MINUTES OF THE
REGULAR MEETING OF THE
STATE BOARD OF HIGHER EDUCATION

December 17, 1999

CALL TO ORDER

ROLL CALL

MINUTES APPROVED

PRESIDENT'S REPORT

CHANCELLOR'S REPORT

COMMITTEE ITEMS

Budget and Finance
ACTION ITEMS:
    OAR 580-040-0035, Summer Session Fee Book 341
    Hazardous Waste Facility, OSU 342

System Strategic Planning
REPORT ITEM (initially presented as an action item):
    1999-2001 Strategic Initiatives 344

CONSENT ITEMS:
    Conflict of Interest Policy Statement 344

    OUS Institutional Preambles and Missions 345

    Academic Programs:
        • B.A./B.S. Philosophy, WOU 345
        • M.S. Social Policy, WOU 346

Nominating
ACTION ITEM:
    Slate of Officers for 1999-00 346

Investment

Economic Development Joint Boards Working Group

OHSU

Education Joint Boards Working Group 348
PUBLIC INPUT SESSION 348
ITEMS FROM BOARD MEMBERS 348
DELEGATION OF AUTHORITY TO THE BOARD'S EXECUTIVE COMMITTEE 348
WORK SESSION/CENTRAL OREGON REGIONAL ADVISORY BOARD UPDATE 348
PRESENTATION BY STATE ECONOMIST TOM POTIOWSKY 352
ADJOURNMENT 352
Meeting #686—Minutes

OREGON STATE BOARD OF HIGHER EDUCATION
MINUTES OF REGULAR MEETING
PORTLAND STATE UNIVERSITY
ROOMS 327/8/9
PORTLAND, OREGON

CALL TO ORDER
The meeting of the State Board of Higher Education was called to order at 10:03 a.m. by President Imeson.

ROLL CALL
On roll call, the following answered present:

Dr. Herb Aschkenasy            Mr. Jim Lussier
Mr. Shawn Hempel               Dr. Geri Richmond
Mr. David Koch                 Mr. Don VanLuvianee
Mr. Bill Williams              Mr. Jim Willis
Ms. Phyllis Wustenberg         Mr. Tom Imeson

Absent: Ms. Leslie Lehmann (out of the country)

MINUTES APPROVED
The Board dispensed with the reading of the October 21, 1999, Board meeting minutes. With two minor corrections, Mr. Koch moved and Mr. VanLuvianee seconded the motion to approve the minutes as submitted. The following voted in favor: Directors Aschkenasy, Hempel, Koch, Lussier, Richmond, VanLuvianee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.

PRESIDENT’S REPORT
Mr. Imeson announced that Chancellor Cox would not be attending the meeting, as he was home recuperating from minor surgery. “I understand that everything went well and we expect him to be up and around very soon,” he said.

Chancellor Cox/President Frohnmayer
Noting President Frohnmayer’s presence at the table following a medical emergency in October, Mr. Imeson expressed his relief at the rate of recovery and Mr. Frohnmayer’s subsequent return to work.

Bill Williams
Welcoming new Board member Bill Williams to the Board, Mr. Imeson indicated that if his participation is similar to his input at his first Budget and Finance Committee meeting, “I know that he’ll be a very constructive member,” said Mr. Imeson.
Meeting #686—Minutes

December 17, 1999

David Koch
Mr. Imeson congratulated Mr. Koch on his recent appointment to the U.S. Department of Transportation Honors Attorney Program. As one of only eight successful applicants, Mr. Koch will be moving to Washington, D.C. in August 2000 to begin the two-year program.

Leslie Lehmann
Mr. Imeson said that he recently appointed Ms. Lehmann to the Oregon Qualified Tuition Savings Board, the group charged with creating policy recommendations for a new tuition savings program.

New Board Meeting Format
Describing the new Board meeting format, Mr. Imeson said he hoped that it would lend itself to more meaningful deliberation of strategic issues by the Board. Action items and reports will be initially received and discussed in the Committee setting, and the Committee chair will report out at the full meeting. "This should allow us to focus our energies on strategic issues more appropriate to the charge of this Board," he said. Mr. Imeson also noted the new table configuration that included presidents at the table, in an effort to promote better dialogue and exchange of information.

CHANCELLOR’S REPORT

Federal Funding
Vice Chancellor Clark read the Chancellor’s report on his behalf.

Congratulating the Oregon congressional delegation on its success in securing targeted funding for several university projects, the Chancellor specifically named PSU, OHSU, OSU, UO, and the University Center in Bend as recipients.

Faculty Salaries
The Chancellor referred to the current status of faculty salaries, applauding institution presidents for the energy and creativity they are giving the issue.

Health Insurance
Transitioning to health insurance matters, the Chancellor asked Vice Chancellor Anslow for a status report. Mr. Anslow summarized a recent meeting between President Imeson, Governor Kitzhaber, and himself. Indicating that it had been a serious issue for some time, Mr. Anslow explained the complexity of the current system (PEBB) and the move toward a tier arrangement that could affect employees who opt out of coverage and now receive a cash back benefit. Mr. Anslow said that staff is currently studying the options, including establishing a System plan, which the Board has the authority to do if it can provide the same range of benefits at a lower cost. "I think it's a critically important issue in terms of staff compensation and, particularly, faculty compensation," said Mr. Anslow.
Vice Chancellor Clark announced that OSU Provost Roy Arnold recently accepted the position of executive associate dean at OSU, ending his eight-year tenure as provost. OIT Provost Tim Stanaway, who most recently served as interim provost and vice president for student affairs at the institution, retired so that he may spend more time with his family and contribute to his community.

Noting that it was his last meeting as IFS president, Dr. Cooper announced the new IFS officers for 2000:

- President: Gary Tiedeman, OSU
- Vice President: Ann Tedards, UO
- Secretary: Robert Brandon, EOU
- Academic Council Liaison: Paul Simonds, UO

Following is an excerpt of Dr. Cooper’s remarks:

"IFS met at PSU on December 3-4. We were greeted by President Bernstine and Provost Tetreault. Kathi Ketcheson, from the Office of Institutional Research, discussed performance indicators and the new budget model, and how those affect her office.

"Those two issues, performance indicators and the new budget model, were then discussed by IFS members in greater detail. As to the former, departments are now required to devise their own models for assessing student learning. It seemed to be a good move in our opinion. As to the budget model, while it's still not entirely clear, there is a uniform system for recording information in the cells.

"I've looked at the strategic objectives that the System Strategic Planning Committee is considering, particularly the goal to attract and retain the best faculty and staff possible. I would like to focus on the matter of retention. When I was head of the English Department [PSU], I had a chance to fill a position for which I recruited someone who was uniquely qualified with very high credentials. Unfortunately, the budget was so tight that the dean could only allow me to hire this person on a fixed-term appointment. Naturally, he went looking for another job and found one. He was a very good teacher, a productive scholar, and a good performing member of the department. I, of course, wanted to do anything we could to
keep a good person. I tried to match the money, I tried to put him on a tenure track. But he asked me one pointed question. He said, 'What about merit money?' I had to say it was down to every three or four years. I was out of ammunition: there was nothing else I could do to keep him. It's an enormous waste of time and resources. In about ten days I'm going to be flying to Chicago to hire a person to replace me. We're looking at someone who is absolutely superb. It's a buyer's market for Ph.D.'s in English.

"One member of the search committee said maybe we shouldn't go for the best because if we hire the best, they're hired away from us. We shot the idea down as soon as it floated. We still want to get the best possible faculty. I think the very fact that this was suggested half seriously is disturbing. It's not simply the old complaint about faculty salaries. There are other issues such as start-up funds for people in the sciences. There's travel money for research. These are things that make working at the Oregon University System rewarding. I realize that these are matters over which the Board has limited control. But I think just as student retention is an important criterion, I think so is faculty retention. I also urge you to observe how much instruction is being done by fixed-term, part-time people.

"Another strategic initiative is to build Oregon's future knowledge capacity. It seems there is a gap there with libraries. Libraries have been adapting to the electronic age very well. The extraordinary rate of use of electronic resources has been a great success. But these are very expensive changes and one result has been thousands of journals have been canceled in the library. PSU has canceled approximately 1000 subscriptions to journals and UO is planning to cut half a million dollars worth of subscriptions to journals. It's become an intellectual resource to provide intellectual capital for the state. The PSU Library, for example, is used by students from all the institutions in this area.

"Finally, I think we're still looking for some definition of the relationship between the individual institution and the Chancellor's Office. Given the new budget model and its centrifugal affect on the System, I feel there is a strong incentive to keep the System as a system. We don't want to be
competing for the same students. Of course we anticipate an increase in the number of students coming up from Oregon high schools. On the other hand, the opportunity for institutions to be entrepreneurial, to develop their own programs, seems to be a plus.

“We have a body of faculty who are used to thinking of the System as a system and who are not simply limited by their loyalties to their own institution. I think there was an example of that this year when we worked with the legislature. I think we participated successfully along with many others in helping to bring up that increased funding. I'd like to think that IFS could be more like this—a group that the Board could use, that the Chancellor’s Office could use—rather than our present role, which seems to be largely distributing information down to the campuses.

“I leave with good thoughts and a lot of respect for this Board and I hope IFS can be more useful to you than it has been in the past.”

Staff Recommendation to the Budget and Finance Committee

After consideration of any comments or testimony received at the public hearing, it was recommended that the Board amend OAR 580-040-0035 as follows (deleted text is in brackets; new text is in bold):

Summer Session Fee Book, OAR 580-040-0035
The document entitled Summer Session Fee Book 2000 dated [December 18, 1998] December 17, 1999, is hereby adopted by reference as a permanent rule. All prior adoptions of summer session fee documents are hereby repealed except as to rights and obligations previously acquired or incurred thereunder.

Through the amendment, the residence hall and food service charges and the tuition and fee rates and policies applicable during the Summer Session 2000 will be adopted.

Budget and Finance Committee Discussion and Recommendation

President Imeson explained that when the Budget and Finance Committee developed the budget model, it was decided that the
existing tuition approval processes should continue. He pointed out that the most important change to note was that summer term previously was considered a separate educational and financial entity. With the new budget model, it is now an integral part of the base budget.

Specifically describing Summer Session 2000 tuition and fees, Mr. Imeson said that, for the most part, they were relatively flat. The exceptions were Eastern and Southern and, in the case of Western, staff proposed a total tuition and fee increase of 7.2 percent for undergraduates and five percent for graduates over the 1999 summer rates. He indicated there has been no increase at Eastern for three years in summer session tuition, and the requested increase is to address inflation over that time and bring the tuition for summer session into closer alignment with the tuition assessed for distance education programs. Mr. Imeson indicated that total tuition at SOU is increasing 6.5 percent for undergraduate and 4.7 percent for graduate students over the 1999 summer rates. The proposed increases are necessary, he said, to accommodate labor cost increases.

Mr. Imeson reported that the Committee had a good discussion about the proposal, including some deliberation about whether the Committee ought to be looking at tuition as a ceiling that is set, as opposed to articulating both the minimum and the maximum. The Committee determined that it would be an issue worth delving into as tuition policy questions arise.

The Budget and Finance Committee recommended that the Board approve the staff recommendation for the Summer Session Fee Book 2000.

**Board Discussion and Action**

Mr. Willis moved and Mr. VanLuvanee seconded the motion to approve the Summer Session Fee Book as submitted. On roll call vote, the following voted in favor: Directors Aschkenasy, Hempel, Koch, Lussier, Richmond, VanLuvanee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.

**HAZARDOUS WASTE FACILITY, OSU**

**Staff Recommendation to the Budget and Finance Committee**

Staff recommended that the Board approve the request to construct a 8,000 gross-square-foot facility for the processing and storage of
hazardous waste generated by research and instruction laboratory activities at Oregon State University. Staff further recommended that the Board authorize the Vice Chancellor for Finance and Administration to seek authorization from the State Emergency Board for an "Other Funds" limitation for the issuance of $800,000 of 20-year term Article XI-F(1) bonds, together with $400,000 from the OUS Systemwide academic modernization and repair/code emergency reserve funds, and $800,000 from OSU's academic modernization and capital repair/code funds, for a total project cost of $2 million.

Budget and Finance Committee Discussion and Recommendation

President Imeson reported that the Committee's discussions focused on opportunities for joint ventures with industry that might already have this kind of facility developed. The challenge, he said, would be transporting hazardous materials and the liability therein, as well as permit requirements.

The Budget and Finance Committee recommended that the Board approve the staff recommendation for the request as submitted.

Board Discussion and Action

Dr. Richmond asked if the laboratories are micro-scale equipped. President Risser replied that he was unsure. Explaining her reasoning behind the question, Dr. Richmond said that equipping labs with micro-scales would significantly reduce the volume of chemicals used at the teaching laboratories. "I think it's a very important part of the procedure for going forward," she observed.

Responding to a question from Mr. Lussier pertaining to other institutions using the facility, Vice Chancellor Anslow indicated that would have to be researched more carefully. One complication, he said, was the strict "cradle to grave" restrictions at the federal level in terms of use. However, he said that staff would explore other options, with the understanding there are opportunities for future action, but that the timeliness of securing the funds from the Emergency Board at this point was the priority.

Mr. Koch moved and Ms. Wustenberg seconded the motion to approve the proposal as submitted. The following voted in favor: Directors Aschkenasy, Hempel, Koch, Lussier, Richmond, VanLuvanee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.
Staff Recommendation to the System Strategic Planning Committee

Staff recommended that the System Strategic Planning Committee request the Board's endorsement of the strategic initiatives for 1999-2001, which are consistent with its four overarching goals (access, quality, cost effectiveness, and employability) and its performance measures and indicators. Staff also recommended consideration of the suggested workplan for the biennium.

System Strategic Planning Committee Discussion and Recommendation

Chair Willis reported that the Committee had a lengthy discussion about the proposal. Noting that it would not be forwarded to the Board for action at this time, Mr. Willis said that members requested staff prioritize the initiatives and better articulate the underlying work. Staff agreed to present a modified version of the initiatives to the Committee at its January 21, 2000, meeting.

Staff Recommendation to the System Strategic Planning Committee

Staff recommended that the Conflict of Interest Subcommittee adopt the draft policy statement that will be used to update the 1977 policy. Upon consideration and approval by the System Strategic Planning Committee, the modified policy statement will be presented to the full Board for its final approval at a later date.

System Strategic Planning Committee Discussion and Recommendation

The System Strategic Planning Committee recommended that the Board approve, by consent, the staff recommendation for the request as submitted.

Board Discussion and Action

Mr. Willis moved and Mr. Lussier seconded the motion to approve the recommendation as submitted. The following voted in favor: Directors Aschkenasy, Hempel, Koch, Lussier, Richmond, VanLuvianee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.
Staff Recommendation to the System Strategic Planning Committee

Staff recommended that the System Strategic Planning Committee consider, as submitted, (1) the preambles for all OUS institutions and the revised mission statements for Eastern Oregon University, Oregon Institute of Technology, Oregon State University, Portland State University, and Western Oregon University, and (2) make a Committee recommendation to the Board.

System Strategic Planning Committee Discussion and Action

Mr. Willis explained that the Committee agreed to review the mission statements and preambles in two years to determine if they need any further modification at that point. He commended staff at the institutions for their work on meeting the criteria established by the Board in its revisions.

The System Strategic Planning Committee recommended that the Board approve, by consent, the institutional preambles and mission statements as submitted.

Board Discussion and Action

Mr. Willis moved and Mr. Lussier seconded the motion to approve the recommendation as submitted. The following voted in favor: Directors Aschenas, Hempel, Koch, Lussier, Richmond, VanLuvanee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.

Staff Recommendation to the System Strategic Planning Committee

Staff recommended that the Board authorize Western Oregon University to establish a program leading to the B.A./B.S. degree in Philosophy. The program would be effective immediately, and the OUS Office of Academic Affairs would conduct a follow-up review in the 2004-05 academic year.

System Strategic Planning Committee Discussion and Action

The System Strategic Planning Committee recommended that the Board approve, by consent, the program proposal as submitted.
Board Discussion and Action

Mr. Willis moved and Mr. Lussier seconded the motion to approve the recommendation as submitted. The following voted in favor: Directors Aschkenasy, Hempel, Koch, Lussier, Richmond, VanLuvanee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.

Staff Recommendation to the System Strategic Planning Committee

Staff recommended that the Board authorize Western Oregon University to establish a program leading to the M.S. degree in Social Policy. The program would be effective fall term 2000, and the OUS Office of Academic Affairs would conduct a follow-up review in the 2005-06 academic year.

System Strategic Planning Committee Discussion and Action

The System Strategic Planning Committee recommended that the Board approve, by consent, the program proposal as submitted.

Board Discussion and Action

Mr. Willis moved and Mr. Lussier seconded the motion to approve the recommendation as submitted. The following voted in favor: Directors Aschkenasy, Hempel, Koch, Lussier, Richmond, VanLuvanee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.

Summary

Dr. Aschkenasy, chair of the Nominating Committee, announced that Mr. VanLuvanee recently accepted the nomination for Vice President of the Board. As reported at the October Board meeting, those nominated to serve on the Executive Committee in 1999-00 were as follows: Tom Imeson, President; Herb Aschkenasy; Don VanLuvanee; Jim Willis; and Phyllis Wustenberg.

Board Discussion and Action

Dr. Aschkenasy moved and Mr. Lussier seconded the motion to nominate Mr. VanLuvanee as Vice President of the Board for 1999-00. The following voted in favor: Directors Aschkenasy, Hempel, Koch, Lussier, Richmond, VanLuvanee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.
NOTE: In the initial motion, Board members understood they were voting for the installation of vice president only. Upon further review, it was determined that a vote of the Board was required for the entire Executive Committee.

Once clarified, Mr. Koch moved and Dr. Richmond seconded the motion to approve members of the Executive Committee for 1999-00. The following voted in favor: Directors Aschkenasy, Hempel, Koch, Lussier, Richmond, VanLuvanee, Williams, Willis, Wustenberg, and Imeson. Those voting no: none.

OTHER COMMITTEE REPORTS
Investment

Ms. Wustenberg reported that since a quorum wasn't present at the December 16 meeting no decisions were made. However, she said that a meeting schedule for 2000 was established for March 16, May 18, September 14, and November 16. These dates are similar to the 1999 schedule that seemed to work well for all involved.

Economic Development
Joint Boards
Working Group

Mr. VanLuvanee summarized the issues discussed at the most recent meeting held on November 19. Highlights included:

- An overview of the EPSCoT grant recently awarded to OUS (see October 21, 1999, Board meeting minutes).
- Discussion of ways to fund technology transfer and commercialization among universities, and current restrictions.
- Confirmation of the nominations of a group of academics and experts from the universities and private sector, who will review best practices and other successful models for intellectual property and profit sharing among campuses, researchers, and companies.
- Presentation of a new internship-matching program.
- Review of a strategic plan for a bioscience and medical technology industry relationship.

Mr. VanLuvanee stressed the importance of this work and its potential impact on the state's economic development.

OHSU

Mr. Imeson said that the Board and staff are continuing its work on the strategic plan for OHSU.

Dr. Hallick announced that OHSU Oncologist Dr. Brian Drucker recently received national attention for a drug he developed to battle
a particularly devastating form of leukemia. Noting the 100 percent positive reaction in the initial clinical trials, an almost unheard of response, Dr. Hallick observed that this finding is "particularly exciting."

Reporting on the November 19, 1999, meeting, Ms. Wustenberg said that most of the agenda centered around joint/regional partnerships and the criteria for new partnerships, as well as an evaluation process for existing partnerships. The Working Group also received the Joint Boards Articulation Commission annual report.

No one signed up to speak at the public input session.

Dr. Aschkenasy welcomed Mr. Williams to the Board.

Mr. Lussier announced that he was recently named president of the Oregon Association of Hospitals.

Board Secretary Vines read the statement pertaining to delegation of authority to the Board’s Executive Committee:

"Pursuant to Article II, Section 5 of 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, which is scheduled for February 18, 2000. The Executive Committee shall act for the Board in minor matters, and any matter where a timely response is required prior to the next Board meeting."

Although no specific items were brought forth, Board members agreed to the delegation of authority as stated.

Mr. Lussier, a member of the Central Oregon Regional Advisory Board (CORAB), opened the discussion. He observed that it was one year ago when the Board approved the CORAB concept, which brought together people who were interested in exploring the possibility of a four-year university in Central Oregon. "The year has been one of excitement and deliberation. It has generated strong interest, especially in Central Oregon, about some opportunities for higher education over the next 10-20 years," explained Mr. Lussier.
Acknowledging that concerns over resources often arise, Mr. Lussier said that CORAB members have worked diligently to identify needs using their creativity and talents, rather than concentrate on resources so early on. He complimented members of CORAB for their work, noting that their motivation has led to some innovative conversations about where the process would lead to better serve citizens in Central Oregon. Mr. Lussier then introduced Sally Collins, CORAB chair.

Ms. Collins introduced other presenters, including Barbara Schenck, John Rhetts, and Patricia Moss. She expressed her gratitude to Chancellor Cox for his support and guidance and thanked institution presidents for helping to fill the gap of higher education in Central Oregon.

The vision, as endorsed by the Board, said Ms. Collins, is to provide a full range of postsecondary opportunities in Central Oregon at an affordable cost. With that vision, she added, comes some core fundamental values, including a sense of permanence and commitment to community, service, quality, accessibility, and affordability.

Ms. Schenck summarized the reasoning behind pursuing a four-year degree program. Saying that a more seamless solution was necessary, Ms. Schenck offered several scenarios and statistics to validate her points on behalf of CORAB. She stressed that CORAB’s findings indicate “a university in Central Oregon would not reshuffle admissions, but rather create new students by providing a first-time opportunity for an unserved population in the fastest growing region in the state. A capstone university in collaboration with Central Oregon Community College is the most economical structure possible.”

Dr. John Rhetts posed several rhetorical questions about who would be served by a “Central Oregon University” and what their needs might be. Citing CORAB’s concerns for the approximately 2,000 students they deem to be placebound, Dr. Rhetts echoed Ms. Schenck’s comments that the increased enrollment would support new growth goals as set forth by the Board. He espoused traditional liberal arts and general science curricula, appropriate use of instructional technology, and existing community education centers as the foundation for developing a “Central Oregon University.”

Addressing the question of cost, Ms. Moss explained that early estimates indicate instructional costs would be less than traditional
program costs at other public institutions. This, she said, could be achieved by implementing a new level of collaboration between OUS institutions and Central Oregon Community College (COCC).

Moving to next step funding strategies, Ms. Moss asked the Board to consider approaching the Legislative Emergency Board in February on behalf of CORAB with a $250,000 request to fund a planning and transition component, including funding for a director, clerical staff, and consultants. She indicated those monies would provide a base to work toward accreditation, and build a foundation for future growth.

Noting the time and effort put forth by the Chancellor and his staff to date, Mr. Lussier said, "We (CORAB) believe that part of the financial proposal is to augment the Chancellor's staff to allow us to do a much greater job of exploring without overburdening our existing resources."

Offering her response to a letter recently submitted by a concerned citizen about the "Central Oregon University" idea, Ms. Wustenberg, also a member of CORAB, pointed out that the concept is unlike anything that had been created before. "It's a unique situation and when you're building on the infrastructure, there are so many things that the capstone won't have expensed against it."

President Frohnmayer asked about prior student surveys and if they were conducted through focus groups or polling to indicate a large degree of interest. Specifically, he asked if the 2,000 students as mentioned earlier, were considered a recurring number that would be carried indefinitely into the future. Ms. Schenck responded that OUS statistics indicate that approximately 1.5 percent of the population attends their "home town" institution. The 2,000 student estimate is based on the 139,000 population in the region Central Oregon University anticipates serving.

Mr. Willis expressed concern over how other areas of the state might generate the same vision for a university. "What does the model mean in terms of the entire state system? There are different needs in other communities, but similar aspirations. A few years from now, the Board may be in the same position to look at similar kinds of proposals. There are consequences to the actions this Board takes and we can't ignore those."
Offering his support to the work of CORAB, Mr. Koch said that he was excited by what was going on and impressed by the dedication of the group. He also complimented the presidents for their collaboration to date in Central Oregon activities.

Responding to questions by Dr. Richmond about plans for specific degrees such as chemistry, biology, or physics, Dr. Rhetts said that kind of specialization would have to occur in the future. Dr. Richmond asked for details on laboratory capacity and facilities for offering general science courses. Without that information, she said she had concerns over the ability of the institution to deliver on the community’s expectations with regard to technology.

Ms. Moss said that she hoped a portion of the $250,000 request (if approved by the Board and the Emergency Board) would be used to develop a plan that deals with some very specific issues pertaining to transition and implementation. COCC President Barber added that the community supports the growth and development of infrastructure that would, in turn, support a baccalaureate program. Specifically addressing Dr. Richmond’s concerns, Dr. Barber offered to submit more information on lab space and expertise. Ms. Wustenberg pointed out that the discussions have focused more on meeting the needs of the students, and that the costs and concerns of a four-year university are not necessarily applicable.

Referring back to Mr. Willis’ earlier points about possible consequences, Mr. Lussier suggested that he felt any progress and successes made in Central Oregon might be emulated in other parts of the state where the need exists.

President Frohnmayer questioned, since the articulation of need was from the perspective of serving placebound students, if there would be any emphasis placed on recruiting students more broadly. Ms. Schenck responded that the first goal would be to serve the needs of the community, but noted that the University could not be “hermetically sealed.”

Concluding the deliberations, President Imeson expressed his appreciation to CORAB members for bringing their proposal to the Board. Given the implications, however, he felt the Board needed to carefully consider the matter and asked for further staff analysis. “I want to make sure we do a good job on this. There are a lot of questions that were raised in the discussions that are in support of
furthering this process, coupled with issues and concerns we need to look at and be aware of. We need to think about these things and determine how this fits into the budget model and build in those allowances for us to be comfortable—sending this to the Emergency Board," he said.

Asking for Board support in his request for an expeditious study by staff, Mr. Imeson directed Vice Chancellors Anslow and Clark to detail what the actual scope of the proposal might be. Members concurred that was a reasonable course of action.

Mr. VanLuvanee remarked that one way of looking at the issue would be to think further ahead, for example to the year 2050, and consider the concept as more than simply a regional issue. Offering a different perspective, Dr. Aschenasy said it quickly becomes a financial issue. "What we're talking about is public money," he observed. "As plans are further developed, I'd like to see more emphasis placed on how many students, how much they pay, and what we do if we don't enroll the 'ideal' number or if we have more than anticipated. As the guardians of these public funds, that's the area where we'll need to be made to feel more comfortable."

Dr. Tom Potiowsky, state economist, presented his most recent economic forecast to the Board and responded to questions. (A copy of his slide presentation is on file in the Board's office.)

The Board meeting adjourned at 1:45 p.m.

Diane Vines
Secretary of the Board

Tom Imeson
President of the Board