

OUS Policy Option Packages

Introduction:

The 20-year Strategic Plan developed by the State Board of Higher Education underlines the critical importance of sustained investments in targeted areas of higher education in order to meet Oregon's diverse, interdependent needs. The Plan is premised on the fact that without a high level of educational attainment and predictable higher education support, Oregon's workforce and economy will not be strong enough, robust enough, or stable enough to support our population. The Oregon Business Council noted in its Education Roundtable report, "Education is critically important to Oregon's long-term economic success because it determines how successful Oregon businesses can be. The availability of skilled workers is increasingly becoming the most critical element in economic success."¹ Oregon's economy cannot be sustained at a healthy level if the state continues on its current path without any change in the educational capital of our citizens.

Simply put, in order to keep up with the needs of Oregon's knowledge economy and the borderless, global economy in which we compete, the state must increase educational attainment rates for populations that we have not reached before, or have not reached with the effectiveness and focused determination required. Beyond these reasons, there is also the looming issue of inequity in the types of students who are prepared for, enroll in, and who succeed at our colleges and universities. These demographic trends present a real crisis for Oregon in meeting current and future workforce demands. With nearly 80 percent of high wage jobs requiring a bachelor's degree or higher by 2014², Oregon cannot meet these needs given the current trajectory unless we begin immediately to address this situation through the proposals presented in these Policy Option Packages.

Based on the priorities outlined by the Board during its December 2007 strategic planning retreat, and the subsequent work of the Board Committees, key budget priorities for 2009-2011 have emerged which build upon investments made in the prior two biennia. These priorities address the critical problems in Oregon as they exist currently, so that future generations of Oregonians do not inherit a set of educational and economic problems much worse than those the state faces today.

The headline that all Oregonians would like to avoid is one that reads, "Oregon, the state of diminishing returns," because educational investments were not made in time to reverse trends that, in the end, overwhelm the state and make a turnaround difficult to impossible. A state that cannot attract or retain business and industry cannot sustain its own population and cannot support quality PK-20 education systems and programs. Like a dying lake, without the "nutrients" and combination of optimal factors to thrive, Oregon will lose its ability to sustain its human and natural resources that have made it successful in the past without a deliberate intervention.

¹ Source: Oregon Education Roundtable, "Raising the Bar for PreK-20 Education in Oregon: 6 White Papers," pages 2-5 and 2-6.

² Source: Oregon Employment Department.

resource industries, environmental and natural resource agencies, and a broad coalition of stakeholders to enhance Oregon’s economy and environment.

The Board will continue to review and prioritize these proposals for support from the State, with another opportunity for discussion at the July Board meeting. After revising the Policy Option Package based on the Board’s deliberations, a final version will be presented to the Governor and to the Legislative Fiscal Office in the fall.

Summary Policy Option Packages Chart

No.	Package Title, Description and Outcome(s)	Total Request
<p>NOTE: The Essential Budget Level (EBL), which is a separate component of the budget from the Policy Option Packages below, is estimated to be \$52,000,000 for 2009-2011.</p> <p>In addition to the EBL request above, OUS will also ask that the following items be included in the EBL as these are costs currently borne by the OUS, but currently not funded:</p> <ol style="list-style-type: none"> 1. Disabilities Funding of \$2,500,000 to cover mandatory campus costs for academic accommodation of disabled students. 2. ORP Funding of \$7,200,000 to fully fund ORP retirement costs. 		
<p>#1</p>	<p>Core System Improvement Package: This package, a critical component of the second phase of the multi-biennial investment strategy initiated in 2007-2009, will enable the System to build on improvements made to increase the quality and delivery of education, provide access to all Oregon students, and maintain affordability for Oregon students and families.</p> <p>A. Faculty Salary Funding. Outcome: to ensure faculty quality and equity, and to recruit new and retain current faculty. This assumes increases at 6% to begin to catch up to peer average faculty salaries.</p> <p>B. Enrollment Growth. Outcome: funding of unfunded past growth (about \$12M), plus new growth (about \$10.5 million), and to fund student support services for improved retention and graduation rates. This number may change based on forthcoming enrollment projections and enrollment increases due to the expanded Oregon Opportunity Grant.</p> <p>C. Regional University Tuition Buy-down. Outcome: funding which will allow the four OUS regional/small universities and OSU-Cascades to freeze current undergraduate tuition rates in order to increase enrollment in their regions and student/family access and affordability at these institutions.</p> <p>D. Student Faculty Ratio. Outcome: to improve the quality and delivery of education to improve student success.</p> <p>E. Interest Earnings Retention. Outcome: OUS will return \$20 million of General Fund if allowed to retain interest earnings on tuition.</p> <p>NOTE ON TUITION: The goal of the Board is to maintain tuition increases that will not exceed the increase in the Median Family Income, pegged in 2006 at 3.6%. OUS has asked for an updated MFI figure from the State Economist, as this figure may have changed given inflation and recession influences. If MFI increase exceeds 3.6% (upon which the EBL assumptions are based), OUS will need to submit an additional POP to cover the unfunded gap (often called a “tuition buy-down”).</p>	<p>Total: \$51,000,000</p> <p>A: \$21,000,000</p> <p>B: \$22,500,000</p> <p>C: \$6,000,000</p> <p>D: \$21,500,000</p> <p>E: (\$17,200,000)</p>

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#2	Capital Repair Funding. Outcome: this package will fund capital repair needs in order to improve campus access, safety, and efficiency of systems at all seven OUS institutions; and to further reduce the deferred maintenance backlog. (This will also be submitted via the capital budget.)	Total: \$40,000,000
#3	<p>Student Success: this package includes:</p> <p>A. Student Participation and Completion Committee POP. Outcome: will increase the number of first-generation and other underserved students prepared for, entering, succeeding in, and graduating from college: through the programs summarized in items A-1 and A-2.</p> <p>A-1 College Preparation. Outcomes:</p> <ul style="list-style-type: none"> (i) Funding will increase capacity and reach, and replicate existing or create new pre-college academic enrichment, college outreach, and college preparatory programs for underserved Oregon students, including in- and out-of-school time and summer bridge programs that help students transition from one school-level to the next (middle to high school, high school to college) by being academically and otherwise prepared to succeed in college. A subset of this component is second biennium funding for the Rural Access Initiative, and \$800,000 is included for this. [\$5.9 million] (ii) Funding will help students envision and achieve a route to college success by launching college planning, preparation, and aspiration programs, including printed guides, a comprehensive college access website portal for Oregon students, social marketing/outreach directed toward underrepresented and first-generation PreK-12 students and their families, and in-service training and convening for K-12 and postsecondary practitioners. [\$1.2 million] (iii) Funding will expand middle/high school visitation and outreach programs through a partnership/team program approach by OUS universities and community colleges which broaden opportunities and enhance resources that share college planning information with middle and high school students and their families; and expand capacity of organized visits to campuses by middle and high school students and parents with special programming. [\$450,000] (iv) Funding will support IDTS, ATLAS, and PK-20 Data Warehouse efforts. Will build the technology necessary to support the work of aligning Oregon's PreK-20 educational sectors (PreK-12, community colleges and OUS) to assist students in transitioning seamlessly and successfully, providing accurate and timely communications of academic planning information, and analysis of student participation and performance across education sectors. [\$1.5 million] (v) Funding will support college faculty participation in statewide work on assessment of K-12 students, related to new high school diploma and essential skills standards to ensure that these reflect expectations for college work. [\$100,000] <p>A-2 Retention Programs. Outcomes:</p> <ul style="list-style-type: none"> (i) Funding will increase capacity, and create culturally-inclusive programming and approaches in campus support services with the goal of increasing retention for students most at-risk of leaving college before graduation, including first-generation, rural students, students of color, parenting students, and students with disabilities. Programming will include targeted academic and student services 	<p>Total: \$13,620,000</p> <p>A: \$12,750,000</p> <p>A-1: \$9,150,000</p> <p>A-2: \$3,600,000</p>

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	<p>support such as tutoring and mentoring, curriculum coordination, living and learning communities, development of academic plans, study and research skills, campus-savvy skills such as communicating with professors, self-advocacy, among other supports. [\$3.2 million]</p> <p>(ii) Funding will support development of applied bachelor's degree programs in high growth, high demand areas – such as allied healthcare fields, technology, engineering – particularly rural areas and areas in economic downturn, through development or enhancement of "pathways" programs which support transfer of community college students to OUS institutions to complete 4-year degree programs, and enable graduates to work in underserved communities within Oregon. It would also include opening pathways for language immersion students to more easily get their degree and enter fields where there is high demand for second-language speakers, such as teaching and healthcare. [\$400,000]</p> <p>Other Student Success POP:</p> <p>B. Learning Outcomes and Assessment. Outcomes: Funding will support development of new OUS learning assessment approaches. The focus of this initiative is to engage faculty in the development of contemporary approaches and methods for identifying, delivering, and assessing critical student learning outcomes in OUS universities; acquire the software and information infrastructure needed to support these approaches; and provide coordinated organizational support through the Chancellor's Office to develop and maintain the learning outcomes component of the Board's broad performance measurement framework. This initiative will also extend the work of 2005's Senate Bill 342 to include cross-sector approaches (community colleges and OUS) to strengthening assessment practices and measurement of student learning.</p>	<p>B. \$870,000</p>
#4	<p>Graduate Education. Outcomes: This package is proposed as the first step in a multi-biennial strategy to increase the competitiveness of OUS universities to attract advanced degree students, with a focus in 2009-2011 on doctoral students. Components of the package include improvement of graduate assistant compensation and stipends; funding to reduce fees (over and above tuition) paid by graduate assistants; paid childbirth leave for graduate students on .49 FTE assistantships; and a fellowship fund for recruiting new graduate students in targeted economic/workforce development areas and for increasing diversity of the graduate student population. The success of this initiative will be reflected in higher numbers of doctoral students enrolled in 2009-2011 and higher numbers of doctoral degrees awarded by 2015-2017.</p>	<p>Total: \$10,000,000</p>
#5	<p>Research and Sustainability. This package will enhance research competitiveness through strategic partnerships, elevate research connections via workforce and economic development, and improve research communications and assessment.</p> <p>A. Research Council POP. Outcomes:</p> <p>i. Funding of \$4,025,000 will (1) advance strategic partnerships through intercampus and interdisciplinary collaborations and centers associated with State/National priorities. Initial focus will be sustainability research (natural resources, climate change, water resources and transportation); and funding of \$5,330,000 will (2) develop research infrastructure through shared facilities projects and</p>	<p>Total: \$11,300,000</p> <p>A. \$10,083,000 (i): \$9,355,000</p>

The summarized Policy Option Packages below include a number of interventions and supports which build upon the investments made by the State in the 2007-2009 biennium, continuing the pursuit of quality, access, affordability, research excellence, and returns for the Oregon economy. It is the necessary next step in gaining a strong, stable, and quality higher education system in Oregon that will provide immense economic, civic, and educational returns to the state in both the short- and long-term.

This set of Policy Option Packages ties in directly with the main goals set by the Board in its 2007 Strategic Plan in these areas:

1. Educational Quality and Delivery
2. Student Affordability, Access and Success
3. Research and Sustainability
4. Economic and Workforce Support

Within **(1) Educational Quality and Delivery** are investments that will: decrease faculty/student ratios and increase academic quality and access to courses when students need them; bring faculty salaries closer to peer averages to improve recruitment and retention and ensure quality and equity; increase the competitiveness of OUS universities to attract advanced degree students, with a focus in 2009-2011 on doctoral students; and ensure safe and efficient campus facilities by taking care of critical capital repairs and deferred maintenance, and making headway on the \$560 million deferred maintenance backlog.

Within **(2) Student Affordability, Access, and Success** are investments that will: freeze tuition costs at the smaller OUS institutions; increase the number of underserved students in targeted pre-college preparation and in-college retention programs across the state; support previous and current enrollment increases; support the preparation and retention of K-12 teachers to improve student success; continue alignment and ease of transfer between K-12, community colleges, and OUS through degree and technology solutions; increase degree production through support of university centers on community college campuses in the Portland-Metro area; and develop ways to identify and measure learning outcomes for the improvement of teaching, curricula, and student performance.

Within **(3) Research and Sustainability** are investments that will: enhance research competitiveness through strategic partnerships such as ONAMI and a focus on sustainability and biotechnology, elevate research connections via workforce and economic development, and improve research communications and assessment; support a collaborative effort to create a National Life Sciences Center in Portland; and create increased collaboration between Oregon University System research faculty and the manufacturing cluster.

And within **(4) Economic and Workforce Support** are investments that will: increase the number of engineers, technology workers, and applied scientists to meet Oregon's workforce needs through growing degree production in these areas, hiring research faculty and improving laboratories, and expanding the pre-college pipeline; and through the Statewide Public Services, continue and expand enabling partnerships with natural

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	<p>associated matching grants programs that foster research excellence. Initial focus will be on Biotechnology – Proteomics; Information Technology – High Performance Computing for Research Applications; and Electronic Research Administration; and Signature Research Centers (Nanotechnology, Drug Discovery, Sustainability).</p> <p>ii. Funding will promote expanded undergraduate research opportunities through the OUS Research Council Undergraduate Research Leadership Awards.</p> <p>iii. Funding will (1) assess research impact through collaboration with the Chancellor’s Office to identify, develop, and report research metrics, outcomes, and goals for excellence. Initial focus will be on improved outcome measures for research and technology transfer activities; and (2) elevate communications capacity and networks to access and promote research excellence within Oregon institutions. Initial focus will be on enhanced multi-media assets, electronic databases, and web-based portals on research and innovation.</p> <p>The Research Council endorses related proposals that will (1) support the efforts of the Oregon Innovation Council for technology-based economic development and commercialized research. Initial focus will be on Signature Research Centers (Nanotechnology, Drug Discovery, The Built Environment and Sustainable Technologies); and (2) reinforce the connections of research to the preparation of an advanced workforce for the knowledge economy. Initial focus will be on Policy Option Packages from ETIC and OUS Provosts Council (Graduate Education).</p> <p>Other Research POPs:</p> <p>B. Oregon Metals. Outcomes: funding will: expand an existing program, Oregon Metals Initiative, to create increased collaboration between Oregon University System research faculty and the manufacturing cluster. This longstanding successful program provides incentives for collaboration between Oregon companies and university researchers by matching industry grants that qualify under the program with state dollars. For the 2007-2009 Biennium, the Oregon Innovation Council provided increased funding via the OECDD budget in the form of \$850,000 in lottery funds. The proposed funding provides this increased funding level in the OUS budget rather requiring inter-agency transfers during the biennium.</p> <p>C. Oregon GigaPOP. Outcome: funding to increase the 1-Gigabit connection to 10-Gig connection.</p>	<p>(ii): \$228,000</p> <p>(iii): \$500,000</p> <p>B: \$850,000</p> <p>C: \$400,000</p>
#6	<p>Portland Higher Education Committee POP. Outcomes: This package will strengthen educational capacity, delivery, and effectiveness in the Portland-Metro region, increasing student access, degree attainment, collaborative research, and connections with the rest of the state that are beneficial to students.</p> <p>A. University Center at Portland Community College with PSU. Outcome: This Center would broaden access and create options for both transfer and career-technical education and increase bachelor’s degree attainment for PCC students, with a focus on underserved students.</p> <p>B. Access & Affordability Initiative. Outcomes: an urban pilot to increase access to and affordability of college for urban students in the Portland-Metro area.</p> <p>C. Urban Rural Connected. Outcomes: The goal of UR Connected is to change the paradigm of how we think about urban and rural communities</p>	<p>Total: 8,150,000</p> <p>A: \$2,000,000</p> <p>B: \$2,000,000</p> <p>C: \$1,750,000</p>