

## MEMORANDUM

Date: August 21, 2013  
To: State Board of Higher Education  
From: Presidents Mary Cullinan, Bob Davies, Chris Maples and Mark Weiss  
Subject: Governing Board Criteria and Shared Services

At the SBHE Meeting on July 19, 2013, Ben Cannon, the Governor's Education Policy Advisor, asked the Board to assist the Chancellor's office and the seven campuses with outlining the process and options for regional and technical university governance as well as an effective shared-services enterprise.

### Overview

Oregon's technical and regional public universities have distinct missions that contribute significantly to the state's 40-40-20 goal and provide significant economic, social, and cultural benefits to their regions. However, during this time of transition in higher education governance, strategic planning and well-informed management at the local, institutional level will be required to sustain and advance the institutions' innovative teaching and research, community engagement, and support for rural and underserved populations in Oregon.

We strongly urge the SBHE to work with us to preserve the autonomy and uniqueness of each distinct institution. Section 172a of SB270 states: "This 2013 Act is intended to preserve the autonomy of the universities listed in ORS 352.002 whether they are governed by a university governing board or a university consortium board." The four technical and regional university presidents stand ready to assist the SBHE as the transformations brought about by SB270 and HB3120 are implemented.

### Criteria for Approval of University Governing Boards

The Governor has often stated that critical decisions are handled best by those closest to a situation, those most immediately affected. Thus, we strongly believe that each of the four university presidents should involve key constituents and stakeholders in an inclusive and transparent process regarding optimal governance structure for each of our universities.

If a university president, based on this process, notifies the SBHE and the Governor of the intention to seek an institutional board, in accordance with the language in SB270, the following key areas should be presented to support that decision.

**Campus and community support.** Each university would provide substantive evidence of support for an institutional board through forums and conversations with the university's Foundation, legislators, alumni and advisory boards; open discussions with faculty, students, staff; and dialogue with communities most closely connected to the campus.

**Benefit to the campus, the region, and the state of Oregon.** Each university would present the rationale for maintaining the institution's current mission and brand; for preserving local and statewide partnerships with K-14, local businesses and agencies; for achieving or maintaining financial viability and sustainability; and for furthering powerful local connections that support both 40-40-20 and the economy of Oregon, including the regions served by the institution.

### **Shared Services**

Apart from governance, significant impacts of SB270 and HB3120 will result from the dissolution of the current shared-services model, which has spread the cost of services across seven campuses. SB270, Section 166A, requires that the Work Group on University Shared Services recommend a mechanism to mitigate or eliminate the negative fiscal impact caused by the dissolution of OUS.

Transitioning to an effective shared-services enterprise is an urgent issue for the state's public universities. The state, the universities and, most importantly, Oregon students will benefit from a shared-services model that helps all campuses remain financially viable and does not significantly increase tuition and fees. We would welcome, also, collaboration with community colleges and other entities to provide further efficiencies. An effective model is crucial to all the universities' operational budgets; this transition should be the highest priority for the State Board of Higher Education and the Special Committee on University Governance and Operations, which was established in Section 166 of SB270.

In addition to the direction from Mr. Cannon, we request that the SBHE deliberate how to ensure that no harm is done to the technical and regional universities, given a new shared-services model. With extensive knowledge of the system and expertise in the chancellor's office, the SBHE is well prepared to provide such guidance to the Special Committee and Work Group.

### **Conclusion**

The technical and regional university presidents share deep commitments to the students, faculty, staff, and communities that we serve. We share equally deep commitments to public higher education and serving the citizens of Oregon. We thank you for your commitments to our universities. We look forward to working with you during this period of transformational change within Oregon's public universities to find the optimal solution for obtaining 40-40-20 while maintaining our collective commitment to the students of Oregon.