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MINUTES OF THE REGULAR MEETING
OF THE STATE BOARD OF HIGHER EDUCATION (#843)
PORTLAND STATE UNIVERSITY
OCTOBER 8, 2010

MINUTES

1. CALL TO ORDER/ROLL CALL/WELCOME

President Kelly called the meeting to order at 10:04 a.m. Board members present included President Paul Kelly and Directors Lynda Ciuffetti, Matt Donegan, Jill Eiland, Hannah Fisher, Allyn Ford, Brian Fox, Jim Francesconi, Rosemary Powers, Kirk Schueler, and David Yaden; Director Preston Pulliams was absent due to a business conflict.

Chancellor’s staff present included Chancellor George Pernsteiner, Michael Green, Ryan Hagemann, and Jay Kenton. Others present included Presidents Bob Davies (EOU), Chris Maples (OIT), Ed Ray (OSU), Wim Wiewel (PSU), Mary Cullinan (SOU), Richard Lariviere (UO), John Minahan (WOU), and Provost Dave Robinson (OHSU).

2. REPORTS

a. Chancellor’s Report

During his report, Chancellor Pernsteiner announced that Dr. Sona Karentz Andrews, currently provost and vice president for academic affairs at Boise State University, has accepted the position of vice chancellor for academic strategies and will join the OUS on December 1.

b. Interinstitutional Faculty Senate (IFS) President

President Kelly called upon Joel Alexander for the IFS report. He noted that, with the changing times and computer-savvy students, faculty are having to adapt their course deliveries. With the greater influx of students, faculty, administration, and staff are “stretched to the max.” Director Francesconi requested, in conjunction with the Academic Strategies Committee work plan’s focus on faculty, Dr. Alexander’s assistance in crafting the material for the Committee’s review.

c. Oregon Student Association (OSA) Chair

Mario Parker-Milligan, the chair of the OSA and student body president at Lane Community College, brought the report from the Oregon Student Association. He noted that he is the first chair of the OSA from a community college.
3. **CONSENT ITEM**

   a. **Approval of a Special Procurement Process for the Oregon Sustainability Center Development Team**

   (Details for all docket items may be obtained at [http://www.ous.edu/state_board/meeting/dockets](http://www.ous.edu/state_board/meeting/dockets))

   Director Schueler, Chair of the Board’s Finance and Administration Committee, noted that the Committee had reviewed and approved this item at its September 2010 meeting. Vice Chancellor Kenton provided a brief summary of the request.

   President Kelly called for a motion to approve the staff recommendation to approve the use of a special procurement process as provided in OAR 580-63-020(7)(a) to contract with Gerding Edlen Development Company to oversee the schematic design work (with the understanding that they will competitively procure the services of a general contractor) and to ultimately design and build the Oregon Sustainability Center, if such is subsequently authorized by the Board. Staff believe that use of this special procurement process can reasonably be expected to result in cost savings or otherwise promote the public interest, as is required by the OUS administrative rule cited above, for the following reasons:

   - A competitive selection process was used to select this team;
   - The PDC RFP and amendments thereto contemplated that all, or part, of the same team used to perform the feasibility study could be retained to perform phase 2 of the project;
   - The Development Team has garnered significant knowledge in performing the Phase 1 work that will result in cost savings in Phase 2; and
   - The schematic design contract will require the Development Team to competitively select a General Contractor, thereby ensuring competition for this key piece of the work.

   **Action:** Directors Hannah Fisher and Allyn Ford moved and seconded, respectively. Those voting to approve included: Lynda Ciuffetti, Matt Donegan, Jill Eiland, Hannah Fisher, Brian Fox, Allyn Ford, Jim Francesconi, Paul Kelly, Rosemary Powers, Kirk Schueler, and David Yaden. Motion was passed. Director Fisher commended the project and Francesconi noted that this is a “big issue” to the mayor and members of the PDC. Dr. Kenton advised that, when the PDC approves a project, they require that their procurement rules are used, and, as such, they are engaged in negotiations with System counsel.
4. **ACTION ITEMS**

a. **OUS, Fiscal Year 2010-11 Operating Budget Allocations Adjusted for Governor’s September 2010 Allotment Reductions**

Vice Chancellor Kenton introduced Ms. Jan Lewis, Director of OUS Budget Operations, who recently came to the System office from OIT. Following discussion of the proposed budget amendments, President Kelly called for a motion to approve the allocation of the September Allotment Reductions to the 2010-11 Annual Operating Budget as described in the docket, and authorize the Chancellor or designee to seek additional Other Funds limitation at the December 14, 2010, Legislative Emergency Board meeting.

**Action:** Directors Allyn Ford and Hannah Fisher made the motion and second, respectively. Those voting to approve included: Lynda Ciuffetti, Matt Donegan, Jill Eiland, Hannah Fisher, Brian Fox, Allyn Ford, Jim Francesconi, Paul Kelly, Rosemary Powers, Kirk Schueler, and David Yaden. Motion passed.

b. **OUS, Policy on Executive Leadership and Management; Internal Management Directive on Executive Searches, Appointments, and Management; IMD on Contracts/Notices of Appointment for Chancellor and Presidents; Repeal/Amendment of IMD 1.010, 1.015, 1.020, 1.023, 1.040, 1.042, 1.043, 1.045, 1.050, 1.055, 1.102, 1.103, 1.120, 1.123, 1.127, 1.140, 1.141, 1.142, 1.150, and 1.155. Repeal/Amendment of Board Policies on Evaluation of the Chancellor, Evaluation of Chief Administrators, Executive Management, Delegation of Approval of Routine Items to Chancellor, Presidential Search Process**

President Kelly called upon Legal Counsel Ryan Hagemann to present the item. Following discussion, President Kelly called for a motion to repeal current IMD 1.010, 1.015, 1.020, 1.023, 1.040, 1.042, 1.043, 1.045, 1.050, 1.055, 1.102, 1.103, 1.120, 1.123, 1.127, 1.140, 1.141, 1.142, 1.150, and 1.155; repeal current Board Policies on Evaluation of the Chancellor, Evaluation of Chief Administrators, Executive Management, Delegation of Approval of Routine Items to Chancellor, and Presidential Search Process; and approve, as included in the docket, the Policy on Executive Leadership and Management, the IMD on Executive Searches, Appointments, and Management, and the IMD on Contracts/Notices of Appointment for Chancellor and Institution Presidents.

**Action:** Directors Jill Eiland and Lynda Ciuffetti made the motion and seconded, respectively. Those voting to approve included: Lynda Ciuffetti, Matt Donegan, Jill Eiland, Hannah Fisher, Brian Fox, Allyn Ford, Jim Francesconi, Paul Kelly, Rosemary Powers, Kirk Schueler, and David Yaden. Motion passed.

c. **DAS Best Practices**

President Kelly called upon Legal Counsel Ryan Hagemann to present the item. Following discussion, President Kelly called for a motion to approve the report on Board best practices to be submitted to the Department of Administrative Services.
Action: Directors Dave Yaden and Matt Donegan made the motion and seconded, respectively. Those voting to approve included: Lynda Ciuffetti, Matt Donegan, Jill Eiland, Hannah Fisher, Brian Fox, Allyn Ford, Jim Francesconi, Paul Kelly, Rosemary Powers, Kirk Schueler, and David Yaden. Motion passed.

d. Presidential Reappointment

President Kelly called upon the Chancellor who recommended the reappointment of Dr. John Minahan as president of Western Oregon University. Chancellor Pernsteiner commended President Minahan for his excellent performance in the position during the past five years. Following discussion, President Kelly called for a motion.

Action: Directors Jill Eiland and Brian Fox made the motion and seconded, respectively. Those voting to approve included: Lynda Ciuffetti, Matt Donegan, Jill Eiland, Hannah Fisher, Brian Fox, Allyn Ford, Jim Francesconi, Paul Kelly, Rosemary Powers, Kirk Schueler, and David Yaden. Motion passed.

e. OUS, Approval of the Sustainability Initiatives Committee 2010 Final Report

President Kelly called upon Director Yaden for his final report from the Sustainability Initiatives Committee. Director Yaden expressed his appreciation to Dr. Gail Achterman (OSU) and Mr. Charles Triplett (OUS) for their fine work and dedication to the development of the report and proposed Board policy.

Following discussion, President Kelly called for a motion to approve the report and adopt the Board policy on sustainability.

Action: Directors Kirk Schueler and Matt Donegan made the motion and seconded, respectively. Those voting to approve included: Lynda Ciuffetti, Matt Donegan, Jill Eiland, Hannah Fisher, Brian Fox, Allyn Ford, Jim Francesconi, Paul Kelly, Rosemary Powers, Kirk Schueler, and David Yaden. Motion passed.

5. Discussion Item

a. OUS, Participation of Minority Business Enterprises, Women Business Enterprises, and Emerging Small Businesses (MWESB) in OUS Construction and Purchasing Contracts

President Kelly called upon Ms. Hillary Bounds, Director, Contracting & Purchasing, Purchasing & Contracting Services, who then introduced a panel to discuss their concerns and remarks pertaining to the MWESB in campus construction and purchasing contracts.
6. **REPORT ITEMS**

   a. **Senate Bill 442, Joint Boards’ Report Update**

      President Kelly called upon Assistant Vice Chancellors Bob Turner and Joe Holliday to provide the update.

   b. **OUS, Academic Strategies Committee Work Plan**

      Director Jim Francesconi provided the proposed two-year work plan for the Academic Strategies Committee and identified the areas in which Board members will participate.

7. **PUBLIC INPUT**

   No public comment was submitted.

8. **BOARD COMMENTS**

   Director David Yaden reiterated his gratitude to Dr. Gail Achterman for her work as vice chair of the Sustainability Initiatives Committee.

9. **ADJOURNMENT**

   With no further business proposed, President Kelly adjourned the meeting at 2:48 p.m.