Minutes

Board members present included: President Matt Donegan and Directors Lynda Ciuffetti, Allyn Ford, Brian Fox, Jim Francesconi, Paul Kelly, Rosemary Powers, Preston Pulliams, and Kirk Schueler. Directors Jill Eiland (business), Hannah Fisher (business), and Dave Yaden (personal) were absent.

Chancellor’s staff present included: Chancellor George Pernsteiner, Bridget Burns, Michael Green, Ryan Hagemann, Jack Isselmann, Jay Kenton, Jan Lewis, Di Saunders, Patricia Snopkowski, Marcia Stuart, Charles Triplett, and Denise Yunker.

Others present included Presidents Mary Cullinan (SOU), Richard Lariviere (UO), Chris Maples (OIT), Ed Ray (OSU), and John Minahan (WOU). Provost Steve Adkinson (EOU), Vice President Darlene Morgan (EOU), and Chief of Staff Lois Davis (PSU).

1. CALL TO ORDER/ROLL CALL/WELCOME

President Matt Donegan called the meeting to order at 10:12 a.m.

Chair Donegan welcomed Farbodd Ganjifard as a new student member of the Board. He continued by thanking the outgoing president and vice president of the Board, Paul Kelly and Jim Francesconi. He also noted that Jill Eiland was the new incoming Board vice president.

He then turned to Chancellor Pernsteiner for the Chancellor’s Report.

2. REPORTS

a. Chancellor’s Report

Chancellor Pernsteiner began by thanking Paul Kelly and Jim Francesconi for their leadership, dedication, and passion as members and president and vice president of the Board. He added that the OUS served more students than ever before and the campuses were doing it more effectively than ever before. Faculty on the campuses are recognized around the world for leading edge research to a degree that was not the case even three years ago. He shared, “I think that the dedication of the faculty and staff, the motivation provided by our students, has really propelled the University System and all of its campuses into a new level. And I think that the opportunities provided to us by the new structure and governance changes that the state
Legislature and Governor have been so supportive of, will in fact allow us to continue that trajectory.”

Jack Isselmann and Bridget Burns gave the legislative update. Ms. Burns related what she believed made the session successful: beginning early and having a very clear goal in mind; excluding no stake-holders; having fearless leadership; mobilizing public support; being willing to negotiate; needing to pound the pavement at the Capitol; having the best team possible; and finally, persistence. Mr. Isselmann added his thanks to everyone involved in making the legislative session successful and giving a brief summary of the bills that passed. He moved on to the operating budget, noting several highlights in the budget deferred maintenance, and capital construction.

Board discussion followed regarding the February legislative session. Mr. Isselmann reminded the Board that there are strict limits on the number of bills that can be introduced during that session with most action predominantly on the budget.

b. Interinstitutional Faculty Senate (IFS) President

No report was given.

c. Oregon Student Association (OSA) Chair

Chair Donegan observed that there was an email report from the OSA, which identified a number of initiatives, including the priority setting process, the preparation for our February legislative session, and the tuition setting process.

Board member Rosemary Powers emphasized the importance of the engagement of OSA in the passage of Senate Bill 242 and singled out Board member Hannah Fisher for the constant work she did to try to help students who were understandably unconvinced about this to see the importance of it.

3. Committee Action Reports

a. Finance and Administration Committee

Chair Kirk Schueler gave an update from the morning’s F&A meeting. Approval was given to the progress report from internal audit and the U of O ground lease. Discussion took place regarding the move of services transition planning, which laid out work for the Chancellor’s office to accomplish that transition effective January 1st, 2012.

b. Academic Strategies Committee

No report was given.
c. Governance and Policy Committee

Chair Paul Kelly noted that the committee had a presentation from Dr. Bill Zumeta from the University of Washington, who is an expert on higher education finance and governance. He identified themes that the committee had been hearing: that there is no perfect or optimum governance structure to be applied to any system and you have to fund and govern for outcomes, not inputs. He added that at the July meeting, the committee will summarize what has been heard to date on some of the presentations and develop of the topics. At the September meeting, the committee will be asking the presidents to address what they each see as the problems or challenges in the current system that need fixing and at the October meeting, the committee will be looking at presentations from the presidents on solutions to some of the problems identified.

4. Consent Item

d. UO, Ground Lease between UO and TC Eugene, 1700 Millrace Drive, Riverfront Research Park

Chair of the Finance and Administration Committee, Kirk Schueler, presented the item, noting that the committee reviewed and approved that morning the ground lease between U of O and a developer, TC Eugene. He reported that this is a continuation of an issue that the Board approved two years ago. He shared that the developer had selected a different site, which was more central to the research part.

Action: Directors Kirk Schueler and Preston Pulliams made the motion to approve the UO’s request for a ground lease between the University of Oregon and TC Eugene, respectively; motion carried.

5. Action Items

a. OUS, Mission Alignment/Metrics, Use and Implementation

Vice Chancellor Andrews presented the item sharing that in June 2011, the Board approved the mission alignment/matrices with accompanying metrics. What is now being proposed are the procedures for the use and implementation of the mission alignment document for campuses and the System, as a whole, to ensure the Board’s goals are met and that resources are effectively managed. It is intended to be updated on an annual basis and submitted to the Academic Strategies Committee of the Board for discussion, modification if needed, and approval. It is reflective of how OUS institutions are fulfilling their mission commitments and was designed as a tool to be used by institutions, OUS, and the Board to determine how OUS is meeting the Board’s goals. It provides a bridge to align institutional missions with OUS. It will be used to determine needs for new academic programs and to assess new program proposals. It will provide a framework for measures and metrics to be used to benchmark institutional progress, program viability, and presidential evaluation. She related the procedures for how
the Board, institutions, Provosts’ Council, and Chancellor’s Office will use the Mission Alignment matrices and matrix.

Board discussion followed.

Chair Donegan called for a motion to approve the Mission Alignment/Metrics, Use and Implementation document with a continuation of the discussion at a later date.

**Action:** Directors Allyn Ford and Preston Pulliams made the motion and seconded, respectively; motion carried.

b. **OUS, equity purchasing and contracting policy and procedures**

Hillary Bounds presented the item, reporting that goals have been developed for a new policy on improving practices and procedures. The primary goal is to improve participation throughout the System for historically underrepresented and emerging small business. Other goals included establishing clear data recording guidelines, which would provide campuses with clear expectations of what kind of information that was wanted at the Board level to do an annual review; and ensuring that existing experiences and practices were capitalized on. She stated, “I really want this to be a dynamic policy where we can, as we put it into practice, modify it as necessary and we can incorporate some new elements as we think that they’re required or useful.”

Chair Donegan called for a motion to approve the Equity Purchasing and Contracting Policy and Procedures.

**Action:** Directors Rosemary Powers and Preston Pulliams made the motion and seconded, respectively; motion passed.

c. **Contract Renewal/amendment for President Richard Lariviere**

Chair Donegan presented the walk-on item, explaining that it is a contract renewal and amendment for UO President Richard Lariviere. It extends the current employment agreement to Friday, July the 22nd, 2011; confirms the conditions and motion of June 14th, 2011 for the new employment agreement with the exception of substituting the termination without cause language of Dr. Lariviere’s 2009-2011 employment agreement; and authorizes the Chancellor or designee to negotiate and execute a new employment agreement, with the assistance of legal council, to be finalized and executed no later than Friday, July the 22nd, 2011, that specifically considers outstanding legal questions with regard to salary, supplemental salary, and deferred compensation language in a new employment agreement executed by Friday, July the 22nd, 2011. Absent agreement with regard to new compensation language and a new employment agreement executed by Friday, July the 22nd, 2011, the Board, pending an offer from the U of O Foundation, authorizes the Chancellor, or designee, to included compensation language in the
new employment agreement with the total compensation amount equal to that in President Lariviere’s current employment agreement.

**Action:** President Matt Donegan made the following motion: 1) extend the current employment agreement to Friday, July the 22nd, 2011; 2) confirm the conditions and motion of June 14th, 2011 for the new employment agreement with the exception of substituting the termination without cause language of Dr. Lariviere’s 2009-2011 employment agreement; and 3) authorize the Chancellor or designee to negotiate and execute a new employment agreement, with the assistance of legal counsel, to be finalize and executed no later than Friday, July the 22nd, 2011, that specifically considers outstanding legal questions with regard to salary, supplemental salary, and deferred compensation language in a new employment agreement executed by Friday, July the 22nd, 2011. Absent agreement with regard to new compensation language and a new employment agreement executed by Friday, July the 22nd, 2011, the Board, pending an offer from the U of O Foundation, authorize the Chancellor, or designee, to included compensation language in the new employment agreement with the total compensation amount equal to that in President Lariviere’s current employment agreement. Director Preston Pulliams seconded; motion carried.

6. **Public Comment**

No public input was given.

7. **Board Comments**

There were no Board comments.

8. **Adjourn into Executive Session**

With no further business proposed, Chair Donegan adjourned the Board into executive session at 12:49 p.m.