

## **AOF Board Minutes, May 9, 2015**

Present: Kemble Yates, Jacqueline Arante, Alan Bakalinsky, Christian Vukasovich, and DeAnna Timmermann. Chris Parta, AOF Lobbyist; Mike Bailey, OSU Senate President; and Salam Noor from HECC were also present.

Meeting was called to order at 10:00 by President Alan Bakalinsky.

### **Salam Noor, HECC, Director, Academic Planning and Policy**

He understands that one of the HECC's roles, for better or worse, is to be the "new sheriff" of the competitive environment of academic programs. The HECC intends to act similarly to OUS in terms of program approval. He shared a document outlining the new procedures vis-a-vis the HECC. The Provost Council will serve as the final step, if unanimous. The Commission will only intervene if the Provost Council vote is NOT unanimous. This happened in the case of UO's new Sports Marketing Program which was opposed by PSU. Salam led a review where leaders of both campuses were invited to testify. Ultimately, Salam recommended approval and the HECC voted (7-1-1) to approve the new program. The HECC has now added a stipulation that as part of the proposal process, a new program proposer must not only identify other similar/same programs, but must notify the institution that offers those programs and obtain a written response related to potential impacts.

He reminded us that the future portends more competition for a flat projection of high school graduates. A key perspective HECC will apply to all of the institutions is with respect to institutional missions. Kemble pointed out that with "outcomes based" being the new metric, we miss the opportunity to assess and reward "value added" contributions each institution makes for their students.

Salam also reviewed the HECC's evaluation process based on performance compacts. This will include evaluating the institutional governing boards. He shared with us a draft document which had summary data on each institution – e.g., students and some demographics, credits earned and degrees awarded, information on faculty, grant funding results, etc. Elements of the evaluation include: Access and Affordability (Student Debt, Student Support Systems, etc.), Retention and Completion, and Community and Civic Engagement (as portrayed by narrative). The HECC is also trying to assess each institution's success with shared governance. For Academic Quality, measures include accreditation reports, program reviews, employment of graduates, high impact practices, collaboration with other educational and external/community partners.

### **Lobbyist Report (CP)**

The Oregon Education Investment Board (OEIB) will sunset and its function will be subsumed by the Chief Education Officer (Nancy Golden).

Chris ran through a report on Outcomes Based Funding (from HECC) which it reported recently to the Workforce Group at the Legislature. We begin a transition now to an ultimate distribution (in 2018) to 40% enrollment – 60% outcomes-based. [New acronym for this is SSCM (Student Success and Completion).] Everyone acknowledges that the amount of funding is grossly inadequate to meet larger state goals, i.e. 40-40-20.

Chris noted that AOF has had significant impact on the process, particularly as it relates to how policy gets implemented into HECC documents and accompanying legislation.

Chris also shared "the Wisconsin Report" (WISCAPE) on outcomes-based funding... OBF hasn't always had clear positive outcomes.

HB 2611 on Shared Services requires universities to participate through 2019. Passed in the House and now working through the Senate.

Chris shared a copy of the letter from the presidents of the 7 public universities (formerly OUS institutions) which commits the universities to continue funding the family/staff tuition benefit in the post-OUS world. The presidents are calling themselves the "Oregon Public University Council" (OPUC). This is a huge win for faculty, and means we WON'T need to pursue legislation to ensure continuation of this benefit. The Board expressed its deep appreciation to Chris for all of his hard work on this.

HB 3281 is the bill that will fund HECC and thus higher education. All of our advocacy groups are still lobbying hard for the \$755 M (which returns us to absolute funding level of 2007!). A more realistic outcome would be a small increase from the currently proposed \$635M.

SB 493 is likely to pass – it removes the authority of the Governor to unilaterally disband SOU's or EOU's individual institutional boards.

HB 2662 ("Pay It Forward") is still alive, but will likely not pass in anything like its current form this session.

SB 113 A Requires HECC to consult stakeholders to define employee designations and descriptions. The background is the concern of too many administrators! Likely to Pass.

SB 702 A Would mandate percentages of health care premiums for part-time faculty. We support this bill, but there are a lot of sticky details to work out. Most likely this will go to a workgroup which would bring an acceptable bill to the 2016 legislature.

HB 2544 Has made it through the House and is now being heard in the Senate. This bill would require certain issues not resolved in bargaining to be settled via binding arbitration.

PERS decision (Moro case). We won on the illegal reduction of COLA benefits, while we lost on the reduction of out-of-state retirees benefits. This means that of the \$5.3 B of actuarial savings/thefts passed by the Legislature, over \$4 B was found illegal and will be restored to members. However, the COLA cuts WERE found legal for the portion of time worked since 2013 – since this was a prospective, not retrospective, change.

Going forward, the PERS contribution rates have already been set for the coming biennium, so the primary impact (e.g. increased employer contribution rates) might not hit until the 2017-19 biennium.

Kicker. The (final) May revenue forecast comes out next week, and it will most likely "kick" creating a hole of about \$140M in this biennium's budget. The exact effect of all of this (kicker, PERS decision) is not easy to predict at this point.

**Campus Reports** [Due to time constraints, we delayed these to lunch.]

**Treasurer Report** Kemble presented the current state of AOF finances.

## **Newsletter**

We are gearing up for our Spring newsletter. DeAnna has agreed to write our campus report for the newsletter. Kemble is working on hiring someone to assist with production and distribution of the newsletter, as Debbie Yacas from Corvallis is no longer able to do this for us.

## **Next Meetings**

We will tentatively meet in July 11, or perhaps not until September 19.

The meeting adjourned at 1:15 PM.