



To: University of Oregon Board of Trustees
From: Hans Bernard, Associate Vice President & Libby Batlan, Senior Director, State and Community Affairs
Subject: State and Community Affairs Legislative Agenda and Work Plan
Date: December 3, 2015

INTRODUCTION

The University of Oregon is now two years into a new governance structure, one year into the public phase of an unprecedented \$2 billion capital campaign, and nearly six months into President Michael H. Schill's administration.

The president and trustees have clearly articulated UO's two primary objectives: 1) Ensure student access and opportunity, and 2) Relentlessly pursue academic excellence.

State and Community Affairs' (SCA) objective is to advance these priorities with elected and public officials. It will do so by 1) Increasing state support and capital funding for UO; 2) Minimizing unnecessary control over university operations; 3) Using UO's network of alumni advocates and supporters to exert pressure on policymakers and opinion leaders; and 4) Significantly improving UO's influence as a premier research institution and economic driver for Oregon and its citizens.

For the foreseeable future, SCA's primary goals with legislative and statewide officials are to increase its share of unencumbered state support and to vigorously defend against regulatory or governance encroachment by individuals or agencies.

SHORT TERM ADVOCACY OBJECTIVES: 2016

UO will use the 35-day 2016 session beginning February 1st to pass targeted policy and budget measures necessary for both short and long-term financing and capital needs.

1. Increase state funding above the current 2015-17 biennial appropriation of \$700 million.

Though the \$700 million biennial appropriation is an 18% increase for the UO, it is still far short of the goal of \$755 million and not enough to meet demand. The additional funding has enabled UO to cover cost increases and make strategic investments in access initiatives for Oregon students and targeted faculty hiring. SCA staff is working with UO leadership and other universities to assess opportunities and develop a proposal for a consolidated 2016 funding request. The deployment of UO's alumni advocate network and other constituencies to lobby for increased funding will play a role in the February session.

2. Align the Oregon Constitution with the legislative intent of SB 270 to allow universities to responsibly invest in company stock and equity funds.

If UO is unable to invest in a prudent and autonomous manner, the opportunity cost is estimated to be as high as \$4 million in unrealized annual earnings. While all of Oregon's universities will see a future benefit from this technical constitutional change, UO is the only institution currently managing funds independent of State Treasury. A more diversified investment strategy will not only decrease risk but will also allow UO to generate new funds without raising tuition or cutting jobs.

3. Support funding proposals from Governor Kate Brown and TrackTown USA to provide capital and operational funding for renovations of Hayward Field, the International Association of Athletics Federations (IAAF) 2021 World Outdoor Championships, the IAAF 2016 World Indoor Championships, and the 2016 Olympic Trials.

UO strongly believes these events will be to the economic and cultural benefit of the Eugene-area and the State of Oregon. However, such financial support should not and will not be treated as a trade-off for future academically focused funding. UO continues to be proud to host major track competitions and appreciates funding assistance to ensure these world-class events are executed in a way that is safe and advantageous to the state and its students.

4. Monitor and evaluate the Higher Education Coordinating Commission (HECC) and other state agencies, boards, and commissions to ensure UO maintains its autonomy and fully realizes its potential under the governance of its Board of Trustees.

UO appreciates the need for and value of collaborative efforts where appropriate. However, it is crucial that neither coordination nor collaboration turn into a regulatory structure that is as much or more dysfunctional than the former Oregon University System. There is almost no limit to the range of state government's interest and involvement in the everyday workings and the long-term operations of a public university. SCA's role is to inform and engage UO officials and trustees in building and maintaining relationships, which includes providing appropriate and timely information and expertise.

LONG TERM ADVOCACY OBJECTIVES: 3 – 10 YEARS

- Increase state investments in higher education by proposing and passing a data-driven, consolidated funding request that substantially exceeds \$700 million.
- Adopt a streamlined long-term capital prioritization process to strategically increase UO's portion of capital construction funds targeted at hiring the best faculty and researchers and delivering an excellent student experience.
- Broaden the focus of state investment in research to include not just commercialization-oriented programs but also basic and applied research.
- Inventory and analyze national trends and policy proposals in other states that could improve funding formulas and students outcomes, or mitigate increased costs.

CONCLUSION

SCA will use every legislative contact, every committee hearing, and every connection with a community leader or reporter or staffer in the months ahead to gain support for UO's 2016 legislative proposals. It will also use those opportunities to lay the groundwork for a larger long-term postsecondary funding proposal for the 2017-19 biennium.