



State Board of Higher Education

P.O. Box 751

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<http://www.ous.edu>

June 14, 2013

TO: MEMBERS OF THE STATE BOARD OF HIGHER EDUCATION

The State Board of Higher Education will be meeting on Thursday and Friday, June 20-21, 2013.

The Finance & Administration Committee will be meeting on Thursday from 9:00 a.m. until 12:30 p.m. in the Boardroom. Agenda items include: Contracting and purchasing with historically underrepresented businesses, adoption of ORP plan eighth amendment, proposed 2012-13 settle-up of operating budget allocations, internal bank update, climate action plan, and an update on outcome-based budget project.

Following the F&A Committee meeting, the full Board will meet in executive session pursuant to ORS 192.660(2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations; the public is excluded. Pursuant to ORS 192.660(4), representatives of the news media are excluded from the executive session. Pursuant to ORS 192.660(6), no final action will be taken or final decision made in the executive session.

Immediately following the executive session, the Academic Strategies Committee will meet. Agenda items include: four program approvals (PSU MS in Global Supply Chain Management and WOU's BA/BS in early childhood studies, applied baccalaureate in gerontology, and applied baccalaureate in psychology), achievement compact targets, credit for prior learning policy, campus diversity goals and strategies, 40-40-20 strategies, Board policy on accreditation virtual site visits, and other items put forward by the Committee.

On Friday morning, beginning at 7:45 a.m., the Board is extending an invitation to the faculty to enjoy coffee and conversation with the Board in the PSU Urban Center 710 conference room.

At 9:00 a.m., the Board will meet in open session and agenda items include: items recommended by the F&A Committee for approval: ORP preliminary rates amendment and the 2013-14 Academic Year and 2014 Summer Session Fee Book; items recommended by the Academic Strategies Committee for approval: policy on managing student debt and achievement compacts; other items for approval include the UO request to arm police officers and presidential reappointments and compensation. The Board will receive for discussion the 40-40-20 strategic framework.

Additionally, the Chancellor, Board Committee chairs, chair of the Oregon Student Association, and the president of the Interinstitutional Faculty Senate will provide informational reports to the Board.

These meetings will be held in accordance with the time, location, and schedule listed below:

Thursday, June 20, 2013

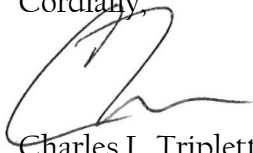
9:00 a.m. – 12:30 p.m.	Finance & Administration Committee*
1:30 – 2:45 p.m.	Executive Session (closed to the public)
3:00 – 5:00 p.m.	Academic Strategies Committee*

Friday, June 20, 2013

7:45 – 8:45 a.m.	Coffee with faculty, Urban Ctr 71 conference room
9:00 a.m. – 3:30 p.m.	Full Board meeting*

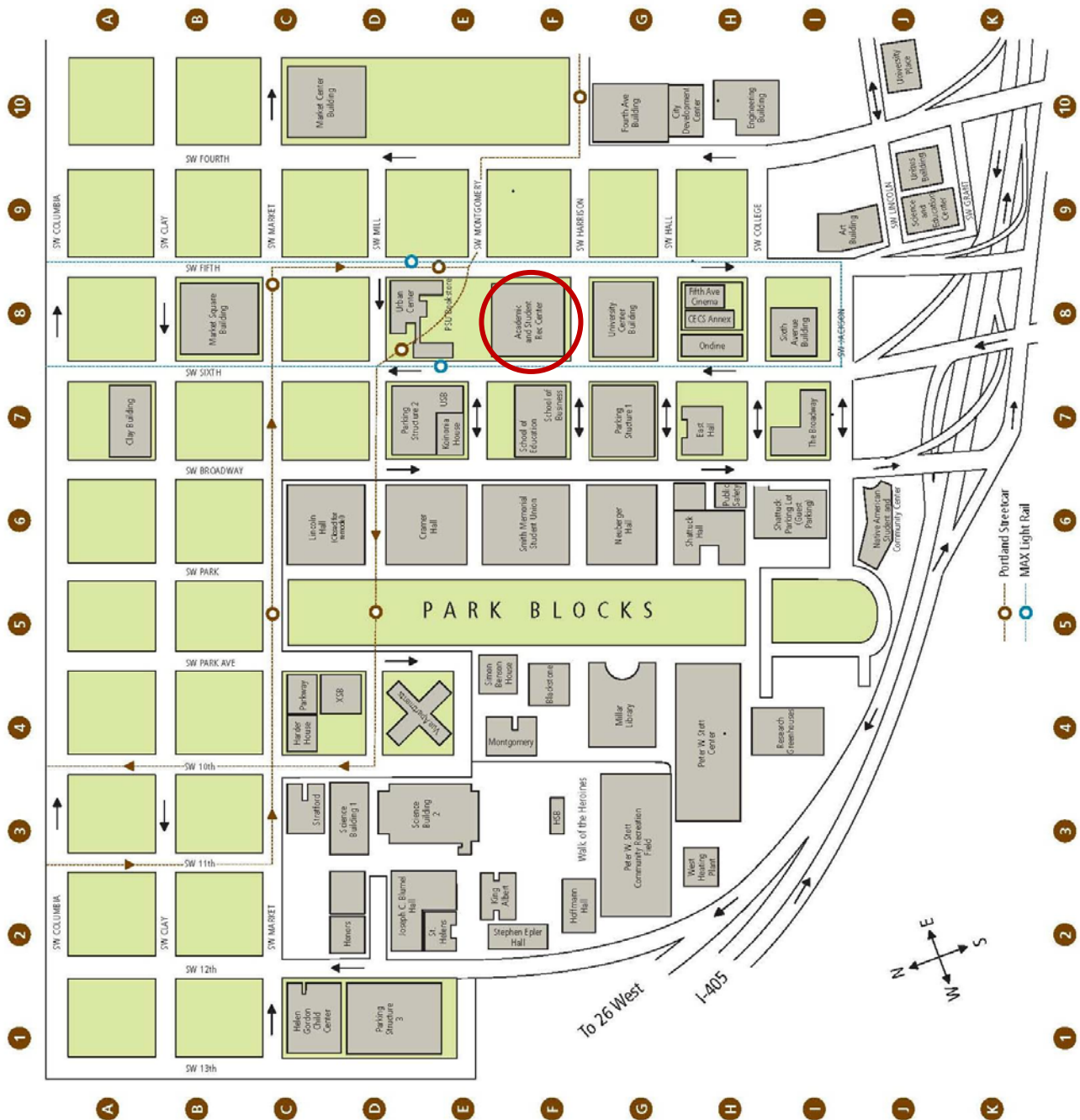
The OSBHE Boardroom is located in the Academic and Student Recreation Center (ASRC), suite 515, which is located at 1800 SW 6th Avenue. Telephone messages for Board members and institution officials attending the meetings may be called to (503) 725-5700. If special accommodations are required, please contact the Board's Office at (541) 346-5749 at least 72 hours in advance.

Cordially,



Charles L. Triplett III
Board Secretary

*Webcasting will be available.





Oregon State Board of Higher Education

Committee Assignments, 2012-13

Academic Strategies Committee

- Francesconi (Chair)
- Coulombe
- Eiland
- Middleton
- Plec
- Yaden

Governance & Policy Committee

- Kelly (Chair)
- Ford
- Ganjifard
- Schueler
- Yaden

Finance & Administration Committee

- Schueler (Chair)
- Ciuffetti
- Forbes
- Ford
- Ganjifard

Delegation Assignments

State

- College Savings Board
- Kelly

Education

- OHSU Board
- Yaden



Oregon State Board of Higher Education

Executive Session, Meeting #866

June 20, 2013

1:30 – 2:45 p.m.

AGENDA

1. CALL THE MEETING TO ORDER/ROLL CALL/WELCOME

2. DISCUSSION ITEMS

The Board will meet in executive session ORS 192.660(2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations from which the public is excluded.

3. ADJOURNMENT

Oregon State Board of Higher Education

Meeting #867

June 21, 2013

9:00 a.m. – 3:30 p.m.

1. CALL THE MEETING TO ORDER/ROLL CALL/WELCOME

2. CONSENT ITEMS

- a. Adoption of Optional Retirement Plan Eighth Amendment..... 1
Employer contribution rates for the Optional Retirement Plan (ORP) are established each biennium based on the Public Employees Retirement System (PERS) employer contribution rates for state agencies. The next rate change, scheduled to take effect July 1, 2013, may be delayed due to legislative actions to reduce 2013-2015 employer contribution rates. This amendment is required to ensure there is adequate time to adopt and apply revised rates retrospectively to July 1, 2013.
- b. Approval of Minutes, April 2013.....Appendices

3. REPORTS

- a. Interim Chancellor’s Report
- b. Interinstitutional Faculty Senate (IFS) President
- c. Oregon Student Association (OSA) Chair
- d. Committee Action Reports 3
 - i. Academic Strategies (Francesconi)
 - ii. Finance & Administration (Schueler)
 - iii. Governance & Policy (Kelly)

4. ACTION ITEM

- a. Policy on Student Loan Debt Management and Outreach (Saunders) 5
 The Policy on Student Loan Debt Management and Outreach will ensure that each OUS institution has a common set of outreach strategies, customized to each campus, that will help OUS students better manage their borrowing and repayment.
- b. OUS, Achievement Compacts (Marrongelle)..... 17
 Target-setting for the Achievement Compacts was a collaborative process between the OUS Chancellor’s Office and campus provosts, including campus institutional research and enrollment management offices. The OUS office of institutional research, in conjunction with the director of performance measurement and surveys, compiled all data, including preliminary projections and targets. The Achievement Compacts are available in the June 20 Academic Strategies Committee (ASC) materials.
- c. UO, Request to Arm Police Officers (Gottfredson/Moffitt)..... 19
 The University of Oregon (UO) requests authorization from the Oregon State Board of Higher Education (Board) to arm sworn police officers employed by the University of Oregon Police Department (“UOPD”). For submitted comments, see appendices.
- d. OUS, 2013-14 Proposed Tuition and Fee Rates and Policy Changes, Amendment of OAR 580 040 0040; 2013-14 Academic Year and 2014 Summer Session Fee Book (Lewis) 23
 The 2013-14 Academic Year and 2014 Summer Session Fee Book draft includes proposed tuition and fee changes for the next academic year as well as the succeeding summer term.
- e. Presidential Reappointments and Compensation (Rose)
 The Board will consider the reappointments/contract extensions of four OUS presidents—Davies (EOU), Maples (OIT), Ray (OSU), and Wiewel (PSU)—and compensation for all OUS presidents for the 2013-014 fiscal year. The Interim Chancellor will recommend to the Board that presidential compensation packages remain at 2012-13 levels for the upcoming fiscal year.

5. DISCUSSION ITEM

40-40-20 Strategic Framework (Yaden/Rose) See ASC materials

Director Yaden and Interim Chancellor Rose, with contributions from the Academic Strategies Committee, OUS university representatives, and Chancellor's Office staff have drafted a strategic framework for the State Board of Higher Education to make academic and financial decisions in pursuit of the goal of 40 percent of adult Oregonians holding a 4-year degree.

6. PUBLIC INPUT

7. BOARD COMMENTS

8. ADJOURNMENT

Note: All docket materials are available on the OUS website at: http://www.ous.edu/state_board/meeting/dockets. Please contact the Board's office at (541) 346-5749 if you have any questions regarding these materials. This agenda may be amended at any time prior to 24 hours before the Board meeting. Any item on the agenda may be considered at any time out of order at the discretion of the President of the Board. During the meeting, the Board may convene in Executive Session to receive legal advice regarding any item on the agenda or for any reasons permitted under Oregon law.



Oregon State Board of Higher Education



Regular Meeting #867 of the Oregon State Board of Higher Education
OSBHE Boardroom, Portland State University
1800 SW Sixth Avenue, ASRC Suite 515
Portland, Oregon
June 21, 2013

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APPENDICES

- Minutes, April 2013
- UO Request to Arm Police Officers, supplemental information
- 2013-14 Academic Year and 2014 Summer Session Tuition & Fees, supplemental information
- 2013-14 Academic Year and 2014 Summer Session Draft Fee Book

Adoption of Optional Retirement Plan Eighth Amendment

SUMMARY

Employer contribution rates for the Optional Retirement Plan are established each biennium based on the Public Employees Retirement System employer contribution rates for state agencies. The next rate change, scheduled to take effect July 1, 2013, may be delayed due to legislative actions to reduce 2013-2015 employer contribution rates. This amendment is required to ensure there is adequate time to adopt and apply revised rates retrospectively to July 1, 2013.

The Finance and Administration Committee reviewed and approved this amendment at its June 20, 2013, meeting and forwards the amendment to the Board with the recommendation for approval.

COMMITTEE RECOMMENDATION TO THE BOARD

The Finance and Administration Committee recommends full Board approval of the Eighth Amendment to the 2008 Restatement of the Optional Retirement Plan.

(Board action required.)

EIGHTH AMENDMENT TO THE 2008 RESTATEMENT OF THE
OREGON UNIVERSITY SYSTEM OPTIONAL RETIREMENT PLAN

Effective January 1, 2013, the last sentence of each of Sections 3.2(b)(i)(C) and 3.2(b)(ii)(D) of the 2008 Restatement of the Oregon University System Optional Retirement Plan, as the 2008 Restatement has been amended through the Seventh Amendment to the 2008 Restatement, is replaced by the following two sentences:

For the OPERS employer contribution rate change that will be effective for the period July 1, 2013, through June 30, 2015, the Board shall amend this Plan by December 31, 2013, to specify the percentage of the Participant's Compensation to be contributed by the Employer on behalf of the Participant as an employer contribution for that period. Before each later OPERS employer contribution rate change the Board shall amend this Plan to specify the percentage of the Participant's Compensation to be contributed by the Employer on behalf of the Participant as an employer contribution for the applicable period.

The reason for this Eighth Amendment is the provision in the following section 18 of Oregon Senate Bill 822 (2013) allowing a retroactive OPERS employer contribution rate change for the period July 1, 2013, through June 30, 2015:

SECTION 18. (1) As soon as possible after the [May 6, 2013] effective date of this 2013 Act, the Public Employees Retirement Board shall recalculate the contribution rates of all employers, pursuant to ORS 238.225, to reflect the provisions of this 2013 Act.

(2) The board shall issue corrected contribution rate orders to employers affected by recalculated rates under this section within 90 days after the effective date of this 2013 Act. The corrected rates are effective July 1, 2013.

IN WITNESS WHEREOF, the Board has caused this document to be duly executed on this _____ day of June, 2013.

FOR THE OREGON STATE BOARD OF HIGHER EDUCATION; AND
FOR THE OREGON STATE BOARD OF HIGHER EDUCATION
ON BEHALF OF THE OREGON UNIVERSITY SYSTEM

Jay D. Kenton, Vice Chancellor for Finance and Administration

Committee Action Reports



Committee actions and discussions since April 5, 2013 full Board meeting.

Academic Strategies Committee

Convened May 9, 2013

Actions

- Approved March minutes
- Approved Student Loan Debt Management and Outreach Policy and forwarded to full Board for consideration

Discussions

- Campus work on diversity and 40-40-20
 - 40-40-20 strategy discussion
 - Campus diversity goals

Informational Items Received

- Credit for Prior Learning Task Force
- Research Collaboratory Update

Finance and Administration Committee

Convened May 24, 2013

Actions

- Approved March minutes
- Approved OUS state reduction of Sports Lottery funding for 2011-2013
- Approved quarterly reports for:
 - Quarterly management report (ending 3/31/13)
 - Report on investments (ending 3/31/13)
 - Risk management report (ending 3/31/13)
 - IAD Quarterly Progress Report (ending 3/31/13)
- Approved OUS Internal Audit progress report
- Approved the Oregon University Audit Charter
- Approved recommendation for Board consideration: 2013-14 proposed tuition and fee rates and policy changes, amendment of OAR 580-040-0040; 2013-14 Academic Year and 2014 Summer Session Fee Book
- Approved recommendation to repeal 1992 Board Tuition Policy

Discussion

- NCHEMS outcome-based budget project update

Governance and Policy Committee

Convened April 16 and May 31

Actions

- Approved Revised Principles for Shared Services Enterprise

Discussion

- OUS legislative update
- *Shared Services for Oregon Education* report
- Issues regarding state structure and impact on shared services

Policy on Student Loan Debt Management and Outreach

BACKGROUND

Given the increase in the number of students borrowing to pay for college expenses and the amount of debt being incurred by students, staff is recommending that the State Board of Higher Education adopt the policy outlined below on *Student Loan Debt Management and Outreach*. This policy was developed in collaboration with representatives from each of the OUS institutions as part of a Working Group on Student Loan Management formed in 2012. The work of the group to-date has included summarizing what each campus is currently doing to help students manage debt obligations, what it is planning to do, and what campuses would do if they had additional human and other resources.

The issue of student loan borrowing and debt has gained a much higher profile during the last few years for a number of reasons. As states were unable to fund public higher education at the levels needed, students have taken on more debt as tuition has increased to offset lower state investments. On top of this, the multi-biennial recession meant that students were entering a much tighter job market and in some cases earned lower than anticipated salaries in jobs inside and outside of their career field. This led to increased unemployment rates for four-year college graduates overall and for new four-year college graduates, which reached a peak of 6.3 percent and 11.1 percent, respectively during the recession¹; but by May 2012, the new college graduate unemployment rate was down to 6.8 percent. In comparison, peak unemployment rates in the recession for high school graduates overall and new high school graduates peaked at 13.4 percent and 30 percent, respectively; and were down to 9.4 percent and 24 percent, respectively by May 2012. Wages decreased by 5 percent for bachelor's degree graduates during the recession and by 12 and 10 percent for associate's degree graduates and high school graduates, respectively².

The various impacts of the recession, including more students taking on debt as their parents' ability to help pay for college declined, the difficult job market producing unemployment and underemployment at higher than normal rates, and lower earnings, have all made it more difficult for some students to repay their student loans.

Students Most at Risk

Unlike the portrayal in some recent media stories, not every student is in trouble because they borrow. Borrowing for students is a problem when they borrow at levels that will cause a high debt-to-income ratio when they graduate, such as those in low-paying professions; those who never graduate at all and don't earn the credential or the salary to make repayment manageable; those unable to get work for an extended period of time after graduation and who are unable to take advantage of loan deferment or forbearance options; or those who have little to no borrowing experience personally or within their family, sometimes creating issues in

¹ The College Advantage: Weathering the Economic Storm, Georgetown Public Policy Institute, 2012

² How Much Protection Does a College Degree Afford? The Impact of the Recession on Recent College Graduates; The Pew Charitable Trusts, Economic Mobility Project, 2013

the amount or type of loans borrowed, during the repayment period, and on decisions of students to pursue an advanced degree.

A general borrowing rule developed by a top higher education economist and debt expert, Dr. Sandy Baum, is that students should try to keep cumulative borrowing below what their starting salary will be when they graduate. Thus, an engineering student who borrowed \$25,000 but makes \$55,000 as their starting salary after graduation will have a manageable repayment of about \$280 a month. But a social work graduate who borrowed \$25,000 and makes a starting salary of \$19,000 will have a much harder time managing those monthly payments along with their other financial and life obligations.

A study released in 2012 by the Federal Reserve Bank of Kansas City on student loan debt nationally noted that while the average student loan debt is \$24,218, the median is actually \$13,662, which shows that a smaller number of high debt borrowers are pulling up the average. In Oregon, when comparing two studies showing mean and median debt, the difference between the two amounts has a smaller delta than the national figures, showing that there are more students borrowing at amounts closer to the average. Nationally, about 25 percent of borrowers have under \$6,000 in debt, and 25 percent have over \$30,000, according to the study. It also noted that the **increase in the number of borrowers is much of the growth in the student loan program in terms of dollars borrowed, not more borrowing per student.** Nationally, 10.6 percent of borrowers are *past due* on their student loans currently; in Oregon the percentage is currently 9.3 percent. Default rates of students who attended OUS campuses range from 2.8 percent to 7.8 percent. Forty percent of borrowers nationally are under the age of 30.

Student Loan Debt and Default Rates for OUS Institutions Median and Average Debt and Default Rates					
Institution	Median Debt 2010-11*	Median Payment*	Mean (Average) Debt Class of 2011**	Default Rate FY2010***	% of Graduates with Debt
Eastern Oregon University	\$15,559	\$179.05	\$21,973	7.8%	92%
Oregon Institute of Technology	\$16,267	\$187.20	\$25,546	3.1%	67%
Oregon State University	\$19,166	\$220.56	\$22,412	2.8%	60%
Portland State University	\$18,832	\$216.72	\$26,287	4.6%	64%
Southern Oregon University	\$19,337	\$222.53	\$28,907	3.9%	72%
University of Oregon	\$19,999	\$230.15	\$22,736	2.9%	53%
Western Oregon University	\$17,868	\$205.63	\$26,504	4.3%	57%
AVERAGES (un-weighted unless noted)	\$18,147	\$208.83	\$23,839 (weighted)	4.2%	59% (weighted)
* US Dept. of Education, College Affordability and Transparency Center ** SOU Common Data Set, OIT & OSU Financial Aid Offices, and Pew Project on Student Debt *** National Student Loan Data System, US Dept. of Education					

Dr. Baum has stated that it is important when looking at the scope of the debt problem, to look at aggregate debt versus individual debt; the difference between the mean and the median; temporary versus permanent circumstances of borrowers in repayment (such as lower employment rates or under-employment of graduates during the recession); because with all of these issues the solutions are different. It is also important to assess the provision of information to students when they borrow, the individual borrowing choices that students make (see APPENDIX A), and the real structural barriers to students/borrowers that make debt issues worse, such as longer time-to-degree, lack of adequate state and federal grant programs, and reduced state appropriations to higher education.

Focusing on Improving Affordability (and thus lowering borrowing)

There is a shared understanding within OUS that improving affordability for students and lowering their net costs will also help to keep debt levels manageable. A conference on Student Loan Debt and Affordability, to be held on October 23, 2013, will help us move this agenda forward, but some of the ways identified to address this include:

1. Increasing the state investment in the Oregon Opportunity Grant;
2. Doing more public outreach on how AP and other college credit-bearing courses lower college costs by hundreds to thousands for students/families, which makes students more prepared for college rigor while lowering student costs, as these are free for students in high school and costly in college;
3. Improving early advising and degree planning in order to shorten time-to-degree and lower overall tuition outlays (see APPENDIX B);
4. Continuing to expand cross-institution program collaborations, use of instructional technology, and other efficiency gains in order to slow down tuition increases; and
5. Providing increases in state appropriations so that the student share of costs can be lowered.

Current Efforts

Currently, OUS campuses do a number of things to help students understand their rights and responsibilities that go beyond federally mandated Entrance and Exit Counseling activities that each borrower must complete. These are outlined in APPENDIX C and include areas such as debt management curricula embedded in freshmen experience programs, financial literacy tools, loan repayment calculators, and working closely with borrowers considered most at-risk. OUS also has financial literacy programming within our pre-college programs, including Oregon GEAR UP, the Oregon Middle School Outreach Consortium, and the OUS High School Counselor Conferences.

The Policy on Student Loan Debt Management and Outreach will ensure that each OUS institution has a common set of outreach strategies, but customized to each campus, that will help OUS students better manage their borrowing and repayment.

COMMITTEE RECOMMENDATION TO THE BOARD

At its March 9, 2013, meeting, the Academic Strategies Committee approved and forwards same to the full Board for adoption of the Policy on Student Loan Debt Management and Outreach.

(Board action required.)



OUS POLICY STUDENT LOAN DEBT MANAGEMENT

TYPE:

Policy

EFFECTIVE DATE: 7/1/2013**CONTACT:****Department name:** Academic Strategies**Department phone:** 541.346.5725**Department email:** judith_moll@ous.edu**TITLE:**

STUDENT LOAN DEBT MANAGEMENT AND OUTREACH

NUMBER:

TO BE DETERMINED

DIVISION:

Academics

DIVISION CLASSIFICATION:

STUDENTS

SUBCLASSIFICATION:

N/A

SUMMARY:

Requires all Oregon University System institutions to help all students who borrow federal student loans to understand their rights and responsibilities regarding their student loan borrowing, debt, and repayment; and to provide additional support and programs beyond federally mandated counseling to assist students, especially those considered most “at-risk,” throughout their time at an OUS institution.

APPLICABLE TO:

Institutional personnel and OUS students.

AUTHORITY:

Name of authority: Oregon State Board of Higher Education policy.

URL of authority: www.ous.edu/state_board**FULL POLICY/IMD:****POLICY STATEMENT**

THAT OREGON UNIVERSITY SYSTEM INSTITUTIONS* WILL:

1. Help all students who borrow federal student loans to understand their rights and responsibilities regarding their student loan borrowing, debt, and repayment throughout the students’ time at the institution;
2. Develop and maintain an early warning system to identify and intervene with students who are most at-risk of incurring higher-than-average student loan debt, and provide a targeted strategy of education and outreach beyond federally mandated Entrance and Exit Counseling. This includes students in one or more of the following categories: considered “low-income” by definition of federal and State of Oregon financial aid criteria; studying in degree fields that typically make lower than average salaries (such as social work, arts); studying in degree fields with higher than

average borrowing based on program cost (such as law, medicine, certain healthcare fields) and in which graduates may not earn salaries comparable with debt incurred; and students on academic probation who are at-risk of dropping out before earning a degree.

3. Adopt and use the Federal Financial Aid Shopping Sheet or its successor document, by October 1, 2013, in order to provide clear, transparent information to student loan borrowers about gross and net costs and aid options at the institution, as well as the graduation rate, loan default rate, and median borrowing specific to that institution, and information on loan repayment choices; and provide easy web or other access to and information about net price calculators, and students' current and cumulative debt incurred to-date through available links to federal databases and other resources.
4. Incorporate financial literacy into new student orientation programs, academic success classes, residence hall programming, and other similar orientation and outreach programs.
5. Provide student loan borrowing and management information on institutions' respective web sites, providing guidance before, during, and after college on ways to manage and repay student loans.
6. Track and report on an annual basis to the Oregon State Board of Higher Education data that demonstrates the types of debt counseling and management efforts taking place at the university and reports on indicators of progress and of reaching the most at-risk students with effective outreach efforts.

* INCLUDES EASTERN OREGON UNIVERSITY, OREGON INSTITUTE OF TECHNOLOGY, OREGON STATE UNIVERSITY, PORTLAND STATE UNIVERSITY, SOUTHERN OREGON UNIVERSITY, UNIVERSITY OF OREGON, AND WESTERN OREGON UNIVERSITY; AND BRANCH, SATELLITE AND OTHER CAMPUS CENTERS OF THESE CAMPUSES.

REFERENCED OR RELATED POLICIES:

Name of related policy:
URL of related policy:

RELEVANT DOCUMENTS AND LINKS:

Name of document or link:
URL of document or link:

HISTORY:

APPROVAL DATE: Click here to enter a date.

EFFECTIVE DATE: Click here to enter a date.

LAST UPDATED: Click here to enter a date.

HISTORICAL DETAIL NOTES: To be reviewed by OSBHE, not yet approved.

SOURCE: None of the above

FOR POLICY WEBSITE INPUT

PUBLIC AUDIENCE SEARCH

☒ Students ☐ Faculty ☐ CO Employees ☒ University Employees ☐ Visitors/Other

APPENDIX A

Student Choices and Time-to-Degree Affect Total Cost of Degree*
Sample Scenario and Assumptions

Choices and Assumptions	Student A	Student B
Tuition/fees for entire degree (4 years)	\$40,000	\$40,000
Took AP Courses**	– \$4,300	Didn't take AP
Net Tuition/fees	= \$35,700	= \$40,000
Applied & received scholarships (4 years)	– 8,000	Didn't apply
Net Tuition/fees	= \$27,700	= \$40,000
Developed a plan with advisor and finished in 4 years	No additional cost	Did not plan and finished in 5 years
Net Tuition/fees	= \$27,700	= \$50,000
Rooming Costs	+ \$14,400 (with 3 roommates, 4 years , \$400 p/month, 9 mo/yr)	+ \$27,000 (with 1 roommate, 5 years , \$600 p/month, 9 mo/yr)
Total Tuition/fees + Housing Costs	= \$42,100	= \$77,000
Worked part-time in school (assuming all income goes to tuition/fees)	–\$20,520 (15 hrs/wk, \$9.50/hr, 36 weeks p/yr, 4 years)	–\$17,100 (10 hrs/wk, \$9.50/hr, 36 weeks p/yr, 5 years)
Tuition/fees/housing – Part-time work income	= \$21,580	= \$59,000
Borrowed student loans to cover tuition/fees + housing	+\$21,580	= \$59,000
Got a job teaching K-12 after graduation	\$28,000 p/yr	\$28,000 p/yr
Monthly student loan payment	= \$250 p/mo for 10 years	= \$685 p/mo for 10 years
Total interest paid over 10 years on loan	\$8,522	\$23,300
Total loan costs (or Cost of Degree for graduate) over 10 years	\$30,102	\$82,300
Pay loan over 15 years instead of 10	N/A	\$523 p/mo Total interest paid for 15 years = \$35,272 Total loan costs = \$94,272
Total loan costs (or Cost of Degree for graduate) over 15 years	N/A	\$94,272

- * There are obviously many costs/expenditures not included in this chart. But this is a simple example of how choices made before, during, and after can affect the overall cost of a degree for a student who borrows to help pay college costs. College tuition costs were kept static in this example, so tuition increases over time would also increase borrowing costs for students in this example.
- ** There is a cost to take AP (Advanced Placement) courses in order to receive college credit. Currently, College Board charges \$89 per test; there are waivers and reduced costs for low-income students; and the state and schools have further assistance to help with costs in some cases. Testing costs were not included in this example.



APPENDIX B

Ways to make college more affordable and keep student loan borrowing manageable

Before College

Take AP or other college credit courses in high school. Courses taken in HS save hundreds to thousands of dollars in tuition once in a college or university, and you're prepared for college level work too.

Before (and throughout college), spend time **researching grants and scholarships** that don't have to be paid back. If you are working, find out about any employer-paid tuition options to lower direct costs to you.

Weigh your college choices: 4-year university or community college. Transferring to a 4-year university is relatively smooth today given co-enrollment options, transferable "modules" of general education credits, and overall easier paths. Tuition is lower at 2-year colleges and can save money if it meets a student's academic needs.

During College

Finish college in 4 years or as soon as possible: every additional term = an average of \$2,600 in tuition & fees at a 4-year university; every additional year an average of \$7,841 in tuition & fees.

Meet early in your freshman year with an advisor to **map out the courses** you need to take to finish your degree. If not sure of your major, take general required courses so you're not extending your time to degree later, and increasing college costs and borrowing.

Borrow for needs not wants. When making choices in college, such as where to live, whether to work, options for study abroad, etc., weigh how much this will impact borrowing costs against the value of the benefit.

General Rule: Try not to borrow more while in college than what you think your starting salary will be when you graduate. This will keep your monthly payment at a reasonable level compared to your earnings.

After College

In the 6 months you have before loan repayment begins, find out about **how to defer (delay) loan repayment** or lower your monthly payment if you are unemployed, under-employed or otherwise unable to make the full payment. There are lots of options for federal loan borrowers, fewer if you have private/bank loans.

Explore loan forgiveness options. Some careers/fields, such as law, teaching, and public service, will forgive some or all of a borrower's student loan debt for a certain number of years of commitment to the organization/field. These include Americorps, Teach for America, Peace Corps, military options, public service law, and others. Some of these also include the option of deferring loan repayment while in the position.

If needed, consider **loan consolidation or use of extended repayment or income contingent repayment** options. While lowering the monthly payment, these can increase the overall amount you owe because you pay over a longer period and more interest accrues in most cases. So consider the pros and cons before applying.

APPENDIX C

Current OUS Debt Management Information Provided to Students

Debt Counseling Information	EOU	OIT	OSU	PSU	SOU	UO	WOU	OHSU
Use USDE entrance/exit counseling.	X	X	X	X	X	X	X	X
Have hardcopy literature distributed to student loan borrowers.	X		X	X				X
Use Social Media to push out information (e.g., FaceBook, Twitter).			X	X		X		
Offer additional optional sessions on debt counseling, financial literacy, financial aid planning.	X	X	X	X	X	X	X	X
Have mandatory debt counseling beyond entrance counseling, along the degree pathway (including during residency at OHSU).								X
Offer one-on-one student financial planning for all university students.								X
Create profession specific loan repayment information and handouts.								X
Incorporate Financial Management into the Student Wellness List of Services.								X
Monthly Student Financial Planning articles.								X
Use First Year Experience courses, residence hall courses, money management/financial literacy courses to provide loan counseling.	X	X	X	X	X	X	X	X
Include information on student loan debt management in curriculum of regular courses (e.g., Art Dept. capstone program).						X	X	
Have loan counseling website that provides variety of information, some including ability to make projections on monthly payments, can draw down information on their specific loan debt, etc.	X		X	X				X

Debt Counseling Information	EOU	OIT	OSU	PSU	SOU	UO	WOU	OHSU
Hold student focus groups and/or do surveys to understand students' concerns regarding debt issues and solutions for students.	X		X					X
Email or award letter warnings sent out for students once they reach higher levels of indebtedness.		X			X			
Provide information in the award letter to introduce or review concepts related to student borrowing, budgeting, etc.	X							X
Engage student/academic support personnel and faculty advisors at college level when students have financial concerns; helps with retention.				X		X		
Work on helping students who have dropped out complete their degree (e.g., Last Mile Program). Non-degree holders make up a large percentage of student loan defaulters.				X	X			
Work with other campus programs, such as federal TRIO programs, to include financial literacy in student programming.		X		X	X	X	X	
Look at offering more 3-year bachelor's degree programs so that students can incur less debt.					X			
Talk to parents of dependent students about student loan debt.	X			X				
Introduce student loan debt concepts to ASPIRE students and at financial aid nights.	X			X		X		
Campus sends information on student loan repayment options, such as deferment and forbearance, to students who drop out of college.	X			X		X		

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OUS, Achievement Compact Targets

BACKGROUND

Target-setting for the Achievement Compacts was a collaborative process between the OUS Chancellor's Office and campus provosts, including campus institutional research and enrollment management offices. The OUS Office of Institutional Research, in conjunction with the director of performance measurement and surveys, compiled all data, including preliminary projections and targets. Campuses were provided with drafts of 2011-12 actuals, 2012-13 projections, and 2013-14 targets prior to the Provosts' Council meeting held on May 9, 2013. The draft document was discussed during the May 9 Provosts' Council and a small subcommittee of provosts and OUS staff also met on May 16 to refine metrics being reported under the Quality section of the document.

Campus provosts, along with their offices of institutional research or enrollment management, checked all reported data for accuracy, reconciled it with their own reports, consulted with OUS institutional research, and made recommendations for changes to targets on or by May 23. OUS made appropriate adjustments, including updating targets where necessary.

COMMITTEE RECOMMENDATION TO THE BOARD

On June 20, the Academic Strategies Committee reviewed and endorsed the 2011-12 actuals, 2012-13 projections, and 2013-14 targets in the 2013-14 Achievement Compacts and recommends same to the full Board for approval and submission to the OEIB by the July 1 deadline (see the ASC materials for the Achievement Compacts).

(Board action required.)

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UO, Request to Arm Police Officers

The University of Oregon (UO) requests authorization from the Oregon State Board of Higher Education (Board) to arm sworn police officers employed by the University of Oregon Police Department (“UOPD”).

BACKGROUND

At its October 7, 2011, meeting, the Board authorized the UO to establish a police department and commission one or more employees as state certified police officers, as described in Oregon Senate Bill 405 (2011), now codified as ORS 352.383. However, the UO had not determined whether to arm sworn police officers in the course of their duties. The UO stated that it would “engage students, faculty, staff, and community and law enforcement partners in a comprehensive dialogue” and that the “decision to deploy firearms will not be addressed for some time because it will take at least 18-24 months to develop the appropriate administrative infrastructure, policies, and training regimen that must be part of an informed discussion.” The Board directed that the UO seek Board approval at a future date if it concluded that arming its sworn police officers was the appropriate course of action.

The UO commissioned its first officers in January 2012, and sent its first officers to the Oregon Department of Public Safety Standards and Training (“DPSST”) Basic Police Academy in February 2012. The UOPD currently employs 11 sworn police officers and 14 special campus security officers authorized under ORS 352.385. Special campus security officers may not and will not be armed.

All sworn police officers complete DPSST certification as required for all certified police officers in the state. New officers must attend the DPSST Basic Police Academy, a 16-week full-time course focusing on the application of state law, police practices, field judgment, physical fitness and agility, and the appropriate use of force and officer tools. This required certification training in the appropriate use of firearms is supplemented by mandatory and ongoing training in the use of firearms. Academy training is followed by 16 weeks of field training under the supervision of an experienced officer. UOPD officers undergo additional training specific to the UO, including community policing standards and multicultural competency. All special campus security officers (non-sworn officers) have successfully completed academy training (approximately 320 hours) or equivalent.

For the past year, the UO Police Implementation Advisory Group (an advisory group comprised of faculty, staff, and students) has researched, discussed, and analyzed campus police services, including the issue of arming sworn UOPD police officers. That group unanimously supports the arming of such officers.

The UO also created a working group and charged it with facilitating broad, campus-wide discussions about the possibility of arming UOPD officers. The working group scheduled three campus-wide forums and a series of five smaller “Coffee with the Chief” engagements. Notice of these opportunities for campus discussion were communicated broadly: email messages to all UO employees and students, invitations to campus neighborhood leaders, advertisements in

the Oregon Daily Emerald, invitations and reminders in the UO's internal communication vehicle "Around the O," and reminders via the UOPD's Facebook and Twitter accounts. UOPD leadership also provided direct outreach to numerous campus employee and student groups (e.g., ASUO Executive, ASUO Senate, Family Housing Board, SEIU Local 503, Officers of Administration Council, Residence Hall Association). The working group created a webpage dedicated to the issue, which included an option to provide comments directly via email. A detailed summary of the outreach activities is attached.

The UO also involved leaders from the Eugene and Springfield Police Departments, the Lane County Sheriff, Lane County District Attorney's Office, local transit and utility services, and neighboring resident and business associations in the campus dialogue. The UO has received letters from various external organizations in support of arming sworn police officers (see appendices).

The UOPD has developed operational policies in keeping with best practices from Lexipol, a national service that analyzes and suggests law enforcement policy by evaluating federal and state laws. The UO formed a committee representing faculty, staff, students, and community members, including the City of Eugene Police Auditor, to develop a new UOPD Complaint Resolution Process.

Situations involving the use of deadly force would undergo a two-step review process. First, the Interagency Deadly Force Investigation Team (IDFIT) would provide a thorough criminal investigation and review of deadly force utilization. The IDFIT works under the auspices of the Lane County District Attorney's Office and is comprised of trained police investigators from various police agencies. It investigates all incidents where deadly force has been used. The second review would be specific to the UO and be conducted by the UOPD Use of Force Review Board. The IDFIT review focuses on compliance with state laws and the UO review focuses on adherence to department policies.

The UOPD provides 24-hour policing for the 295-acre main campus and for university-owned and leased buildings and sites in Eugene and Springfield. The UO campus is home to close to 5,000 residents and attracts more than 30,000 students, employees, and visitors on most days. The UOPD is responsible for providing a safe and secure campus environment for students, faculty, staff, and visitors to campus.

As noted in the October 7, 2011, Board docket, nationally, 98 percent of U.S. public universities with at least 15,000 students operate a police department with sworn police officers who engage in the full range of campus law enforcement duties (U.S. Bureau of Justice's statistics report issued in February 2008). The UO is the only Pac-12 institution that does not have armed law enforcement officers on campus, as Oregon State University contracts with the Oregon State Police to be present on campus. The International Association of Campus Law Enforcement Administrators states that all institutions employing a full-service, sworn law-enforcement agency should have armed officers.

Current professional safety standards for law enforcement provide that many key services may only be performed by armed officers. These activities include making certain arrests, conducting traffic stops, serving warrants, conducting investigations at unknown or unsecured locations, transporting arrestees, and responding to emergency situations on campus involving armed suspects.

While campus shootings are uncommon, they are an area of concern for every institution. No school can consider itself immune to the possibility of such an incident. Prior to the school shootings at Columbine High School in Littleton, Colo., in 1999, law enforcement practice for an active shooter situation was for first responders to establish a perimeter and wait for a tactical unit to assemble at the scene to enter an area and engage the threat. The scrutiny of the Columbine tragedy revealed that this approach was flawed. While tactical resources assembled, many lives were lost.

Frequently in active shooter incidents, it is armed officers confronting the subject that brings the situation to an end (most often by the subject taking his/her own life). Thus, post-Columbine, standard law enforcement response calls for the first-responding armed officers to engage the subject as soon as possible to force an end to the incident. Time is critical. With each second people wait for outside resources, the risk to human life increases dramatically. Armed campus police officers, who are familiar with campus buildings and their layout, will mean a significantly faster response and untold lives saved.

The authority to arm sworn UOPD police officers will allow the University to provide a full-service community policing program to the UO campus that enhances the security and safety of the UO community. UOPD police officers are more aware of campus culture and campus physical infrastructure, and, importantly, able to respond more quickly to campus needs and emergencies than officers coming from other jurisdictions.

PROPOSAL

The UO asks the Board to authorize the arming of sworn police officers employed by the UOPD.

STAFF ANALYSIS AND RECOMMENDATION TO THE BOARD

As noted above this matter was considered by the Board at its October 2011 meeting. The motion approved (with six members voting in favor and three members voting in opposition) at that meeting was as follows:

“Director Kelly made the motion to authorize the University of Oregon to establish a police department and commission one or more employees as sworn police officers with a clear direction that UO police officers will not be permitted to be armed without prior approval of this Board. Director Powers seconded the motion.”

Given that the university has complied with all Board expectations as expressed above, and is operating in compliance with the statutory authority vested in the Board, staff recommend that

the Board authorize the university to arm its sworn police officers employed by the University of Oregon Police Department.

(Board action required.)

OUS, 2013-14 Proposed Tuition and Fee Rates and Policy Changes, Amendment of OAR 580-040-0040; 2013-14 Academic Year and 2014 Summer Session Fee Book

BACKGROUND

The *2013-14 Academic Year and 2014 Summer Session Fee Book* draft includes proposed tuition and fee changes for the next academic year as well as the succeeding summer term.

On May 24, 2013, the Finance and Administration Committee heard a presentation on the *Fiscal Conditions for Tuition Setting* (see appendix) and presentations from each OUS institution as well as public testimony. Materials that were submitted in advance for Committee consideration included background information in the following proposal letters:

- Attachment A – EOU Proposal Letter
- Attachment B – OIT Proposal Letter
- Attachment C – OSU Proposal Letter
- Attachment D – PSU Proposal Letter
- Attachment E – SOU Proposal Letter
- Attachment F – UO Proposal Letter
- Attachment G – WOU Proposal Letter

POLICY RELATED CHANGES

There are several proposed changes within the policy section, one based on recent legislation and others based on pending legislation.

HB 2787, known as the “tuition equity” bill was signed into law on April 2, 2013. The statute exempts certain students who are not citizens or lawful permanent residents from paying nonresident tuition rates. The bill sets out certain requirements including those that establish an Oregon connection – such as attending Oregon elementary and secondary schools. Full details are listed on page 28 of the Draft Fee Book. Because no data reflected this population as currently attending and paying nonresident rates and because anticipated participation levels (based on experiences of other states that have implement similar legislation) would not rise to the level of triggering incremental costs, such as hiring additional faculty, the only fiscal impact was considered to be revenue positive.

HB 2095 that amended ORS 351.293, the tuition waiver for Foster Youth, was signed into law on May 16, 2013. This is a housekeeping measure that aligned the state’s definition of a former foster child with the federal definition. Because most eligible students receive significant other federal and state aid and the slight increase in eligible students as a result of the definition change would not trigger any incremental costs, no significant impact is anticipated.

OUS currently offers several tuition related benefits to veterans or their dependents:

- Voyager Fee Remission for Oregon residents who are members of the National Guard or Reserves and who served in an area of hostility since 9/11. Award is the difference

between the National Guard and Reserves tuition benefit of \$4,500 and total enrollment fees. (See page 25 of Draft Fee Book for full details.)

- Veteran's Dependent Fee Remission is a tuition waiver for a child, spouse, or unremarried surviving spouse of a member of the Armed Forces of the U.S. who died on active duty, became 100 percent disabled, or died as a result of a military service-connected disability. (See pages 25-26 of Draft Fee Book for full details.)
- nonresident Veteran Fee Remission allows nonresident veterans to be assessed a discounted tuition rate – resident rate plus half of the difference between the resident rate and the nonresident rate. (See page 26 of Draft Fee Book for full details.)

HB 2158 relating to veterans' educational benefits is likely to pass. This legislation will to allow nonresident veterans (with honorable discharge or general discharge under honorable conditions and who provides proof of physical presence in Oregon within 12 months of enrollment) to be assessed at resident rates. This would only be applicable to nonresident veterans newly admitted on or after September 15, 2013. Additionally, children of Purple Heart recipients (awarded in 2001 or thereafter) are to receive tuition waivers. Because the waiver would be awarded after other federal, state, or institutional aid and has other limiting factors, the fiscal impact was estimated to be minimal.

SUMMARY OF CHANGES BY CAMPUS

The following narratives summarize the proposed tuition and fee changes for 2013-14, focusing on resident tuition and fees. This Fee Book incorporates Summer Session rates with Academic Year rates. The Summary of Changes will only address Summer Session tuition rates when they vary from the Academic Year rates and Summer Session fee rates if they exceed Academic Year rates. With the exception of the University of Oregon, which discounts their summer rate and OSU-Cascades (summer nonresident rates only), all campuses Academic Year tuition rates are aligned with the proposed summer rates. Campuses were asked to submit additional information for any new differential tuition rates in accordance with the Differential Fee.

As part of the implementation of Senate Bill 242, passed in June 2011, each institution was required to establish a process that integrated student participation in the tuition-setting process in accordance with Board established guidelines. All campuses noted compliance with these guidelines with most establishing separate Tuition Advisory Committees. Campuses continue to develop and refine their respective processes.

EOU

Increases over 2012-13 rates

- Undergraduate resident 4.9% (\$6.50/credit)
- Undergraduate nonresident 6.5% (\$20.75/credit)
- Graduate resident 5% (\$13.75/credit)
- Graduate nonresident 5% (\$17.50/credit)

EOU has previously treated summer session as the leading session for establishing Tuition and Fees and thus, in the past, tuition and fee changes were implemented in the Summer Session prior to the Academic Term. Beginning with summer 2014, EOU is aligning their summer rates

with the prior Academic Year rates; thus, the summer rates reflect a slight decrease in rate over the prior summer but no change over the proposed Academic Year rate.

Commensurate with student government approval, EOU is proposing the following mandatory fee increase:

Incidental Fees increased by \$2/term (.8%) In addition, EOU is adding a new fee for 2013-14, the Hoke Renovation, \$28/term.

No other increases are proposed to the existing mandatory fee structure.

Oregon Tech (OIT)

Increases over 2012-13 rates

Undergraduate resident 6% (\$9.10/credit)

Undergraduate nonresident 0%

Graduate resident 6% (\$20.85/credit)

Graduate nonresident 0%

Oregon Tech is adding two new differentials (5% differential over base rates): an undergraduate differential for Engineering and Technology Majors and a differential for Engineering and Technology graduate students. Both differentials are being proposed in accordance with the requirements outlined by the Differential Tuition policy.

No increases to mandatory fees are proposed for either the Klamath Falls or Wilsonville campuses.

OSU – Corvallis and Cascades Campuses

OSU Corvallis Increases over 2012-13 rates

Undergraduate resident 5.9% (\$11.00/credit)

Undergraduate nonresident 5.9% (\$34.00/credit)

Graduate resident 2.6% (\$11.00/credit)

Graduate nonresident 5% (\$34.00/credit)

OSU is proposing a 5.9 percent per credit hour increase for resident undergraduate students. OSU is also phasing out the undergraduate plateau over the next three years to reflect a consistent per credit hour charge. The prior years' 12 to 16 credit hour plateau structure resulted in some students receiving up to a 25 percent discount from the standard per credit hour rate. As the plateau is phased out, cost for enrollments in credit levels of 13 and above will result in higher percentage increases than the standard per credit hour rate increase. Summer tuition rates have no plateau.

Most all proposed increases to Differential programs are significantly less than the proposed percentage increases to base rates. Forestry is proposing an 8.2 percent increase as part of their planned 4-year phase-in of the Forestry differential rate.

The Design and Human Environment (DHE) program and the College of Business are merging with OSU planning to drop the DHE differential rate in FY15. For 2013-14, DHE is proposing a

10.8 percent increase to align their existing tuition with that of the College of Business. This proposal for differential tuition has been shared with the DHE Industry Advisory Board, a group that includes industry executives and presidents of the five student organizations in the school.

Commensurate with student approval, Academic Year Incidental fees decreased by 3.3 percent (–\$11 per term), with the already significantly discounted summer rates increasing slightly by 2.3 percent (\$4 for the summer).

OSU resident summer rates remain consistent with Academic Term rates. For summer 2014, OSU continues to offer resident rates to nonresidents.

OSU-Cascades resident undergraduate rates remain lower the OUS Corvallis Campus rates. Cascades nonresident, graduate, and differential rates are equivalent to Corvallis Campus rates.

Undergraduate resident 5.7% (\$10.00/credit)
 Undergraduate nonresident 5.9% (\$34.00/credit)
 Graduate resident 2.6% (\$11.00/credit)
 Graduate nonresident 5% (\$34.00/credit)

OSU Cascades is proposing no increases to Academic Year or summer 2014 fees.

PSU

Increases over 2012-13 rates

Undergraduate resident 4.5% (\$6.40/credit)
 Undergraduate nonresident 1% (\$5.00/credit)
 Graduate resident 1.2% (\$4.00/credit)
 Graduate nonresident 1.1% (\$6.00/credit)

In general, mandatory fees are not increasing; however, health insurance premium costs have increased from \$560 to \$594 per term. Health insurance can be waived by students with proof of other coverage.

Matriculation Fee for graduate students is proposed to increase from \$120 to \$150 (25%)

The Graduate Certificate in Real Estate (in College of Urban and Public Affairs) is adding the same tuition differential as the Masters in Real Estate Development (in School of Business) to create equity among all real estate students in these programs. For 2013-14, the proposal is to assess newly entering Graduate Certificate in Real Estate Development students the same tuition as Cohort A in the School of Business. Continuing Graduate Certificate students will continue to pay the base tuition rates."

In addition, the School of Business is aligning Cohorts A, B, and C for the graduate differential. Resident graduate tuition for Cohort A and B are proposed to increase by 4.7 percent to align with Cohort C. nonresident graduate tuition for Cohort A and B are proposed to increase by 9.7 percent to align with Cohort C. PSU reports that students have been notified of this change via

email and that increased demand and higher program costs are the primary reasons for this proposed increase."

SOU

Increases over 2012-13 rates

- Undergraduate resident 5.2% (\$7.14/credit)
- Undergraduate nonresident 5.2% (\$21.84/credit)
- Graduate resident 5.2% (\$18.72/credit)
- Graduate nonresident 5.2% (\$23.40/credit)

No tuition increases over the Academic Year are being proposed for Summer 2014.

Mandatory Fee Increases over 2012-13 rates

- Incidental fees increase 14.4% (\$38/term)
- AY Health Service fees down 13.8% - to account for a surplus of fees taken in for student subsidy and not used in FY13. (-\$19/term)

With the exception of the Health Service Fee increase of 4.9 percent over Summer 2012, Summer mandatory fees are not proposed to increase.

SOU is adding two new differentials): A Performing Arts Undergraduate (7% differential over base rates) and Honors College Undergraduate (17% differential over base rates). Both differentials are being proposed in accordance with the requirements outlined by the Differential Tuition policy.

UO

Increases over 2012-13 rates

- Undergraduate resident 4.5% (\$8/credit)
- Undergraduate nonresident 3.5% (\$21/credit)
- Graduate resident 4.5% varies depending on school (\$22/credit)
- Graduate nonresident 7% varies depending on school (\$54/credit)

The UO is proposing a 15.1 percent increase to their MBA differential. This is the second of a two phase tuition increase; 2012-13 saw a 25 percent increase to MBA students. These increases are based on comparisons against national competitors and in-state providers (PSU, Willamette University, and the University of Portland) and intended to "give the MBA Program Director greater flexibility to award scholarships to attract the best students, improving the program and its ranking." Students were consulted last year through direct email and opportunities to meet directly with the associate dean to discuss concerns. Existing students in the MBA program will be subject to at most a 10 percent increase through the application of fee remissions.

Commensurate with the respective student government approval, the UO is proposing the following changes to mandatory fees:

- Incidental Fees increasing 8.3% (\$16/term)

Recreation Center Fees increasing 6.5% (\$3/term)
New Recreation Center Bond fee of \$38
Health Service Fees increasing 2.7% (\$4/term)

The UO is also proposing a \$15 increase to the Matriculation Fee (4.3%).

In addition, the UO is proposing a new International Undergraduate Student fee of \$200/term to offset the growing costs of providing specialized services to support international students. The fee is intended to support services related to academic support; enrollment services; increased immigration compliance and reporting as required by the federal government (such as SEVIS II); personal and cultural counseling and advising; and accelerated planning and delivery of new programs. Ten percent of the fee collected will be used to fund fee remissions for international students with financial need.

The UO continues to offer substantially discounted summer tuition rates with summer fees either consistent with or less than Academic Year rates

WOU

Increases over 2012-13 rates

Undergraduate resident – Base 3.4% (\$5/credit)
Undergraduate resident – Promise 7% (\$11/credit)
Undergraduate nonresident 3% (\$13/credit)
Graduate resident 4% (\$13/credit)
Graduate nonresident 5% (\$27/credit)

WOU continues to offer to incoming resident undergraduate freshmen and transfer students a one-time choice between WOU's base tuition rate and the WOU's fixed four year tuition rate (WOU Promise). The base rate reflects a 3.4 percent increase over the 2012-13 base rate. The fixed rate Promise reflects a 7 percent increase over 2012-13 Promise rate. Students electing the Promise rate option will not be subject to increases for a four year period.

As approved by student government, WOU Incidental Fees are proposed to increase 1.7 percent (\$5/term) and Health Center Fees by 15.8 percent (\$15/term). Reduced rate Summer fees reflect higher percentage increases over last Summer than do the Academic Year rates. Summer Incidental Fees are proposed to increase by 10.6 percent (\$11) and Health Services by 10.2 percent (\$5).

WOU is also proposing an \$18 increase to the Matriculation Fee (6.4%).

CHANGES IN TUITION & FEES BY CAMPUS FOR RESIDENT UNDERGRADUATES / 15 CREDIT HOURS

PROPOSED RATES

Oregon University System Base Tuition and Fee Rates for 2013-14 Academic Year Annual Rates for RESIDENT UNDERGRADUATE Students for 15 Credit Hours								
Public University	Tuition Only				Tuition & Mandatory Fees ^[3]			
	Proposed 2013-14 Tuition	2012-13 Tuition	\$ increase over 2012-13	% increase over 2012-13	Proposed 2013-14 Tuition & Fees	2012-13 Tuition & Fees	\$ increase over 2012-13	% increase over 2012-13
EOU	\$6,210	\$5,918	\$292	4.9%	\$7,620	\$7,238	\$382	5.3%
OIT	\$7,247	\$6,838	\$409	6.0%	\$8,717	\$8,308	\$409	4.9%
OSU ^[1]	\$7,056	\$6,660	\$396	5.9%	\$8,502	\$8,139	\$363	4.5%
OSU-Cascades Campus (Bend) ^[1]	\$6,660	\$6,300	\$360	5.7%	\$7,215	\$6,855	\$360	5.3%
PSU	\$6,678	\$6,390	\$288	4.5%	\$7,941	\$7,653	\$288	3.8%
SOU	\$6,505	\$6,183	\$322	5.2%	\$7,900	\$7,521	\$379	5.0%
UO	\$8,370	\$8,010	\$360	4.5%	\$9,852	\$9,310	\$542	5.8%
WOU average ^[2]	\$6,709	\$6,259	\$90	1.3%	\$8,218	\$7,708	\$510	6.6%
SYSTEM AVERAGE (unweighted)	\$6,929	\$6,570	\$318	4.8%	\$8,246	\$7,841	\$356	4.5%
<p>[1] OSU has been maintaining a tuition plateau from 12 to 16 credit hours, i.e. charging the same tuition for any student enrolled between 12 and 16 credit hours. This results in students paying variable per credit hour rates with some receiving up to a 25% discount from the standard per credit hour. OSU is proposing a three year phase-out of the tuition plateau. The proposed structure for 2013-14 reduces the plateau to between 12 and 15 credit hours.</p> <p>[2] WOU's Tuition Promise program guarantees that tuition rates for continuing students will not increase for 4 years. The entering 2013-14 entering Promise rate is 7% higher than the prior year, but returning Promise students have 0% increase. An additional base rate option that is 3.4% over last years entering rate will also be available for new students. This table averages the rates and the increases.</p> <p>[3] Mandatory Enrollment Fees include Building, Incidental, Health Services, and Recreation Center/Student Union fees, most of which are recommended by student organizations and/or approved by student referendums.</p>								

OPPORTUNITY FOR PUBLIC COMMENT

On May 1st, a media alert, which included campus outlets, was issued regarding all of the available forums for public comment. Two public hearings were held on the proposed *2013-14 Academic Year Fee Book*: Thursday, May 2nd, in the Memorial Union Board Room on the Oregon State University campus and Friday, May 3rd in the Erb Memorial Union on the University of Oregon campus. These hearings provide an opportunity for someone to submit written comments or to record oral comments. Communications about the Fee Book calendar, hearings, and draft documents go to the customary interested parties: Student Body Presidents, Budget Directors, Housing Directors, Registrars, Vice Presidents for Student Affairs, and the Oregon Student Association. In addition to the two in-person hearings, a dedicated email address is provided to receive electronic submissions.

The public comment period began on April 29th and continued through May 10th. A full report of all testimony received at the public hearings and via electronic submissions is in Attachment H.

Comments Summary

- In total, 62 comments were received and only one indicated explicit support for proposed increases.
- Number of submissions by university affiliation, if noted:

EOU	OIT	OSU	PSU	SOU	UO	WOU
2	0	3	10	8	20	17
- The vast majority were current students but submissions also came from 5 alumni, 1 citizen, 1 faculty union, 1 incoming transfer student, 2 parents of current students, and 23 associated with student government or OSA.
- In addition to general opposition of increases, there was one specific opposition to the proposed UO International Undergraduate Student fee and several recurring themes:
 - 24 supportive of freezing tuition for at least one year and another 15 asked that the proposed increases be reconsidered or “rolled back”
 - 29 indications of support for increased state funding (several submissions seemed more directed to the legislature than to the SBHE)
 - 51 referenced student debt load – either their own debt status or a broader concern for all student debt levels
 - 19 expressed concern or opposition to institutional boards, equating them with increased costs and therefore rising tuition rates.

Attachment I contains public comment letters received at the May 24, 2013, Finance and Committee meeting.

COMMITTEE RECOMMENDATIONS TO THE BOARD

On May 24, 2013 the Finance and Administration Committee considered campus tuition and fee proposals for 2013-14 and recommends that the Board adopt OAR 580-040-0040 by permanent rule and repeal the 1992 Tuition Policy as follows:

OAR 580-040-0040 Academic Year Fee Book

Through this action, the document entitled "*Academic Year Fee Book*" dated June 21, 2013, is hereby amended by reference as a permanent rule. All prior adoptions of academic year fee documents are hereby repealed except as to rights and obligations previously acquired or incurred there under. The Chancellor or designated staff is permitted to make revisions as needed to comport with any subsequent legislative actions and is authorized to make minor adjustments to the final document, if necessary.

Repeal of the 1992 Tuition Policy (Attachment J) remaining in the portfolio of Board policies

Through this action, an outdated policy document that was adopted by the Oregon State Board of Higher Education June 25-26, 1992 will be officially repealed in recognition of the de facto repeal as evidenced by the Board's approval of numerous subsequent Academic Year Fee Books.

(Board action required.)



Oregon State Board of Higher Education



Appendices

Appendices:

- Minutes, April 2013
- UO Request to Arm Police Officers, supplemental information
- 2013-14 Academic Year and 2014 Summer Session Tuition & Fees, supplemental information
- 2013-14 Academic Year and 2014 Summer Session Draft Fee Book

**Oregon State Board of Higher Education****Meeting #865****April 5, 2013****Minutes**

Board members present included President Matt Donegan and Directors Lynda Ciuffetti, Brianna Coulombe, Jill Eiland, Orcilia Forbes, Farbodd Ganjifard, Paul Kelly, Jim Middleton, and Emily Plec. Members absent included: Allyn Ford, Jim Francesconi, Kirk Schueler, and David Yaden.

Chancellor's staff present included: Interim Chancellor Melody Rose, Bridget Burns, Michael Green, Drew Hagedorn (telephone), Ryan Hagemann, Jay Kenton, Karen Marongelle, George Pernsteiner, Di Saunders, Patricia Snopkowski, Charles Triplett, Marcia Stuart, and Denise Yunker.

Campus personnel present included: Presidents Mary Cullinan (SOU), Bob Davies (EOU), Mike Gottfredson (UO), Chris Maples (OIT), Mark Weiss (WOU), and Wim Wiewel (PSU); others present included Dr. Bob Mason (IFS), Provost Sabah Randhawa (OSU), and Mary Weatherhead, Emily McLain, and Emma Kallaway (OSA).

1. CALL THE MEETING TO ORDER/ROLL CALL/WELCOME

President Donegan called the meeting to order at 9:10 a.m. by acknowledging Director Brianna Coulombe's final in-person meeting with the Board and thanking her for her service. He then asked the Board Secretary to take the roll.

2. REPORTS**a. Chancellor's Report**

President Donegan called upon Interim Chancellor Rose to provide her report to the Board. Attention was drawn to a national issue in academe pertaining to student loan debts, increasing default rates, and, with the threatening increase in student loan interest rates, the potential impact on student debt. Dr. Rose noted that OUS is attentive to these issues and Chancellor's Office staff are working on a fall symposium to convene relevant stakeholders around the issue of debt and affordability. She then informed the Board of successful presentations to the legislative Ways & Means Committee during the month of March. Presentations focused on student-outcomes, plans to accomplish the 40-40-20 goals, and the gaps and challenges associated with meeting the state's attainment goals. Presentations also highlighted research and Statewide Public Services, in order to ensure that all aspects of the higher education enterprise were conveyed.

Dr. Rose also informed the Board on several staffing changes within the Chancellor's Office, including: the appointment of Dr. Karen Marrongelle to the position of interim vice chancellor for academic strategies; the pending selection of the director for industry affairs; and that Board Secretary Triplett will assume responsibilities of deputy chief of staff as Chief of Staff. Bridget Burns transitions into a fellowship with the American Council on Education (ACE).

Finally, Dr. Rose noted that the Secretary of State Audit Division is conducting two performance audits of the System. An audit of higher education cost-drivers was recently completed and the draft report has been reviewed by System staff. A response from OUS management will be submitted in the near future. A second system audit on teacher preparation has been significantly delayed by the SOS and the draft is not anticipated until May.

As a part of the Chancellor's report, Ms. Burns and Mr. Drew Hagedorn provided an update of legislative bills currently being addressed in the state legislature that affect public higher education.

b. Interinstitutional Faculty Senate (IFS) President

Dr. Bob Mason, president of the Institutional Faculty Senate, began his report by thanking Former Chancellor Pernsteiner, on behalf of the faculty and staff for all eight public universities, for his service to the System and his collaborative efforts to "constantly improve educational outcomes for all students in this state." He expressed continued faculty concern over the unprecedented changes being proposed to the administration and oversight of higher education in Oregon, and in particular, the proposed exclusion of faculty and students on future university boards (referring to Senate Bill 270). (The full IFS report is on file in the Board's Office.)

c. Oregon Student Association (OSA) Chair

Ms. Merriam Weatherhead, chair of the Oregon Student Association, highlighted events at the state capitol in which students were involved: higher education budgets, tuition affordability, and governance structures. She thanked the Board for their support of the Tuition Equity bill, noting that the successful passage of this bill is "an amazing victory." But she cautioned against excessive tuition increases that, since 2007-08, have made higher education unaffordable and been a contributing factor to people taking longer to graduate, flat-lining enrollment, and decreased graduation rates. Due to these negative factors, students will be lobbying against tuition increases for 2013-14. (The full OSA report is on file in the Board's Office.)

d. Committee Action Reports and Six-Month Work Plan Review

i. Academic Strategies

Drs. Emily Plec and Karen Marrongelle were called upon to provide the Academic Strategies Committee report and mid-year action plan update. Director Plec directed the Board's attention to three topics recently addressed by the Committee: the approval of the Board

Diversity Goal, the compilation and analysis of 40-40-20 strategies, and the assessment updates regarding degree qualification profiles and assessment. The Committee work plan for the remainder of this year includes aligning performance measure initiatives, improving diverse and rural population access, residency rules, and other strategic priorities.

The development of strategic priorities and initiatives for the 2015-2017 biennium is underway on teacher preparation; collaborative opportunities with other educational partners such as the Oregon Education Investment Board (OEIB), the Higher Education Coordinating Commission (HECC), and the Community College Workforce Development (CCWD); connecting research to Oregon's economy; and 40-40-20 strategic planning. The Committee continues to work with the provosts on retention gaps and goals for each university, as well as ensuring that the work on 40-40-20 reflects the Board's commitment to diversity.

Dr. Marrongelle expanded on the collaboration with K-12 and community college partners, in particular, the implementation of the common core state standards. Additionally, she advised that the Committee has requested the provosts to provide projections on their campus' diversity goals and to outline the campuses plans to reach 40-40-20 goals. The statistical information garnered through the state's census-taking will be incorporated with high school graduation data to better aid in informing where the gaps are in reaching the Board's diversity goals and to set future goals for each campus. The Committee will produce a report in mid-May to be used by Chancellor Rose in developing a 40-40-20 plan for the University System, and is anticipated to be presented to the full Board in June.

ii. Finance & Administration

In the absence of Chair Schueler, Vice Chancellor Kenton provided the Finance & Administration Committee's report. Of note, in the first meeting of calendar year 2013 the Committee met with representatives from each campus to reconsider the prioritization of the 2013-2015 capital budget, at the request of the Governor, for the purposes of aligning the projects using a "40-40-20 lens." Dr. Kenton also reported that the System received an "unqualified opinion" of the annual financial audit by the new audit firm contracted by the Secretary of State (Clifton, Larson, Allen).

He indicated that the Committee has been following the annual work plan closely, with one exception being the adoption of a new initiative on outcome-based budgeting. This work is consistent with the Governor's and Budget Buying-team's recommendations for education reform. To ensure alignment with Oregon community colleges, OUS has contracted with the same organization shepherding their budgeting exercise. The National Center for Higher Education Management Systems (NCHEMS) is leading efforts in both sectors to develop an outcome-based budgeting model for OUS that will allocate state appropriations based on outcomes such as degrees produced for in-state residents, low-income students, diversity, priority degree areas, number of transfer students from community colleges, economic development and research, etc.

iii. Governance & Policy

Chair Paul Kelly provided the Governance & Policy Committee's report and reviewed the work plan, noting that the most recent work on principles of a shared services enterprise have been submitted for consideration later in the meeting. He proposed revising the Committee annual work plan to add a specific, clear reference to continued shared services work under the strategic priority section.

iv. External Relations

Director Jill Eiland provided a brief update on the External Relations work group, highlighting the charge to develop strategic messages that "demonstrate the expertise that is resident within the Oregon University System" and noting Pyramid Communications work to perform a communications audit and to design a messaging platform. Chancellor Rose commended the Pyramid Communication work and its value in framing the testimony and presentations to the legislative Ways and Means Committee.

3. DISCUSSION ITEM**a. Research Presentation and Discussion**

President Donegan called upon Vice Chancellor Karen Marrongelle and Director Ciuffetti to open the discussion. Dr. Marrongelle introduced Sue Stafford (Oregon BEST), Dan Dorsa (OHSU), Scott Nelson (Governor's Office), and Jennifer Fox (OTRADI), and then provided a brief description of her research background, noting that she served at the National Science Foundation as a program director and also at Portland State giving her both a national and a university perspective on research. Dr. Marrongelle highlighted several examples of the value of university research noting that it's an essential part of reaching each of the Board's five goals: creating an educated citizenry; ensuring high-quality student learning; creating original knowledge and advancing innovation; contributing positively to the economic development of Oregon; and diversity. She noted that reaching the 40-40-20 goal requires an effective higher education system and that research and scholarship are fundamental to all university campuses to attract high caliber faculty and students (both undergraduate and graduate). University research provides service to Oregonians through a variety of research grants (e.g., professional development to K-12 teachers, and social services to community members). In 2004, the Board's Academic Excellence and Economic Development Working Group recommended investments in various research arenas, such as nanoscience and sustainability (with Oregon since becoming a national and international leader in sustainability).

Director Ciuffetti provided the viewpoint of a faculty member concerning the direct impact on students in the development of skills and learning, and ultimately contributing to the workforce upon graduation. Dr. Ciuffetti stressed how research interconnects throughout all aspects of the learning continuum and must not be relegated to the sidelines. She shared that "support for research and value placed on graduate education actually does have a grave impact in terms of how we attract and retain high-quality faculty to Oregon." Another integral part of the

research collaboratory in the universities is the interaction between graduate (teaching assistants) and undergraduate students and provides them with a broader, more global diverse population. Dr. Ciuffetti concluded her remarks by asking that the Board be mindful of research during the development of the outcome-based budgeting and the restructuring of the educational continuum. If research is devalued, the universities will be unable to attract and retain high-quality faculty or students.

Each guest was invited to share with the Board how their organization provides research opportunities and employment in Oregon. In conclusion, Mr. Scott Nelson, Jobs & Economy Policy Advisor for the Office of the Governor, advised that during the past year, the Governor's Office engaged in a 10-year budget exercise to better strategically invest public funds. The Jobs & Economy committee identified three strategic elements to the building of a chain of innovation for the development and production of "trade and sector" products. As a result of the exercise, a recommendation was made to increase the Oregon Innovation Council (Oregon InC) budget by approximately \$10 million with an additional allocation of \$5.5 million of Lottery Funds and \$10 million of Capital Funds for innovation activities. Following a robust discussion with the guests, concern was raised about the potential of federal government sequestration and the impact to research funding in Oregon. Director Ciuffetti stressed that this issue is "a jobs issue," that the impact isn't just to research funding but to faculty, post-docs, students, and staff, having a trickle-down effect that touches on all areas within the System. In conclusion, Dr. Marrongelle asked that the Board consider the following: 1) keep research specific in their thoughts, conversations, and as the work of the Board and committees move forward; 2) to direct and assist the research vice presidents in the formulate a plan for the allocation of investments that are necessary to continue the forward advancement of the endeavor; and 3) to update the research plan developed by the AEED working group in 2004.

4. CONSENT ITEMS

- a. Advanced Placement/International Baccalaureate Statewide Alignment Policy Approval**
- b. Oregon Administrative Rule Updates**
 - i. Amendments to OAR Division 60 (Real Property, Facility, and Campus Planning)**
 - ii. Amendments to OAR Divisions 61 (OUS Procurement and Contracting Code) and 62 (Purchasing and Contracts for Personal or Professional Services and Goods)**
- c. Approval of Minutes, January 11 and 28, and February 14, 2013**

ACTION: With no changes proposed to the consent items, Vice President Eiland called for a motion for approval. Directors Middleton and Forbes made the motion and second, respectively; motion carried.

5. ACTION ITEMS

a. OUS, Principles of a Shared Services Enterprise

With the departure of President Donegan, Vice President Eiland called upon Director Paul Kelly and former Chancellor George Pernsteiner to present the principles of a shared services enterprise, drawing the members' attention to the principles provided in the docket³. As background, with the passage of Senate Bill 242, current legislative consideration of institutional governing boards, and the restructuring of postsecondary education through the OEIB (Oregon Education Investment Board), staff within the Chancellor's Office and universities have been reviewing and defining opportunities for shared services that will "optimize efficiency, minimize cost, maximize revenue, and assure quality." During the past months, the Committee reviewed a list of services provided within the System generally categorized as shared services and, with that review, have developed a preamble and an initial set of principles to guide the implementation process and govern the Shared Services Enterprise.

ACTION: Following a productive discussion, Vice President Eiland called for a motion to approve the preamble and principles of the Shared Services Enterprise; Directors Middleton and Plec made the motion and second, respectively. Motion carried.

b. Approval of Board Resolution for Chancellor Emeritus Status, George P. Pernsteiner

Vice President Eiland called upon Director Kelly to present the item. In acknowledgement of Former Chancellor George P. Pernsteiner, the following resolution was introduced:

WHEREAS, George P. Pernsteiner has served with dignity and distinction as the 12th chancellor of the Oregon University System since October 2004; and

WHEREAS, Chancellor Pernsteiner has provided innovative and distinguished leadership in higher education for seven public universities of the State of Oregon; and

WHEREAS, Chancellor Pernsteiner has worked tirelessly to expand access to higher education for all Oregonians – particularly people in underserved areas and people with richly diverse characteristics – by helping to create partnerships and alliances with community and independent colleges, and by encouraging new models of educational delivery in collaboration with schools, industries, and all levels of governments; and

WHEREAS, Chancellor Pernsteiner has successfully led public policy efforts to build and maintain high quality throughout the instruction, research, and public service programs of the Oregon University System despite burgeoning growth within the System and countless fiscal obstacles; and

WHEREAS, Chancellor Pernsteiner successfully championed the 2011 passage of Senate Bill 242, a historic package of governance reforms that changed the Oregon University System

³ See http://www.ous.edu/sites/default/files/state_board/meeting/dockets/ddoc130405.pdf.

from a state agency to a public university system with improved operational flexibilities and increased accountability to the state and its students; and

WHEREAS, Chancellor Pernsteiner led the Oregon University System to national prominence in performance-based accountability, promoting high levels of effectiveness and efficiency in the services that support all of its academic and financial functions; and

WHEREAS, Chancellor Pernsteiner, in all of his dealings with students, parents, citizens, faculty, staff, government officials, administrative colleagues, and friends of the public higher education in Oregon, has provided respect, civility, courtesy, wise counsel, and continuing friendship.

NOW, THEREFORE, BE IT RESOLVED, that the Oregon State Board of Higher Education confers upon George P. Pernsteiner the title of Chancellor Emeritus and bestows upon him all the rights, accommodations and privileges accorded therein, and publicly expresses herein its gratitude for his long and distinguished service to the Oregon University System and the citizens of Oregon.

ACTION: Following the presentation, Director Kelly made a motion to approve the bestowment of Chancellor Emeritus status on Mr. Pernsteiner and Director Farbodd Ganjifard seconded; motion carried.

6. PUBLIC INPUT

No public input was submitted.

7. BOARD COMMENTS

Members of the Board expressed their thankfulness to Chancellor Emeritus Pernsteiner for his service to the Board and System.

8. ADJOURNMENT

With no further business submitted for consideration, the meeting was adjourned at 1:26 p.m.