’S EXECUTIVE COMMITTEE**

Directors Van Vliet and Fox made the motion and second, respectively, to approve the delegation of authority to the Executive Committee; motion passed.

9. **ADJOURNMENT**

At 12:35 p.m., President Kelly adjourned the Board into Executive Session.

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**EXECUTIVE SESSION OF THE STATE BOARD OF HIGHER EDUCATION (#829)**

**JUNE 5, 2009**

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

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

Staff present included: Chancellor George Pernsteiner, Ryan Hagemann, and Marcia Stuart.

President Paul Kelly called the meeting to order at 1 p.m. and called upon the Secretary to take the roll. The Board of Higher Education met in executive session, from which the public is excluded, is held pursuant to ORS 192.660(2)(i), for the purpose of reviewing and evaluating the employment-related performance of the chief executive officer of any public body, a public
officer, employee or staff member who does not request an open hearing. No media representative was present. Pursuant to ORS 192.660(6), no final action was taken nor final decision made in the executive session.

2. **DISCUSSION ITEM**

   a. **Presidential Evaluations**

      Presidents Mary Cullinan, Southern Oregon University; Ed Ray, Oregon State University; and John Minahan, Western Oregon University, met with the Board for performance review and state-of-the-campus dialogues.

3. **ADJOURNMENT**

   Following these discussions, the meeting was adjourned at 5 p.m.