Faculty Senate Monthly Packet May 1998

Portland State University Faculty Senate

Follow this and additional works at: https://pdxscholar.library.pdx.edu/senateminutes

Let us know how access to this document benefits you.

Recommended Citation
https://pdxscholar.library.pdx.edu/senateminutes/276

This Minutes is brought to you for free and open access. It has been accepted for inclusion in Faculty Senate Monthly Packets by an authorized administrator of PDXScholar. Please contact us if we can make this document more accessible: pdxscholar@pdx.edu.
TO: Senators and Ex-officio Members to the Senate
FR: Sarah E. Andrews-Collier, Secretary to the Faculty

The Faculty Senate will hold its regular meeting on May 4, 1998, at 3:00 p.m. in room 53 CH. Please note the extensive agenda. Accordingly, be prepared for a lengthy meeting and provide for your alternate to attend if you must leave early.

AGENDA

A. Roll
*B. Approval of the Minutes of the April 6, 1998, Meeting
C. Announcements and Communications from the Floor
   1. Provost’s Report
D. Question Period
   1. Questions for Administrators
   2. Questions from the Floor for the Chair
E. Reports from the Officers of Administration and Committees
   *1. Budget Committee Annual Report - Farr
   *2. Intercollegiate Athletic Board Annual Report - Forbes
   *3. Teacher Education Committee Annual Report - Jimerson
   *4. Interinstitutional Faculty Senate Meeting of 3-4 April 1998, Report - Wollner
F. Unfinished Business
G. New Business
   *1. M.E.(SEAS) Program Proposals - Terdal
   *2 Proposed Amendment to the Constitution, Article IV, Sec. 4., 4, m.(UPC) - Bodegom
H. Adjournment

*The following documents are included with this mailing:
B  Minutes of the April 6, 1998, Senate Meeting
E1 Budget Committee Annual Report
E2 Intercollegiate Athletic Board Annual Report
E3 Teacher Education Committee Annual Report
E4 Report of the Interinstitutional Faculty Senate Meeting of 3-4 April 1998
F1 University Studies Review Task Force Preliminary Report
G1 Graduate Council Course/Program Proposals
G2 Proposed Amendment to the Constitution, Article IV, Sec. 4., 4, m.

Secretary to the Faculty
725-4416/Fax:5-4499 • 341CH • andrews@pdx.edu
PORTLAND STATE UNIVERSITY

Faculty Senate Meeting, April 6, 1998

Minutes:
Presiding Officer: Ulrich H. Hardt
Secretary: Sarah E. Andrews-Collier


Alternates Present: Stoering for Ketcheson, Haynes for Moor, Franks for Reece.


A. ROLL

B. APPROVAL OF THE MINUTES

The meeting was called to order at 3:01 p.m. The Minutes of the March 2, 1998 meeting of the Faculty Senate were approved with the following corrections:

Page 48, para. 3.: Replace "DRISCOLL asked .." with "DAASCH asked ..."

Page 51, para. 4.: Replace "DAASCH noted ..." with "DRISCOLL noted ..."
C. ANNOUNCEMENTS AND COMMUNICATIONS FROM THE FLOOR

HARDT announced additions to TODAY’S SENATE AGENDA:


ADDED, Discussion of possible new grad and/or post-bac certificate programs, by W. Feyerherm, in New Business.

In accordance with normal governance procedures, President Bernstine has approved the actions of the Faculty Senate at the March meeting:

Bachelor of Science Degree Requirement, changes in text, approved.

Ph.D. in System Sciences Program Changes, approved.

Undergraduate Course Changes and proposals, excepting five Physics courses, approved.

Naming Guidelines, approved.

HARDT announced changes in the Committee Reporting Schedule for Spring 1998:

The General Student Affairs Committee Annual Report has been delayed by the Steering Committee to the June Senate Meeting in consultation with their outgoing Chair, Alan Zeiber.

The Faculty Development Committee Annual Report has been delayed by the Steering Committee to the June Senate Meeting to reflect their delayed 1997-98 funding schedule.

The Secretary has recorded the following Senate and Committee appointment changes:

Mel Gurtov has resigned from Senate, effective April 6. His position will remain unfilled until 1998 Faculty Elections are completed.

Mary Beth Collins has been named Interim Chair of Academic Appeals Comm. for Spring quarter 1998.
Karen Tosi has been named Interim Chair of General Student Affairs Committee for Spring quarter 1998.

Provost's Report

REARDON commenced with a review of Enrollment, in preparation for remarks from V.P. Pernsteiner later in the agenda. He stated PSU is continuing to experience application and admissions growth of Freshman and Transfers for Fall 1998. Graduate applications and admissions, on the other hand, are in decline. This is of concern due to the fact that next year will be used as the base year in the new funding model for building the biennial budget. One feature of that model is anticipated to be funding differentials to reflect lower division, upper division and graduate enrollments. It is not entirely clear why Graduate enrollment is stagnant. The Admissions Office has responded, however, by making sure that Graduate applications are processed expediently, and it is important that departments do likewise.

REARDON announced the appointment of Dr. Phyllis Edmundson as Dean of the Graduate School of Education effective July 1, 1998.

_________ stated that graduate programs have been grossly underfunded for many years and asked if the new funding model will improve conditions. REARDON stated the new model is simpler and has two major features, campuses will keep their own tuitions and, state appropriations will more closely reflect student program choices. The exact model that is emerging, the "12-cell model," is based on levels of enrollment on the one hand, and programmatic costs in clusters of programs on the other. Programs would be grouped in high, medium, and low cost, therefore enrollment increases in high cost programs would result in funding increases. The Vice Chancellor for Finance & Administration, Bill Anslow, stated in today's Academic Council Meeting that we should finally build in a funding cell specifically for research. Although the "BAS model" included a research component, it never funded research at 100%, so this would be an improvement. In summary, the more students you enroll in high cost programs, the more state appropriations leveraged.

_________ asked if this will enable Departments to get budgets earlier so offers for Graduate Assistantships can be made earlier? REARDON stated not this year, as there is no OUS budget for next year to date.

REARDON continued that the "12-cells" are still under negotiation. There is potentially great advantage for PSU. The new model could include counting all credits, including XS and Summer Session, toward funding, and that would mean a dramatic increase in our FTE. There are still negotiations in progress between the high end "40-cell model" and the low end "6-cell model" which would influence

Faculty Senate Minutes, April 6, 1998
appropriations. Currently, there are four cells for lower division, upper division, masters and doctoral programs, and there are three cells for low, medium and high cost programs. How and who will determine the latter three is still under discussion. Some are determined, such as engineering and arts and letters, at opposite ends, and others are still being debated. Important issues for PSU are classifying interdisciplinary programs by the nature of the program, and establishing education, social work, and urban and public affairs, as medium-to-high cost programs.

MANDAVILLE asked if high cost means high priority. REARDON stated, no, it is the formula of cost per student to fund a particular program.

JOHNSON asked if the new model will mean changes in allocations for non-instructional items, such as Library, Student Affairs, etc. REARDON stated there is some agreement that infrastructure services are better reflected by "headcount", as opposed to FTE funding, but the outcome is still uncertain.

MANDAVILLE asked if there are breakdowns by low, medium and high cost programs within schools. REARDON stated yes, for example, the Sciences are at the high cost program level within CLAS, and that these determinations are based on national comparators.

ENNEKING as if this is, in effect, a zero sum game if there is no commitment for additional dollars from the system? REARDON stated this model will only be applied and will only work if there are additional resources. If there are no additional resources, we don’t know what we will do. That would place the entire state system in a financial situation which is not viable.

JOHNSON asked what is the timeline for finalizing the new model. REARDON stated the budget has to go to the Board for approval in July. The assumption is that the model will be identified before then. It will certainly be sent to the IFS for discussion, when it is settled. KENTON added there has been an IFS representative at every meeting to date. WOLLNER added his IFS report will detail their activities to date.

CEASE asked what are the implications for next year. REARDON stated we may phase in the new model next year, but V.P. Persteiner can better answer this question. Hopefully, institutions can keep their tuitions next year.

Vice President's Report

PERNSTEINER reported on new budgeting formula prospects and their effect on PSU, after G.3. The Governor’s Task Force on Higher Education and the Economy inspired
the formation of two OSU task forces to meet the Governor's challenge. The first task force is on structure and governance and we don't know their sentiments at this point in time. The most we can expect is that the status quo may prevail with some devolution of authority to campuses, for example, we will be allowed to have formal advisory boards on campuses. A report from that group is expected next week or at the May Board meeting in Ashland. The second task force is the Budget and Finance Committee, chaired by Tom Imeson, who will be next year's Board chair. The deliberations of this committee will result in greater changes, specifically, the end of the "enrollment corridor" and campuses retaining tuition their own revenues. Also, all types of credit will be counted in determining state allocations. This decision will have the biggest impact on PSU, as Summer Session, Extended Studies, etc., will all be counted. Next, state general fund distribution would flow in two ways, as follows: 80% of the funding would be based on enrollment according to the "12-cell model" (which Provost Reardon described earlier). The fewer cells, the better it is for PSU; under the "BAS model" there presently are 225 cells. The other 20% of state dollars would be related to incentives for performance and mission. As regards the former, the board has been discussing performance models. As regards the latter, PSU could potentially benefit from enhanced financial aid. Overall, the change in state allocations benefits PSU, as previously only approximately 60% of the funding went for enrollment.

The Governor has said he will support additional funding for higher education in the next session if we adopt a formula which serves students. If the model is adopted in its current state, PSU would gain from 2-3%, or $4-6 million per year of the state pool over what it is now. That is based on someone else loosing those funds in a zero sum game. If increases were passed in the Legislature, the increase could be $7-10 million per year for PSU. Remember, however, the model for such increases is based on upper division and graduate enrollment, therefore we need to increase that enrollment. Our undergraduate enrollment for next year is strong and our graduate enrollment is weak. Of the three major campuses we are the slowest growing and closest to the bottom of the corridor. As opposed to two years ago we are now the slowest growing of the seven state schools. We are at risk of reduced funding, probably after next fall. The base year for determining funding for the next biennium will probably be '98-99. If we are successful for getting all credits counted and getting additional state support, we should see an increase in '99-00, but next year may be difficult.

REARDON stated that many SES/SS credits are graduate credits and could help a great deal in establishing the base year.

ENNEKING asked_____. PERNSTEINER stated Extended Studies/Summer Session credits are self-supporting and would allow us some potential investment capital for
more-self-support under this model. There are implications, however, *vis a vis* tuition policies in this area, financial aide, etc.

CEASE asked what is the implication of the new model for the current separation of SES and Summer Session from the academic units. REARDON stated there will continue to be administrative costs which will need to be analyzed. We will also have to look at summer programs differently. Presently 62% of SS students are regular students. We may able to increase summer Enrollment if we plan for it as a fourth quarter. PERNSTEINER stated the ability to use state funding for support of summer students would make integration a more viable option.

CABELLY asked what are the implications for SES courses that are non-credit? PERNSTEINER stated that they have no part in this as there is no credit involved.

BRENNER requested an elaboration on the problem of enrollment shifts. Does it have something to do with market saturation, type of graduate student, patterns of enrollment, etc.? REARDON stated that self-support graduate credit, such as in the Graduate School of Education may be increasing, at the expense of traditional graduate credit.

WAMSER asked if there is evidence that the new model will support startups and growth of high cost programs? PERNSTEINER stated he is not sure, but he is making a case that it is good for interdisciplinary programs, which are underfunded at present. There is no guarantee for more money. The appropriation formula will not be determined until the new "cells" are decided upon, and it may not be that much more advantageous.

SAIFER asked if the trend towards certificate programs is positive and should we respond to it forcefully. FEYERHERM stated if we don't provide "modular" forms of credit, someone else will. HARDT stated we need to get out the message, due to the importance of graduate credits in the new mode.

POWELL asked about enrollment expectations at the other campuses. PERNSTEINER stated we were up the least of all OUS campuses this year. For next year, UO is expected to be up in Undergraduate and flat in Graduate enrollment. OSU says both categories will be up. OIT may be up. The guess is that everyone is trending upward.

D. QUESTION PERIOD

There were no questions.
E. REPORTS FROM THE OFFICERS OF ADMINISTRATION AND COMMITTEES


ROSENGRANT presented the report for the committee, and added that another Discussion of Bachelor's Degree Requirements has been scheduled for April 21, 1998, 2-4 p.m., in SMC 298. Faculty may also e-mail comments to rosenegrants@pdx.edu.

HARDT accepted the report for the Senate, and thanked the committee on behalf of the Senate for their work this year.

F. UNFINISHED BUSINESS

None

G. NEW BUSINESS

1. Graduate Council Courses and MA/MS in Writing Program Proposals

TERDAL introduced the items and suggested they be broken into two motions.

TERDAL/BURNS MOVED THE SENATE APPROVE the M.A./M.S. Degree Program in Writing in "G1."

CARTER outlined the degree program and courses and took questions. He stated this program will reflect our position as the intellectual hub of the region, and it is one of three major fundraising initiatives in the College.

BULMAN asked Carter to articulate the reallocation of $1. million in funds as described in the proposal. CARTER stated that, for the most part, the courses exist. Regarding the gift campaign, CARTER stated the first year would entail raising $40,000 from external fundraising and additional program revenue, or one-sixth of the budget.

BULMAN asked why this is targeted as a major fundraising effort. CARTER stated this area can easily be identified, due to the high need in professional/technical writing. We are already being supported in this area to the extent that existing courses attract funding.
PRATT asked for an explanation of the difference between "Center" and degree program. CARTER stated a "Center" is still being formed. The Advisory Board notes that professional writers don’t fit the standard model of classes/courses, rather they need programs such as "Haystack."

JOHNSON asked if this a "Pre-proposal" or a full Proposal. CARTER stated the pre-proposal was previously reviewed and suggestions for changes were made. This proposal reflects those concerns.

CABELLY asked if the addition of this program can help address the adequate service of PSU’s writing requirements. CARTER stated, yes, this could be reflected in assistantships, as well as enhancements across the university. CABELLY stated he would like to see a formal connection between this program and University Studies. CARTER stated there is an interdisciplinary advisory committee being formed by Dean Kaiser to oversee all aspects of undergraduate writing instruction.

DAASCH asked for a description of the distinction between the M.A. and the M.S., and for clarification on the whereabouts of the professional/technical writing courses. CARTER stated the latter are already in place, and they are one of the existing strengths. The M.S. was added to the M.A. Proposal at the suggestion of Graduate Council, to assist the science community, who might view the language requirement as irrelevant or even a deterrent. It is available only in that area.

asked for a comparison of revenue versus costs for this program. CARTER stated profits will be significant from donations as well as tuition revenues, although he has no exact dollar figure.

SAIFER asked what is meant by "freelance" writing. CARTER stated that this aspect is the least developed area in the current program. The Advisory Council requested it and suggested that without the area, it was not a comprehensive program. It includes such disciplines and news writing, and creative non-fiction.

THE QUESTION WAS CALLED.

THE MOTION TO APPROVE THE M.A./M.S. IN WRITING PASSED by unanimous voice vote with one abstention.
2. Curriculum Comm. Course Proposals

DRISCOLL stood in for Molander, who was out of town.

TERDAL/DECARRICO MOVED THE SENATE APPROVE course and program changes in Economics and Geology and course proposals in English, Physics, Science Education and Sociology in "G1" and "G2."

BULMAN asked if the overlap of PHY 375 with Geography, Environmental Science, and Science in the Liberal Arts courses had been addressed. PRATT stated the departments were all consulted.

ENNEKING asked is there is a university standard regarding total hours for Master's degrees. TERDAL stated the Graduate Council only looked at the change in total number of hours. ENNEKING asked what is the policy regarding credit loads for students with assistantships. FEYERHERM stated this is an unresolved issue, partly because it is related to system-wide requirements.

THE MOTION PASSED by unanimous voice vote.

3. Scholastic Standards Proposal to Extend the Drop/Withdraw/Grading Option Change Deadline to the 5th Week of Term

BARHAM/BULMAN MOVED THE SENATE APPROVE extending the Drop/Withdraw Option Change deadline to the fifth week of term.

BARHAM displayed an overhead which show that in Winter term 1994, there were 192 petitions approved to D/W/GOC after the 4th week, and 14 petitions denied, and that in Fall 1996 there were 197 total petitions to D/W/GOC after the 4th week.

BULMAN spoke against the motion, stating it is not in the best interest of students. The students who are not dropping can't be expected to do group work, as there are already problems with their peers abandoning them at the 4th week. We need more barriers to students abandoning their peers, not fewer.

FEYERHERM stated the counter argument is that we need to work on positive incentives for them to stay. Will changing the deadline change behaviors?

BARHAM stated students are often registering for courses they are not qualified for, and are not getting feedback on performance in a timely manner.
CABELLY countered, stating that for classes with only a midterm and final, there is still no feedback on grades at the 5th week.

SETTLE stated that this will not help overall enrollment. Students will just put off dropping courses, and petitions will not diminish.

REARDON stated the reverse position to several of these arguments is that a student’s dropping sooner diminishes the faculty member’s workload.

DRISCOLL stated the deadline should be at the second week.

THE QUESTION WAS CALLED.

THE MOTION TO APPROVE EXTENDING THE DEADLINE PASSED by 31 in favor and 14 against.

4. Discussion of Possible New Graduate And/Or Post-Bac Certificate Programs

FEYERHERM stated that there has been an explosion of graduate certificates nationally, as an alternate form of credential from the advanced degree. They are characterized by having 1/3-1/2 fewer credits than Master’s degrees, and are usually designed from existing courses to provide an institutional certification. These certificates address the needs of a segment of the population which does not need a traditional graduate degree. They would mirror professional standards for the disciplines. We are hoping to establish an approval process for them which does not extend to the State Board but is finalized at the campus-level. Hopefully, we will get a consistent package between the three major campuses.

H. ADJOURNMENT

The meeting was adjourned at 4:49 p.m.
Overview
The Budget Committee met numerous times during the 1997-1998 academic year. The committee considered of the following issues:

- Review of the 1997-1998 academic year beginning budget, including additions to the base budget.
- Review of the Strategic Budget Initiative and the role of the Budget Committee in that process.
- Discussion of the Governor’s report and its implication on the PSU budget.
Discussion

Budget Reviews

1996-1997

The Budget Committee began the year reviewing the 1996-1997 budget. The base budget for 1996-1997 was $78,907,968, however the total budget expenditures for the year were $87,260,595, approximately $8.4 million over the beginning budget. This additional spending was covered by carry-forwards from previous years ($2.6), over realized institutional income ($3.8), and other supplements received from OSSHE ($2.). Some Budget Committee expressed concern regarding the spending beyond the base budget, particularly since it resulted in a draw-down of the institution’s reserves.

1997-1998

Beginning in 1997-1998 OSSHE, now OUS, decided to budget, at least temporarily, on an annual basis. Portland State University’s 1997-1998 budget allocation was $90,475,835. This amount represented an unprecedented increase of about $11 million in the university’s base budget from the previous year. Most of this $11 million was used to cover allocations that were not in the base budget, but which reoccurring costs and that represented existing university commitments. These included University Studies, The Degree Completion Program, the athletics dept., the Statewide Social Work Program, and other commitments. Attachment One shows both the sources of the $11 million and where it went.


The Budget Committee has begun to examine the budgets for the next year, and the plans for the 1999-2001 biennial budget. However, since these budget preparations are still at the early stages and since funding guidelines have not yet been developed by the system, the Budget Committee has not been able to play an active role in these budget preparations, nor has it been presented the budget planning material. The Budget Committee has expressed it concern on the lack of timeliness in the preparation of budgets, especially the 1998-1999 budget. The Budget Committee expects to play an active role in budget planning and expects to be informed regarding budget planning information in the future.

The Strategic Budget Process

In 1997 the Faculty Senate adopted a strategic budget planning for the university. This budget process includes the Faculty Senate Budget Committee at several strategic stages. Specifically the Strategic Budget Process includes the Budget Committee in the following ways

- Review proposed budget format, priorities, estimated funding and criteria and send comments and concerns to the President, Provost, and VP.
- Request from the academic units are reviewed by the budget committee.
• If the budget decrements are over 5%, a compilation of the requests is submitted to the Budget Committee for review and comment. The Budget Committee’s comments are incorporated as appropriate and the revised requests are submitted to the president, provost and VP.

• The Budget Committee is to monitor results of operations and perform summative evaluation to inform the subsequent process.

In December of 1997, the chair of the Budget Committee, Grant Farr, and Associate Vice President for budget, Jay Kenton, met with President Bernstine to discuss the budget process and the role of the Faculty Budget Committee in that process. President Bernstine agreed with the strategic budget process and the role of the faculty senate budget committee in the process as outlined in the Report of the Strategic Budget Design Team, May 1997.

Because of the unusual nature of the budget process this year, in part because of the lack of budget direction from the system, the Strategic Budget Process was not implemented.

**Governor’s Report on Higher Education**

The Faculty Senate Budget Committee reviewed the Governor’s Report on Higher Education, especially the report dealing with budget. The committee examined budget projections regarding consequences of changes in the method by which institutions are funded in the state system. Any funding change that allowed institutions to keep all or most of their tuition would benefit Portland State University.

**Recommendations:**

• The Strategic Budget Process should be implemented beginning in the 1998-1999 academic year.

• The Budget Committee should play an active role in monitoring the financial status of the university consistent with the stated mission of the Budget Committee as found in the Faculty Governance Guide.

• Work of other Faculty Senate committees that have budget implications should be reviewed by the budget committee.

• The University’s budget should be developed in a timely manner so that the Budget Committee can have input into the process.

• Academic units should know their preliminary budget on or before March 31 of each year so they can prepare schedules for the coming academic year classes.

**Attachments:**

Memo of October, 28, 1997
Strategic Planning Diagram
October 28, 1997

To: EXCOM and Deans

From: Jay Kenton

Subj: Budget Changes 1996-97 to 1997-98

There have been numerous comments and questions about the $11 million budget increase that PSU received in 1997-98. This $11 million increase represents a 14.7% increase over our 1996-97 base budget and is perhaps unprecedented in the history of PSU. Most of these comments have focused on questions of how this new funding was allocated, on what basis, etc. This memorandum attempts to address these questions, and will hopefully clarify other issues about the budget as well.

The first point to be made is that we have been spending more in the last two years than we have been taking in. This is evident by looking at our carryforward balances which have decreased from approximately $12.1 million at July 1, 1995 to $4.1 million at July 1, 1997. In 1996-97 we had a base education and general fund budget of $78,907,968, yet our actual education and general fund expenditures totaled $87,260,595, a difference of nearly $8.4 million. This leads to the next question, where did these incremental monies come from? The answer is partially carryforward balances ($2.8 million drawdown), over realized institutional income ($3.6 million) and other supplemental allocations received from OSSHE (approx. $2.0 million) during the year (i.e. allocations received after the base budget was established). See attached worksheet, entitled "1996-97 Budget Recap" for additional details.

As a reminder, during the 1995-96 year, we were faced with a situation whereby we had to make a decision of either cutting our budget to live within our means, or formulate a strategy to significantly increase the resources available to the institution. After discussions with the Faculty Senate Budget Committee, the Deans, the Executive Committee and the Faculty Senate, it was decided that we would attempt to increase the resources available to the institution by serving more students, thereby generating more credit hours in order to break out of our current funding corridor. Our strategy in breaking out of our enrollment/budget corridor was always to simply "re-fund" the base budget. By "re-fund," I mean to obtain the resources (and reflect these resources in our base revenue budgets) necessary to cover our actual planned expenditures. While we hoped to have some incremental income from this effort, this was not the primary goal of the enrollment/budgetary strategy. In effect, we accomplished this goal as our 1997-98 base budget is a better match of our expenditure plan for the coming year, however, you will note that it is only $3.2 million higher than our actual expenditures in 1996-97.

It is also important for everyone to understand the source of the $11 million budget increment. Roughly $1.1 million came from permanent adjustments made after the 1996-97 base budget, including restoration of enrollment contingency amounts and PERS under funding. $2.1 million came from inflationary adjustments granted by the Chancellor’s Office and the Legislature. We also received $1.2
million for the operation and maintenance of the new facilities we acquired in the 1995-97 biennium (6th Avenue, Harrison Hall, and the 4th Avenue Buildings). Our 1997-98 budget was reduced by $161,511 for the classified/management service under funding reflecting the legislature’s reluctance to fund the 8th step increase we granted to these employees in 1996-97. We received nearly $5.8 million for enrollment increases. We received an adjustment in our institutional income budget of $1.5 million. This amount was requested by PSU as our self-generated institutional income from tech fees, resource fees, summer sessions, etc. have grown proportionate to our enrollment. This adjustment gives us the budgetary authority to expend these increased revenues only, i.e. it is not new funding from OSSHE or the state. Finally, we received $131,254 for other miscellaneous adjustments. See attached worksheet, entitled “1996-97 Budget Recap” for a summary of these changes. OSSHE also has another $13.9 million that is to be allocated for salary increases, regional access, joint business and engineering, endowment match, faculty diversity, and engineering education. PSU will receive its share of these funds pending further analyses and recommendations/approvals by the OSSHE Board.

The increment to the base budget was allocated using the following criteria:

1. Cover existing commitments (e.g. Univ. Studies, athletics, degree completion, 2nd half of salary increases, faculty roster changes (new positions, promotions, etc), increased access funding, Statewide Social Work program, Lewis and Clark Public Administration merger, Education cohorts, retirement incentive commitments, other inflationary adjustments and increased debt service on COP’s issued for technology investments, etc.) Approximate cost $9,471,000

2. Incorporate to the extent possible recurring temporary transfers into the base for those items that are more permanent in nature. Approximately $368,000

3. Better fund OPE costs by increasing the percentage of variable cost funding, increasing the fixed cost component funding, and changing the basis for allocating the fixed cost component from an FTE basis to an eligible headcount basis. Approximately $300,000.

4. Fund increased operation and maintenance associated with the acquisition/construction of 6th Avenue, 4th Avenue and Harrison Hall, including increasing public safety officers. In addition fund improvements needed to substantiate increased rents to DEQ/Public Health. Approximate cost - $1,089,000.

5. Increase the University operating reserve to the extent possible. Approximately $340,000.

For a detailed breakdown of these changes by organizational unit, please refer to the attached spreadsheet entitled, “Budget Changes 1996-7 to 1997-8.”

I hope that this memorandum proves useful to you in understanding the budgetary changes made from 1996-97 to 1997-98. Please contact me at 5-3649 if you have any questions, or if additional information is needed.

c: Senate Budget Committee
<table>
<thead>
<tr>
<th>Description</th>
<th>July 1, 1996</th>
<th>Revenue</th>
<th>Expense</th>
<th>Transfer</th>
<th>June 30, 1997</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Edu. and Gen1 Funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Operations</td>
<td>$3,952,452</td>
<td>$74,016,337</td>
<td>$81,417,074</td>
<td>$4,759,212</td>
<td>$1,310,927</td>
</tr>
<tr>
<td>Faculty Development Grants</td>
<td>$172,280</td>
<td>$0</td>
<td>$109,464</td>
<td>$32,480</td>
<td>$95,296</td>
</tr>
<tr>
<td>OR Jt. Schools of Engineering</td>
<td>$211,433</td>
<td>$0</td>
<td>$116,234</td>
<td>$147,400</td>
<td>$242,599</td>
</tr>
<tr>
<td>Other Operations - Inst. income</td>
<td>$994,439</td>
<td>$8,724,561</td>
<td>$2,073,953</td>
<td>($6,143,771)</td>
<td>$1,501,276</td>
</tr>
<tr>
<td>Repair and Remodeling</td>
<td>$205,728</td>
<td>$0</td>
<td>$159,446</td>
<td>$277,064</td>
<td>$323,346</td>
</tr>
<tr>
<td>State Endowment Match</td>
<td>$223</td>
<td>$9,016</td>
<td>$20,064</td>
<td>$21,380</td>
<td>$10,555</td>
</tr>
<tr>
<td>Summer Session</td>
<td>$1,366,974</td>
<td>$4,496,379</td>
<td>$3,364,360</td>
<td>($1,821,661)</td>
<td>$677,332</td>
</tr>
<tr>
<td><strong>Total Education and General Funds</strong></td>
<td>$6,903,529</td>
<td>$87,246,293</td>
<td>$87,260,595</td>
<td>($2,727,896)</td>
<td>$4,161,331</td>
</tr>
</tbody>
</table>

**Reconciliation of the Base Budget to the Ending Budget for 1996-97**

- **Base Budget**: $78,907,968
- **Add: Over-realized Income**
  - Actual Income From:
    - Other Operations: $8,724,561
    - Summer Session: $4,496,379
- **Less: Base Income Budgeted**
  - $9,614,807
  - $3,606,133
- **Drawdown of Carryforward Bal.**
  - Beginning Balances: $6,903,529
  - Ending Balances: $4,161,331
- **Supplemental Allocations Rec'd:**
  - Release of Enrollment Uncertainty: $700,000
  - MPA/MEd Co-hort Funding: $722,426
  - Other Misc. Adjustments: $581,870
- **Total Adjusted 1996-97 Budget**: $87,260,595

**Source of Changes in the 1997-98 Base Budget**

- **1996-97 Base Budget**: $78,907,968
- **1996-97 base adj. and PERS req.**: $1,059,764
- **Inflation Adjustment @ 2%/10%**: $2,060,421
- **New Building O&M (6th, 4th, Ham.)**: $1,223,382
- **Class/Mgmt. Serv. adj. not funded**: $(161,511)
- **Funding for Enrollment Changes**: $5,754,557
- **Adj. Inst. Income**: $1,500,000
- **Other Misc. Adj**: $131,254
- **1997-98 Base Budget**: $90,475,835
Reconciliation of Base Budget Changes from 1996-97 to 1997-98

<table>
<thead>
<tr>
<th>Unit/Description</th>
<th>Change in Amount</th>
<th>Total Adj.</th>
<th>% Uncl. Class.</th>
<th>FTE</th>
<th>FTE</th>
<th>FTE</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberal Arts and Sciences:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$569,364</td>
<td></td>
<td>5.51</td>
<td>-4.00</td>
<td>9.00</td>
<td>Note: Political Science transferred to UPA</td>
<td></td>
</tr>
<tr>
<td>Adj. University Studies Budget</td>
<td>$1,251,254</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td>$11,393</td>
<td>$2,222,011</td>
<td>19.21%</td>
<td></td>
<td></td>
<td></td>
<td>for the addition of the capstone program, i.e. Univ. Studies rec'd a $583K base budget and an add'l $1.0 million budget transfer after the base was established in 1996-97</td>
</tr>
<tr>
<td>Business Administration:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$195,824</td>
<td></td>
<td>0.93</td>
<td>-2.00</td>
<td>0.00</td>
<td>Adjustment to better budget expected income from resource fees</td>
<td></td>
</tr>
<tr>
<td>Adjust Study Resource Budget</td>
<td>$51,800</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. Jt. Schools Budget</td>
<td>$339</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td>$541</td>
<td>$248,604</td>
<td>2.15%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$206,847</td>
<td></td>
<td>2.50</td>
<td>-1.00</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td>$552</td>
<td>$209,799</td>
<td>1.61%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$356,173</td>
<td></td>
<td>2.00</td>
<td>-0.25</td>
<td>0.00</td>
<td>Adjustment to better budget expected income from resource fees</td>
<td></td>
</tr>
<tr>
<td>Adjust Study Resource Budget</td>
<td>$53,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td>$1,751</td>
<td>$410,924</td>
<td>3.55%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fine and Performing Arts:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$221,640</td>
<td></td>
<td>1.04</td>
<td>-1.00</td>
<td>0.60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td>$549</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Architecture Adj.</td>
<td>$34,488</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oregon Symphony funding</td>
<td>$27,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Brass Position funding</td>
<td>$20,480</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MFA funding</td>
<td>$45,000</td>
<td>$348,157</td>
<td>3.02%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Work:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$57,897</td>
<td></td>
<td>-0.05</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td>$307</td>
<td>$58,204</td>
<td>0.50%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban and Public Affairs:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$707,873</td>
<td></td>
<td>6.44</td>
<td>1.00</td>
<td>0.00</td>
<td>Lewis and Clark Public Admin. merger - incl. new faculty + S&amp;S</td>
<td></td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td>$1,867</td>
<td>$729,740</td>
<td>4.65%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lewis and Clark S&amp;S</td>
<td>$37,690</td>
<td>$747,430</td>
<td>6.45%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extended Studies/SSWICLAS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer Session</td>
<td>$398,876</td>
<td></td>
<td>1.20</td>
<td>1.25</td>
<td>0.00</td>
<td>Funded outside of the base in 1996-97</td>
<td></td>
</tr>
<tr>
<td>Statewide Social Work</td>
<td>$44,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Degree Completion Program</td>
<td>$375,000</td>
<td>$817,876</td>
<td>7.07%</td>
<td></td>
<td></td>
<td></td>
<td>Funded by XS last year from self-support funds</td>
</tr>
<tr>
<td>Library:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$263,816</td>
<td></td>
<td>3.00</td>
<td>-2.00</td>
<td>0.00</td>
<td>Transfer of responsibility from OIT to Library</td>
<td></td>
</tr>
<tr>
<td>Media Library from OIT</td>
<td>$20,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PORTALS adj</td>
<td>($3,015)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library Acquisitions inflation</td>
<td>$258,803</td>
<td>$539,350</td>
<td>4.66%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Affairs:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$354,508</td>
<td></td>
<td>0.48%</td>
<td>1.00</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Grad. Studies and Research:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$30,756</td>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>-0.30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase Spons. Res. Support</td>
<td>$66,842</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td>$756</td>
<td>$98,356</td>
<td>0.85%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provost's Office/DAA Other:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-uproster changes</td>
<td>$236,764</td>
<td></td>
<td>4.59</td>
<td>1.00</td>
<td>0.00</td>
<td>Transfer from Univ. Relations</td>
<td></td>
</tr>
<tr>
<td>Metro Univ funding</td>
<td>$15,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase P-T Faculty Support</td>
<td>$3,800</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Adj.</td>
<td>($104,422)</td>
<td>$251,142</td>
<td>2.17%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Reconciliation of Base Budget Changes from 1996-97 to 1997-98

<table>
<thead>
<tr>
<th>Unit/Description</th>
<th>Change</th>
<th>Amount</th>
<th>% Uncl. Class.</th>
<th>OA</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Affairs:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-up/roster changes</td>
<td></td>
<td>$159,460</td>
<td>9.50</td>
<td>-6.00</td>
<td>0.00</td>
</tr>
<tr>
<td>GA 2% inflation</td>
<td></td>
<td>$136</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commencement</td>
<td></td>
<td>$32,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Required Fed. Loan Match</td>
<td></td>
<td>$1,045</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repl. Fin. Aid lost income</td>
<td></td>
<td>$52,500</td>
<td>$245,161</td>
<td>2.12%</td>
<td></td>
</tr>
<tr>
<td><strong>Provost Unallocated:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-up/roster changes</td>
<td></td>
<td>($19,256)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access Funds</td>
<td></td>
<td>$1,600,000</td>
<td>$1,560,744</td>
<td>13.66%</td>
<td>57.93</td>
</tr>
<tr>
<td><strong>President's Office:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-up/roster changes</td>
<td></td>
<td>$121,138</td>
<td></td>
<td>-1.50</td>
<td>-0.75</td>
</tr>
<tr>
<td>Increase S&amp;S</td>
<td></td>
<td>$20,000</td>
<td>$141,138</td>
<td>1.22%</td>
<td></td>
</tr>
<tr>
<td><strong>University Relations:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-up/roster changes</td>
<td></td>
<td>$(6,774)</td>
<td></td>
<td>-0.21</td>
<td>0.00</td>
</tr>
<tr>
<td>Transfer Metro Univ</td>
<td></td>
<td>$15,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing Support</td>
<td></td>
<td>$100,000</td>
<td>$78,226</td>
<td>0.68%</td>
<td></td>
</tr>
<tr>
<td><strong>Facilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-up/roster changes</td>
<td></td>
<td>$287,839</td>
<td></td>
<td>10.45</td>
<td>-6.95</td>
</tr>
<tr>
<td>Adj. 4th Ave./Trend O&amp;M</td>
<td></td>
<td>$350,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEQ/Place, Health Lease</td>
<td></td>
<td>$334,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outside Rentals</td>
<td></td>
<td>$18,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inflation on utilities</td>
<td></td>
<td>$38,845</td>
<td>$1,029,184</td>
<td>8.90%</td>
<td></td>
</tr>
<tr>
<td><strong>Information Technologies:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-up/roster changes</td>
<td></td>
<td>$1,113,844</td>
<td></td>
<td>7.00</td>
<td>10.50</td>
</tr>
<tr>
<td>Reclassify Service Dept</td>
<td></td>
<td>($1,096,091)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. Tech. fee budget</td>
<td></td>
<td>$31,409</td>
<td>$109,162</td>
<td>0.94%</td>
<td></td>
</tr>
<tr>
<td><strong>Other Finance and Admin.:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-up/roster changes</td>
<td></td>
<td>$303,916</td>
<td></td>
<td>22.60</td>
<td>-19.75</td>
</tr>
<tr>
<td>Increase service credits</td>
<td></td>
<td>($24,765)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Credit Card Disc</td>
<td></td>
<td>$30,000</td>
<td>$369,151</td>
<td>3.19%</td>
<td></td>
</tr>
<tr>
<td><strong>General University:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary roll-up/roster changes</td>
<td></td>
<td>($1,285,497)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Athletic Funding</td>
<td></td>
<td>$1,110,598</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Athletic Faculty Rep</td>
<td></td>
<td>$56,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Est. Res. for Income Adj</td>
<td></td>
<td>$156,797</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. assessments</td>
<td></td>
<td>$(48,872)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Added Retirement Incentive Ex</td>
<td></td>
<td>$334,599</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Added COP debt service req?</td>
<td></td>
<td>$568,669</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. service credit budgets</td>
<td></td>
<td>$107,165</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. Enrollment Uncertainty</td>
<td></td>
<td>$700,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. Operating Reserve</td>
<td></td>
<td>$286,781</td>
<td>$2,006,740</td>
<td>17.35%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Adjustments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 2: Summary Comparison of Changes from 1996-97 Budget to 1997-98 Budget

<table>
<thead>
<tr>
<th>Institution</th>
<th>96-97 Base Enroll &amp; PERS Reqmt</th>
<th>Inflation/Assmt</th>
<th>New Building O&amp;M</th>
<th>Cl/MgtSvc Pay Adj Not Funded</th>
<th>Funding for Enroll Changes</th>
<th>Institution Income Adjustment</th>
<th>Other Budgeted Adjust</th>
<th>Total Changes 96-7/97-8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Oregon University</td>
<td>112,180</td>
<td>355,786</td>
<td>0</td>
<td>(46,274)</td>
<td>37,001</td>
<td>0</td>
<td>163,013</td>
<td>621,706</td>
</tr>
<tr>
<td>Oregon Institute of Technology</td>
<td>191,617</td>
<td>744,278</td>
<td>0</td>
<td>(51,847)</td>
<td>(1,623,661)</td>
<td>0</td>
<td>67,306</td>
<td>(672,307)</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>558,988</td>
<td>3,109,624</td>
<td>1,058,545</td>
<td>(326,262)</td>
<td>(5,933,812)</td>
<td>0</td>
<td>579,568</td>
<td>(953,349)</td>
</tr>
<tr>
<td>Portland State University</td>
<td>1,059,764</td>
<td>2,060,421</td>
<td>1,223,382</td>
<td>(161,511)</td>
<td>5,754,557</td>
<td>1,500,000</td>
<td>131,254</td>
<td>11,567,867</td>
</tr>
<tr>
<td>Southern Oregon University</td>
<td>329,918</td>
<td>796,901</td>
<td>17,081</td>
<td>(76,759)</td>
<td>(352,887)</td>
<td>375,000</td>
<td>528,006</td>
<td>1,617,260</td>
</tr>
<tr>
<td>University of Oregon</td>
<td>1,615,957</td>
<td>3,553,779</td>
<td>124,427</td>
<td>(375,475)</td>
<td>(1,014,891)</td>
<td>2,700,000</td>
<td>941,417</td>
<td>7,545,214</td>
</tr>
<tr>
<td>Western Oregon University</td>
<td>317,565</td>
<td>587,961</td>
<td>4,841</td>
<td>(71,617)</td>
<td>554,196</td>
<td>0</td>
<td>216,265</td>
<td>1,609,211</td>
</tr>
<tr>
<td>Total Institutions</td>
<td>4,185,989</td>
<td>11,208,750</td>
<td>2,428,276</td>
<td>(1,109,745)</td>
<td>(2,579,497)</td>
<td>4,575,000</td>
<td>2,626,829</td>
<td>21,335,602</td>
</tr>
<tr>
<td>OCATE</td>
<td>3,790</td>
<td>56,394</td>
<td>0</td>
<td>(2,261)</td>
<td>0</td>
<td>0</td>
<td>2,575</td>
<td>60,498</td>
</tr>
<tr>
<td>Chancellor's Office Operations</td>
<td>54,486</td>
<td>202,662</td>
<td>0</td>
<td>(64,189)</td>
<td>0</td>
<td>0</td>
<td>87,443</td>
<td>280,402</td>
</tr>
<tr>
<td>Systemwide Expense</td>
<td>0</td>
<td>(350,530)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>562,477</td>
<td>211,947</td>
</tr>
<tr>
<td>Amounts To Be Allocated-Pending Plan</td>
<td>0</td>
<td>60,180</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10,398,856</td>
<td>10,457,036</td>
</tr>
<tr>
<td>Undistributed Limitation</td>
<td>(3,250,000)</td>
<td>467,332</td>
<td>0</td>
<td>0</td>
<td>2,579,497</td>
<td>(4,575,000)</td>
<td>5,131,591</td>
<td>353,420</td>
</tr>
<tr>
<td><strong>Total Education &amp; General</strong></td>
<td><strong>994,265</strong></td>
<td><strong>11,644,788</strong></td>
<td><strong>2,428,276</strong></td>
<td><strong>(1,176,195)</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
<td><strong>18,807,771</strong></td>
<td><strong>32,698,905</strong></td>
</tr>
<tr>
<td>Agricultural Experiment Station</td>
<td>741,260</td>
<td>514,965</td>
<td>145,778</td>
<td>(103,326)</td>
<td>0</td>
<td>0</td>
<td>757,235</td>
<td>2,055,912</td>
</tr>
<tr>
<td>Extension Service</td>
<td>692,955</td>
<td>530,323</td>
<td>0</td>
<td>(72,560)</td>
<td>0</td>
<td>0</td>
<td>134,566</td>
<td>1,285,284</td>
</tr>
<tr>
<td>Forest Research Laboratory</td>
<td>61,820</td>
<td>89,783</td>
<td>0</td>
<td>(9,973)</td>
<td>0</td>
<td>0</td>
<td>(38,088)</td>
<td>103,542</td>
</tr>
<tr>
<td><strong>Total Statewide Public Svcs</strong></td>
<td><strong>1,496,035</strong></td>
<td><strong>1,135,071</strong></td>
<td><strong>145,778</strong></td>
<td><strong>(185,859)</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
<td><strong>853,713</strong></td>
<td><strong>3,444,738</strong></td>
</tr>
<tr>
<td><strong>Total Expenditure Limitation</strong></td>
<td><strong>2,490,300</strong></td>
<td><strong>12,779,859</strong></td>
<td><strong>2,574,054</strong></td>
<td><strong>(1,362,054)</strong></td>
<td><strong>0</strong></td>
<td><strong>0</strong></td>
<td><strong>19,661,484</strong></td>
<td><strong>36,143,643</strong></td>
</tr>
</tbody>
</table>

**Definitions**

- **96-97 Base**: Permanent adjustments made after the 1996-97 budget. Includes enrollment contingency and restores PERS underfunding.
- **Inflation/Assmt**: Adds inflation adjustment of approximately 2% and resets the allocation for state and OSSHE assessments.
- **New Building O&M**: Provide funding for operation and maintenance costs of new buildings coming on line in 1997-98.
- **Cl/MgtSvc Pay Adj Not Funded**: Reflects removal of General Fund support for the January 1997 pay adjustment for classified and management service.
- **Funding for Enroll Changes**: Adjustments for changes in enrollment and other allocation model redistributions.
- **Institution Income Adjustment**: Distribution of limitation for institutions generating more income that earlier predicted.
- **Other Budgeted Adjust**: Sum of all other adjustments including technical adjustments and special allocations for specific institutions.
16 April 1998

TO: Sarah Andrews-Collier, Secretary to the Faculty

FROM: Richard Forbes

SUBJ: Intercollegiate Athletics Board report to the Faculty Senate, May 1998

The Intercollegiate Athletics Board has had, in contrast to 1997-98, a quiet year. Sy Adler and Judy Van Dyck-Kokich co-chaired IAB during Fall 1997. Richard Forbes has chaired IAB since January 1998. New student member Jason Hefley was named to the IAB earlier this month.

IAB has received reports from Athletic Director Jim Sterk concerning progress toward achieving gender equity in intercollegiate athletics, the Department of Athletics budget, and plans for expansion of certain facilities. IAB’s major task, however, has been the development of a statement on Sportsmanship and Ethical Conduct. Professors Sue Danielson and Alan Cabelly and student member Ken McMahon have given very generously of their time, effort, and insights to the preparation of this important document, which is nearly completed.

Respectfully submitted for the IAB.

Voting members:
- Richard Forbes, BIO - Chair
- George Hough - CENS
- Judy VanDyck-Kokich - XS-ESP
- Jim Mustard (community member)

Ex officio members:
- Bob Lockwood
- George Pernsteiner
- Jim Sterk
- Teri Mariani

Mentor:
- Bruce Stern - SBA
May 4, 1998

TO: PSU Faculty Senate

FR: Teacher Education Committee, David Jimerson, Chairperson


Committee Membership:

Emily de la Cruz, ED; Nancy Brawner-Jones, SPED; Ellen Reuler, SPHR; David Jimerson, MUS; Ray Mariels, ENG; Ted Nelson, MTH; Betsy Steinberger, EPFA; William Tate, TA; Bob Tinnin, BIO; Suwako Watanabe, FLL; Cathleen Smith, PSY; William LePore, Art; Gary Brodowicz, PHE; Suzanna Garrison, Student.

Ex-officio: Sarah Beasley, Robert Everhart, Ulrich H. Hardt

1. The Teacher Education Committee heard the Annual Report which was sent to the Teacher Standards and Practices Commission.

2. The Committee received the NCATE (National Council for Accreditation of Teacher Education) Annual Report indicating that the University had met all 20 standards for accreditation.

3. There was a discussion of the curriculum review under way in the Graduate School of Education. The School is on a five-year cycle, with various licensure and degree programs being reviewed in that cycle by the Program and Policy Committee.

4. The Committee heard an update on the pilot program for the new four authorization levels in licensure.

5. The Committee examined and approved the proposed redesigned programs for the four authorization levels of licensure in Oregon. The new levels are: age 3-grade 4, Early Childhood; grades 3-8, Elementary; grades 5-10, Middle School; grades 7-12, High School.

The redesigned PSU programs were approved by the Teacher Standards and Practices Commission on March 13 and included all areas in the School of Education: teacher preparation, special education, library/media, counseling, continuing licensure, early childhood education, reading, ESOL/bilingual, and administration. The new licensure goes into effect in January 1999; students admitted into programs Fall 1998 will be under the new rules.

6. The Graduate School of Education again added two cohorts (54 full-time students) to help the University achieve its new enrollment corridor this year.
The 3-4 April 1998 meeting of the Interinstitutional Faculty Senate took place at the University of Oregon campus in Eugene. The Friday, 3 April agenda was a full one that began with a briefing of the senators by Gretchen Hult Pierce, a member of the Governor’s Task Force on Higher Education and the Economy. Ms. Pierce said the task force’s main concern in making its by now well known recommendations to Governor Kitzhaber was to reverse serious discrepancies in the economic situation in the state that were directly linked to the funding, configuration, and delivery of public higher education in Oregon. These, she said, were indicated by facts such as that in the last five years only one in five electrical engineering jobs in the state were filled by Oregonians and only one in ten technical jobs.

She said the task force noted six trends in the state’s higher education environment requiring attention: higher education is critical to the economy; there are shortages in skills impeding growth; the educated work force is changing the work force; learning and work are blending as never before; there is a new world of work and jobs; the market for higher education is being strangled; and, finally, state funding is growing as demand for higher education is growing.

Ms. Pierce also said that notwithstanding the task force’s vision for learner-centered higher education that would surmount these trends, the group found six barriers to its implementation. These are: a compartmentalized view of higher education in the university community; protectionist policies by each institution; an unwieldy budget and finance system; a lack of clarity on what the taxpayers are buying and its cost; distracting central authority regulations; and internal constraints.

What should Oregon do to overcome the trends and their attendant problems? The task force recommends overhauling the governance and funding framework of public higher education. Specifically, it has proposed to the Governor that the state’s role should be changed from that of guide to the institutions to buyer of their services; that each institution be made semi-autonomous; and that alliances be encouraged between public and private institutions and between two-year and four-year institutions.

Following on Ms. Pierce’s discussion, Dave Frohnmeier, President of the University of Oregon, repeated or supplemented many of the themes relative to the necessity of change she had delineated. He said he had never seen a climate for higher education in which change was more necessary. Oregon is, he asserted, suffering a “brain drain,” “losing market share,” and “playing catch-up ball on all fronts.”

President Frohnmeier said it was very clear that the Governor wants a fundamental change in higher education in student-centered ways. If such change is accomplished, he expressed confidence that the state will put money behind it.

The next speaker was Senator Susan Castillo (D-Lane County). Her talk centered on the funding of higher education at the 1999 legislative session. She predicted a big battle over
funding of education at all levels. From her observations of the 1997 session, her first in Salem, she said emphatically that higher ed faculty must be involved in lobbying efforts. She noted that K-12 supporters were successful in the last session because they were able to put all of their forces in the field--parents, students, and faculty--and, like all other sympathetic legislators who have discussed this issue with IFS, she urged that higher ed itself mount an intense campaign from the grass roots. She especially noted that personal stories of the results of the decade-long disinvestment in higher ed would be helpful in persuading legislators as would anecdotes about how lives have been changed through higher education.

Chancellor Cox was the next speaker. His brief message emphasized the need to tell the Legislature what the consequences of continued under funding of higher education would be. He also said the higher ed message should acknowledge the need to change, but not at the expense of what made higher education special for 1200 years.

Tom Imeson, Vice President of the State Board of Higher Education, and chair of the task force examining budgetary change in the system spoke next. He said that the system is headed toward a situation where the institutions will keep all the tuition and other fees they raise. The point of the shift in the structure of the system will be based on better serving students, so funding will be essentially be on a per student basis and cost of programs at peer institutions. He reported on a recent meeting with the Governor who, he said, was pleased with the thinking of the task force. As a result, Imeson predicted that they would be able, in about two months, to give Kitzhaber a detailed proposal constituting a package the Governor can confidently take to the Legislature.

Imeson cautioned, however, that if the plans as they currently exist were to be implemented now, there would be difficulties at some institutions and that if the Legislature failed to fund the new model fully, it would be withdrawn. On the other hand, he is confident that since the plan so strongly reflects the philosophy of the business community, the lobbying effort will be well supported and successful.

Among the difficult issues in the proposal yet to be resolved is tuition. The question is whether or not it is an institutional or board matter. Imeson said a compromise might come in the form of a board-mandated ceiling on tuition, leaving the schools to set theirs at some point (or points, if differential tuition to recognize the impact of high and low cost programs is allowed), under this ceiling. On the subject of tuition, he also noted that another difficult aspect would be setting it at the graduate level. At the same time, he thought it possible that there would be little or no change on tuition policies at the undergraduate level.

Finally, he asserted that one possible drawback of the coming fiscal changes with respect to decentralization would be that there would be no more system reserves and that, as a result, it would be up to the individual institutions to generate and maintain their own reserves. In short, the price of more campus autonomy will inevitably more campus accountability.

The next speaker was Steve Handron, a North Eugene High School teacher who discussed the PASS program. His main message was that, in his opinion, the CIM, CAM, and PASS (standards for college entrance proficiencies) were not aligned and that PASS is a wasteful and poorly constructed program which will be useless to K-12, the universities, and, not least, graduating students.

Finally, on Friday, Rep. Jim Welch (R-Cottage Grove) spoke. The main theme of his brief
address was that as a manager in private life, he is very concerned about the higher education budget and what the citizens get for their money.

At the Saturday meeting, Sarah witte of EOU gave a report on the 29 February meeting of the Academic Council and the progress of the EOU presidential search. IFS Chair Kemble Yates reported on the Board meetings of January, February, and March and his addresses to the Board on those occasions. Yates passed out documents pertaining to the Task Force planning on both budget and the Performance Based Standards which are being constructed (included with this report). IFS participants read these documents and a discussion ensued about them. A consensus emerged that they were deeply flawed. Sarah witte was asked to report to the Provosts of OUS at the next Academic Council meeting that IFS urges them to think carefully about the standards and make a well considered report about the applicability of the standards to their campuses because they appear to be internally contradictory. Senators were urged to discuss their own campus assessment with their Provost to alert them to the potential difficulties the standards could engender.

There was discussion of possible candidates for the presumed opening for a faculty seat on the State Board of Higher Education in 1999. Although the process by which recommendations suitable to all faculty constituencies will be made is still under discussion, senators were urged to begin to solicit names from their faculty senates.

John Cooper of PSU, Vice Chairman of IFS, reported on a meeting organized by the Oregon Student Association, held at U of O during the Senate meeting, with Governor Kitzhaber. The Governor seemed impressed by the arguments for better funding of higher ed and specifically arguing for a tuition freeze and a faculty salary increase. OSA is already moving on the next session of the Legislature and has organized a Higher Education Lobby Day for 27 May.
Figure 1
Oregon University System
Proposed Performance Measures and Indicators

What Oregon wants

How we'll get it

Goals

Quality

Access

Employability

Cost Effectiveness

Measures

Successful Completion

Graduate Abilities

Customer Satisfaction

New Customers

Student Quality & Diversity

Graduate Success & State Needs

External Resources & Entrepreneurship

State's Investment

Institutional Management

Indicators

- Entering Freshmen
- Community College Transfers
- Cumulative Credits
- Persistence
- Graduate & Professional

- Professional Standards
- Undergraduate General Abilities
- Recent Graduates
- Students
- Employers
- Oregon Citizens
- High School Graduates
- Participation
- By Region
- Community College Transfers
- Lifelong Learners
- Alternative Formats

- Total Enrollment
- Undergraduate by County
- Graduate Students by County
- Higher Ability
- Racial/Ethnic
- Gender
- Adults
- Employment
- Internships
- Bachelor’s Degrees
- Master’s Degrees
- Doctoral and Professional Degrees
- Sponsored Research
- Other Resources
- Per Capita
- Tuition
- Faculty Compensation
- Program Productivity
- Capital Assets
- Economic Impact
- Strategic Planning
- Stewardship of Resources
- Connectedness
Possible Allocation Model

Campus Based Revenue

- Tuition & Fees
- Sponsored Programs
- Auxiliaries
- Gifts & Grants

State Tax Funds

Per Student Support - 75 - 80%
- Student centered
- Understandable
- Accountable
- Stakeholders know what they are buying
- Limited number of allocation elements

Lump Sum Pools - 20 - 25%
- Statewide Public Services
- State Initiatives
- Performance
- Speciality Disciplines
- Transition Funding
- Regional Access
- Support for Research
- Public Services
- Board Initiatives

* Determined by Legislature
<table>
<thead>
<tr>
<th>Current Practice</th>
<th>Proposed New Approaches</th>
<th>Issues/Comments</th>
<th>General Directions/Recommendations</th>
</tr>
</thead>
</table>
| **1. Tuition and fee income** | All tuition would be retained by campuses | Campuses will need to develop policies governing reserves and safety nets | - All tuition and fees to be retained by campuses.  
- Need to develop a common set of definitions for tuition and fees that correspond to national patterns.  
- Need to determine how tuition and fee schedules resulting from reciprocity agreements and special policy decisions will be handled. |
| - Majority of tuition is pooled and reallocated |  |  |  |
| - 90% UO non-resident undergraduate tuition is retained |  |  |  |
| - 10% UO non-resident undergraduate tuition is reallocated |  |  |  |
| - Most fee income retained |  |  |  |
| **B. Sponsored programs/research** | Options:  
A. Current policy continued  
B. All sponsored program income would be retained by campus generating same indirect cost | Funding activities/services will be modified | - Suggest retaining all income from indirect costs on the campuses; determine which services to purchase from centralized services and pay for those.  
- Requires additional study. |
| - Direct support is retained |  |  |  |
| - Indirect support is retained, except for 4% which goes to centralized services |  |  |  |
| **C. Residence halls** | Current policy continued | Indirect cost reports would be modified | - Continue current policy. |
| - Most income is retained, except that a portion is pooled to pay pre-1997 debt service costs |  |  |  |
| **D. All other income is retained** | Current policy continued |  | - Continue current policy of campus retention, as included in "tuition income" section above (1.A.). |
|  |  |  |  |
| **2. Determination of tuition rates** | Options:  
A. Continue current practices  
B. Board establishes ranges or caps, and Chancellor's Office approves proposals  
- or -  
Campuses establish tuition within Board policy (may require statutory changes)  
C. Campuses determine tuition | Ensuring access and affordability  
Board policies may be impacted  
Legislative/executive interest  
Per credit hour plateau/cap | - The Board establishes ranges or caps and Chancellor's Office approves proposals; or the Board approves tuition rates.  
- However it is done, need to be explicit about what it costs to attend each institution. |
| - Determined by the Board |  |  |  |
| - Fees requested by campus and approved by Board |  |  |  |
| - Building fee limit set by statute |  |  |  |
| **3. Treatment of student financial aid/ fee remissions** | Options:  
A. Policies/levels determined by campus administration; aid is funded using campus retained tuition revenue  
B. Certain Board policies retained | Legislative/executive interests  
Concerns about maintaining Board policies | - Most student aid/fee remissions would be funded by campuses.  
- May need to look at remission programs within the framework of institution mission.  
- Requires a study group. |
<p>| - Policies determined by Board |  |  |  |
| - Tuition remissions funded by netting off tuition revenue |  |  |  |</p>
<table>
<thead>
<tr>
<th>Current Practice</th>
<th>Proposed New Approaches</th>
<th>Issues/Comments</th>
<th>General Directions/Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4. Budget development process (request)</strong></td>
<td></td>
<td></td>
<td><strong>Operating Budget:</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Base budget build-up, with as much as possible of</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>the base budget build-up factored into the per</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>student amounts in the new formula.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- All credit enrollment — including extended studies,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>summer session, etc. — counted in determining</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>student population.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Develop per student amounts using data from two</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>lists of comparator institutions: one for OSU, PSU</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>and UO, one for EOU, OIT, SOU and WOU.</td>
</tr>
<tr>
<td>1. Operating budget</td>
<td>1. Single lump sum by fund category, including a base budget build-up component; statewide public services segregated</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Options:</td>
<td>New approach will require an Oregon design.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) No decision packages</td>
<td>Requires discussion and agreement by the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Limited number of decision packages depending on the size of the base budget build-up</td>
<td>Board, Governor, and senior DAS staff</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>New approach could change advocacy strategies with legislators and legislative staff</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Capital budget</td>
<td></td>
<td><strong>Capital Budget:</strong></td>
</tr>
<tr>
<td></td>
<td>- By project and/or building</td>
<td></td>
<td>- Retain current practice.</td>
</tr>
<tr>
<td></td>
<td>2. Retain current practices or build in capital component to new per-capita funding model</td>
<td></td>
<td>- Should move toward a methodology based on the cost of delivery systems, whether facilities or technology-based, including a capital budget that addresses repair of existing facilities for appropriate and maximum use, rather than adding new buildings.</td>
</tr>
<tr>
<td>5. Operating budget allocation process</td>
<td>Funding per student representing 75% to 80% of available state tax support</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Options:</td>
<td></td>
<td>Need to develop a model that shows what the state tax dollars are funding and that also maximizes the state appropriation amount per student.</td>
</tr>
<tr>
<td></td>
<td>1) Single amount per student</td>
<td>Headcount vs. full-time equivalent</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2) 4 cells — lower, upper, G1, G2</td>
<td>Consideration of fixed costs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3) 10 to 12 cells — lower, upper, G1, G2 and by low, medium, high-cost clusters</td>
<td>Establishing standards from national norms</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4) 100 cells — 4 levels, 25 disciplines</td>
<td>Crafting an Oregon design</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Should be clear and understandable.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- The number of elements to be limited. The specific elements need to be determined.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- The elements used to establish individual campus budgets will be consistent with the elements and validation processes used in the budget request submission. Specific listings and validation processes need to be finalized.</td>
</tr>
<tr>
<td>Current Practice</td>
<td>Proposed New Approaches</td>
<td>Issues/Comments</td>
<td>General Directions/Recommendations</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>6. Targeting lump sums for specific purposes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Statewide public services determined by Legislature</td>
<td>A. Policy continued</td>
<td>Percentage of state budget directed to this category</td>
<td>- As noted above, the portion of the base budget that does not go into the per student amount should be allocated to a limited number of targeted lump sum pools.</td>
</tr>
<tr>
<td>B. Centralized services</td>
<td>B. Policies continued and perhaps expanded to include new Board or state initiatives</td>
<td>Regional access</td>
<td>- The model should include a performance component, the elements, percentages, and implementation strategy need to be determined.</td>
</tr>
<tr>
<td>• Policy development/evaluation</td>
<td></td>
<td>Transition funding</td>
<td></td>
</tr>
<tr>
<td>• Campus services</td>
<td></td>
<td>Funding/operating centralized services</td>
<td></td>
</tr>
<tr>
<td>• Pass-through allocations (COPs, etc.)</td>
<td></td>
<td>Establishing standards from national norms</td>
<td></td>
</tr>
<tr>
<td>C. Jointly operated programs</td>
<td>C. Perhaps new initiatives from Board or state</td>
<td>Crafting an Oregon design</td>
<td></td>
</tr>
<tr>
<td>• Engineering</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Business</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• University Center/Central Oregon</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Performance funding</td>
<td>Target a percentage of state funds using some of the performance indicators now being considered by the Board.</td>
<td>Percentage amount to go into this category</td>
<td></td>
</tr>
<tr>
<td>• Not explicit at present</td>
<td></td>
<td>Elements to be targeted</td>
<td></td>
</tr>
<tr>
<td>8. Capital construction</td>
<td>Possible options:</td>
<td>Should there be a phase-in?</td>
<td></td>
</tr>
<tr>
<td>• Request an amount for rehab and then allocate it accordingly.</td>
<td>• Lottery-backed bonds for capital repair and maintenance.</td>
<td>Should OHS seek added state funding?</td>
<td></td>
</tr>
<tr>
<td>• A large percentage of any new building or project has to be supported by non-state revenues</td>
<td>• Build capital and debt service requirements into funding per student</td>
<td></td>
<td>As noted above, should move toward a methodology based on the cost of delivery systems, whether facilities or technology based, including a capital budget that addresses repair of existing facilities for appropriate and maximum use, rather than adding new buildings.</td>
</tr>
</tbody>
</table>
To: Faculty Senate

From: University Studies Task Force
    Grant Farr, Chair
    George Battistel
    Eric Bodegom
    Barbara Brower
    Mary Constans
    Robert Daasch
    Michael Driscoll
    Kathi Ketheson
    Robert Mercer
    Earl Molander
    Sandra Rosengrant
    Carl Wamser
    Rich Wattenberg

Overview
The Task Force has begun its investigation of the University Studies Program with the following goals in mind.

- To examine the role of Universities Studies in the general curricular needs of Portland State University.
- To examine the University Studies Program in light of the general education goals.
- To look at the true cost of University Studies, and to determine if these costs are reasonable in the current budget situation.
- To examine the process by which University Studies has conducted the evaluation of its effectiveness, especially student performance and satisfaction, and to suggest ways in which this assessment process can be improved.
- To examine the management of University Studies, and its position in the University structure.
- To look at the external status of University Studies and the attention it has brought to the University.
- To examine the ways in which University Studies has benefited the University, the faculty, and the students.
- To work with Universities Studies and the Portland State administration to make the program better.
Discussion

The task force has proceeded by in the following manner:

Step One: Defining the Goals

The Task Force has met several times over the last two months. Much of the work has been done by the Task Force as a whole, but the task force has also divided itself into three working subcommittees; one for budget issues, one for curricular issues, and one subcommittee to examine assessment issues. Each subcommittee met to reexamine the original charge of the task force, and to reevaluate the initial questions. (See Attachment of each subcommittee report)

Step Two: Gathering Information

The Task Force is now in the process of gathering the information it needs to address these questions. To date, the Task Force has met with Associate Vice President Jay Kenton and Associate Dean Charles White. In the near future, the Task Force will meet with Provost Michael Reardon, Michael Toth, Sherri Gradin, Michael Flowers, and others. In addition, the task force will contact outside experts, including staff at PEW and other people which it believes can address some of the issues.

Step Three: Drawing Conclusions and Making Recommendations

This step will begin after the Task Force has finished gathering the information it needs from Step Two. The Task Force expects to make a final report at the June Faculty Senate Meeting.

Attachments
Subcommittee Reports
UNIVERSITY STUDIES TASK FORCE
BUDGET ISSUES SUBCOMMITTEE
(Draft Outline for April 1, 1998 Meeting)

THE FIRST THREE YEARS

Cost of University Studies Curriculum (Freshman Inquiry, Sophomore Inquiry, Capstone)
  Faculty salaries and other costs

Approach:
Identify all sections taught during 1994-97
Identify faculty for all sections
Determine how faculty/departments were paid for faculty members' time
Allocate cost to section
Identify non-personnel costs

Difficulties:
Variety of methods used to compensate faculty/departments
Budget transfer amount not necessarily equivalent to cost
Some courses include students not taking classes as part of University Studies requirement
Allocation of overhead costs

Compare to Cost of General Education Component Previously in Effect

Approach:
Determine the number of student credit hours which would have been necessary to provide General Education courses equivalent to University Studies completed.
Estimate costs for those credit hours/classes.

Difficulties:
Some courses would include students not taking classes as part of General Education requirement

FUTURE YEARS

Projected Cost of University Studies Curriculum

Identify alternative approaches to budgeting for faculty costs and other costs associated with University Studies Curriculum and make recommendations on the preferred alternative (activity based costing?)

Identify alternative approaches to compensate faculty/departments for faculty participation in University Studies Curriculum and make recommendations on the preferred alternative (transfer pricing?)

Identify alternative approaches for recording/reporting actual costs associated with University Studies Curriculum and make recommendations on the preferred alternative (control, revisions, effective use of resources?)
TO: Grant Farr, Chair, University Studies Task Force

FROM: Rich Wattenberg, Curriculum Sub-Committee

RE: State of our Deliberations

Regarding the four questions on curriculum issues listed in the February 16, 1998, memo, the Sub-committee on Curriculum suggests that this Sub-Committee or the Committee as a whole speak with the following:

Sherri Gradin (specifically regarding the integration of writing into UnSt).
Various individual cluster Coordinators (regarding all four of the questions on curriculum listed in the 2/16/98 memo).
Michael Flower, Cluster Coordinator (regarding his concerns with respect to the four questions).
Bill Becker (regarding pertinent data that he might have).

Additionally, members of the Curriculum Sub-Committee thought a meeting with a representative of OAA regarding the ways in which OAA has supported (or might support) the University Studies implementation of its various goals would be useful. Admittedly, this line of questioning may belong more appropriately under the purview of the Sub-Committee on Program Planning, Staffing, and Budgeting.

Also and most importantly, members of the Curriculum Sub-Committee suggested that two questions be added to the four listed in the 2/16/98 memo:

* What evidence is there that transfer students receive a coherent University Studies program?

* How does the involvement or lack of involvement in University Studies of ladder faculty (as opposed to adjunct or fixed term faculty) increase or decrease the breadth of exposure offered to modes of inquiry and fields of knowledge?
Original Questions

- How well does the program meet its stated goals and objectives?

- What evidence is there related to student satisfaction and the quality of the student experience?

- Are we able to distinguish the quality of the student experience of those entering at the freshman year from those transferring at the junior level? What do we learn from that?

- How has the University Studies agenda been changed by the shift from summative to formative assessment? At this point of the formative assessment, what are the strengths and weaknesses of the program?
Proposed Questions

- What does level of student satisfaction have to do with assessing our success in meeting goals for student learning?

- How are goals and objectives set for UNST relative to the views/needs of various programs? How are assessment methodologies chosen around these views/needs?

- At what point(s) in the curriculum should we be applying assessment? [Do we assess at several internal points or only on completion?]

- What are the OUS assessment plans and how do they interact with what we are doing in UNST and at PSU?
Progress in Assessment

- Identify goals
- Identify objectives (more specific than goals)
- Develop performance criteria (how do you recognize success?)
- Develop methods that lead to achieving the goals
- Select assessment methods
- Conduct assessments
- Determine feedback channels
- Evaluate whether performance criteria were met
DATE: April 14, 1998
TO: Faculty Senate
FROM: Marjorie Terdal, chair Graduate council
RE: Recommendation of new Master of Engineering degrees

The accompanying proposal for seven new Master of Engineering degrees was reviewed by the Graduate council and is recommended for approval by the Faculty Senate.

The letter from the School of Engineering and Applied Science explains the rationale for these new degrees. The budget statement explains why no new resources are requested for activation of these degrees. The chart summarizes the core and elective requirements and the internship requirements for each of the seven degrees. No new courses are proposed.
MEMORANDUM

April 10th, 1998

TO: Members of the Graduate Council, Senators

FROM: Trevor Smith, Associate Dean, Graduate Education and Research
School of Engineering and Applied Science

Attached are the Master of Engineering Degree (ME) requests from within the School of Engineering and Applied Science. As the format of the request is slightly different, and the timing of the degree request is somewhat later than expected for Fall 98 admission, I thought some explanation may be helpful.

Over the last 2 years increased review and intense scrutiny of engineering education in Oregon, and particularly in the Portland metropolitan area, has been conducted. This has culminated in:

- Renewed commitment to engineering and computer science by the 1997 Legislature by passage of Senate Bill 504 calling for a strategic Portland partnership in the graduate area between PSU and Oregon Graduate Institute.
- Creation of an Engineering and Technology Council to formalize Industry's collaboration with OUS and provide Chancellor Cox with recommendations to guide new investments.
- Establishing the Oregon College of Engineering and Computer Science (OCECS) and the subsequent appointment of SEAS dean Dryden as OUS Vice Chancellor for OCECS.

Part of the new investment from SB504 included provision for a formal Intern based graduate program in the metropolitan area. Industry has generated considerable data, locally and nationally, that has led to a strong call for design-practice master's degrees. These new degrees that have no research, or project component, but recognize the professional growth in parallel with academic experience are called Master of Engineering degrees.

The new freedom within OUS to offer new programs at the point of need, and attempts to streamline degree approval, coupled with E-Board release of SB504 funds, all took place in the period November 1997 to January 1998. The School of Engineering, and PSU, are now on "center stage" and are shown by this request to be responding to Industry needs.

To ensure that the strategic issues are addressed with the soon to be proposed Management of Innovation and Technology (MIT) MBA from the School of Business, the School of Engineering is happy to continue close dialog as both programs evolve. Faculties in both Schools recognize that the degrees are quite distinct, serve a different professional student and have virtually no overlap. In fact, it is the intent of both SBA and SEAS to market the programs jointly to prevent any confusion in the market place. Admission to the proposed Master of Engineering programs in Eng.Mgmt is as restrictive as their current MS degree.

To simplify the request from all the SEAS departments and with the approval of Bill Feyerherm, Vice Provost of Graduate Studies and Marg Terdal, Chair of the Council, the requests are 'bundled' in the attached submission. Each of the 7 ME degree requests have a common distribution pattern and are designed to meet precisely the same need.
## Degree Name

<table>
<thead>
<tr>
<th>Degree Name</th>
<th>Department/Program</th>
<th>Core</th>
<th>Electives</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>M. Eng: Civil Engineering (MEng: CE)</td>
<td>Civil Engineering</td>
<td>Minimum 32 Credits of CE and approved graduate credits from other units</td>
<td>See Core</td>
<td>Up to 13 Credits of Internship</td>
</tr>
<tr>
<td>M. Eng: Mechanical Engineering (MEng: ME)</td>
<td>Mechanical Engineering</td>
<td>16 credit core of ME551, ME511, 4 credits of Math, 4 of Numerical Methods</td>
<td>16 credits of other approved electives</td>
<td>13 credits in 501, 503, 504, 505, 506 incl. max of 9 credits ME504</td>
</tr>
<tr>
<td>M. Eng: Electrical and Computer Engineering (MEng: ECE)</td>
<td>Electrical and Computer Engineering</td>
<td>20 credits in core track specified by department</td>
<td>12 credits of approved transfer, other units, ECE</td>
<td>9 to 13 Credits of Internship 4 to 0 of 506 project</td>
</tr>
<tr>
<td>M. Eng: Project Management (MEng: PM)</td>
<td>Engineering Management</td>
<td>24 Credits in Project Mgmt track from Eng.Management Program</td>
<td>8 Credits of approved transfer, other units, Eng. Mgmt</td>
<td>4 Credits of EMGT 589 or 590 9 Credits of Internship</td>
</tr>
<tr>
<td>M. Eng: Technology Management (MEng: TM)</td>
<td>Engineering Management</td>
<td>24 credits in Eng Mgmt 520, 522, 525, 535, and 510 NPD, 510 TAA</td>
<td>8 Credits of approved transfer, other units, Eng. Mgmt</td>
<td>4 Credits of EMGT 589 or 590 9 Credits of Internship</td>
</tr>
<tr>
<td>M. Eng: Systems Engineering (MEng: SE)</td>
<td>School of Engineering</td>
<td>16 Credit core: SySc 527, 513, 514, EMGT 540</td>
<td>16 credits of approved SEAS and/or SySc courses</td>
<td>4 Credits of 506 Project 9 Credits of internship</td>
</tr>
<tr>
<td>M. Eng: Civil Engineering Management (MEng: CEM)</td>
<td>Civil Engineering, and Engineering Management</td>
<td>16 Credits of approved Eng Mgmt + 16 Credits of approved CE</td>
<td>See Core</td>
<td>4 credit EMGT589 or 590 or CE 506, and 9 Credits of 504</td>
</tr>
</tbody>
</table>

**Notes:**
1. Projected admission total for all programs is 30-50 in Fall 1998
2. All courses for each degree are presently offered, no new courses are required, all programs are MS authorized
3. All degrees have 45 Credit totals with Core + Electives = 32 credits

**SUMMARY OF 45 CREDIT M. Eng. DEGREES IN SCHOOL OF ENGINEERING AND APPLIED SCIENCE**
BUDGET STATEMENT FOR THE PROPOSED M Eng. DEGREES in
SCHOOL OF ENGINEERING AND APPLIED SCIENCE

No new resources are requested, or required, for activation of Master of Engineering
degrees in Civil, Mechanical, Electrical and Computer Engineering, and the Engineering
Management programs in SEAS.

The expected increase in numbers of students can be accommodated with the present
classroom and distance learning courses in the School. The offering times for the
majority of SEAS graduate programs already conform to scheduling requirements of
practicing engineers. Existing faculty size, expertise and support resources are all
adequate.

In fact it is anticipated that by making available these Industry aligned Internship
graduate programs the student will secure tuition support from their employer. This is the
model which predominates among are competitors in the market place offering
professional graduate degrees in Portland.

Strategic budget reallocation within SEAS 2 years ago provided for the development of a
systems engineering program under Professor Herman Migliore, Director of Systems
Engineering. On the evidence of two large workshops in the last 4 months, which were
at capacity, the new degree is very timely.

The recent new investments from Senate Bill 504 have further increased our ability to
grow graduate programs and attract more professional engineers to degree tracks. The
Bill provides for new faculty at PSU, in Computer Engineering within Electrical and
Computer Engineering department, and in Computer Science department.

Trevor D. Smith

Associate Dean Graduate Education and Research
School of Engineering and Applied Science

8th April, 1998
For consideration by the PSU Faculty Senate on 5/4/98:

**Proposed Amendment**

**CONSTITUTION OF THE PORTLAND STATE UNIVERSITY FACULTY**

Text to be deleted **striked out**. Text to be added **underlined**. Text shifted is **italicized**.

**Article IV. Organization of the Faculty.**

**Section 4, Faculty Committees**

**m) University Planning Council.** The University Planning Council shall advise the Faculty Senate and the President on educational policies and planning for the University. Membership of the Council shall be composed of the chairperson of the Budget Committee, plus five faculty members from the College of Liberal Arts and Sciences, one faculty member each from each of the professional schools, Business Administration, Education, Engineering & Applied Science, Fine & Performing Arts, Social Work, and Urban & Public Affairs, one faculty member from the Library, one faculty member from the School of Extended Studies, one faculty member representing All Other faculty, **one Management Services person**, one classified person, and two students (one undergraduate and one graduate). The chairperson shall be selected from the membership by the Committee on Committees. The Provost, the **Budget Director**, Associate Vice President for Finance & Administration, and a representative from the Office of Institutional Research and Planning shall serve as consultants at the request of the Council. The chairperson (or a designated member) shall serve on the Budget Committee.

The Council shall: ....

**********

**Rationale:** In 1996, the Management Services classification was terminated, and the persons in this classification became unclassified. Some became Academic Professionals in their appropriate divisions, and some remained unclassified "excluded" (supervisory - s) personnel. Since the group is already represented and the UPC is large enough, we propose to eliminate the Management Services position.

As consultants are listed among others the Budget Director, who formerly reported to the President. Since that position is more or less subsumed by the Associate Vice President for Finance and Planning it seems logical to reflect that in the **Constitution**.

Members of University Planning Council:

Submitted by: Erik Bodegom, UPC Chair, 4/20/98