

# Voted down: State board won't back 'inconsistent' plan

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The University's novel financial and governance restructuring plan, known as the New Partnership, will not enjoy the support of the Oregon State Board of Higher Education amid its push to gain lawmakers' attention in the upcoming Jan. 10 legislative session.

Because the board already has its own proposal to amend the state's relationship with the university system, it worries the New Partnership will divide the legislature's attention if both plans are separately sent to the Capitol.

The New Partnership, largely the brainchild of University President Richard Larrivee and laid out last May, calls for the establishment of a University governing board separate from the state, as well as the creation of a massive \$1.6 billion endowment supported in part by state-backed bonds.

Although not substantiated by a formal vote, the board has made it clear to Larrivee that it opposes his efforts to introduce the New Partnership in the upcoming session. The board reasons that competing reform measures may tempt lawmakers to set aside both higher education plans and instead address other issues stemming from severe, statewide budget cuts.

Under the board's plan, the

Oregon University System, along with its seven member universities, will be reclassified from a "state agency" to a "public university system," and will thus no longer share funding pools with other agencies such as the Oregon Medical Board and the Oregon Department of Education. The Board of Higher Education functions as the statutory governing board of OUS, which carries out the board's statewide goals and initiatives on behalf of all Oregonians.

This reclassification would mean that college tuition dollars paid by students and families would stay within the university system, essentially earmarked for higher education funding and support.

In contrast with the New Partnership, the board's plan doesn't include any language about creating endowments, and would continue to support universities by allocating money annually into their general funds. However, the plan is similar to Larrivee's efforts in that universities would be allowed more freedom to build buildings, manage budgets, raise private money and set tuition.

A third bill, closely mirroring the board's plan, is currently under development by a Legislative Higher Education Working Group led by Oregon Sen.

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Mark Hass and Rep. Tobias Read, and may eventually be combined with OUS efforts to avoid submitting two separate documents to the legislature.

"These may merge into a single bill at some point during the legislative session," Diane Saunders, director of communications for OUS, said. Saunders also said legislators have told her office that multiple motions will slow down the entire process and may be overlooked altogether.

"We have heard from some legislators that they prefer a single proposal from OUS," Saunders said. "There is the potential that multiple proposals will not be viewed favorably."

According to a Higher Education Reform Proposal fact sheet available on the OUS website, the University's New Partnership is "inconsistent with the process ... for governance reform included in

the Board proposal, and thus the Board of Higher Education does not support (its) separate enactment."

Even if the state board formally mandates Larrivee to back off, the New Partnership will still likely move ahead under the guidance of the University of Oregon Foundation, a private nonprofit agency that will manage the new endowment if its enacting provision passes in the legislature.

Foundation officials have said they do not view the mutual consideration of the state board's legislation and the New Partnership as a conflict. Dave Barrows, a lobbyist hired by the University of Oregon Foundation, said the notion that the legislature will disregard higher education reform if submitted more than one bill is "crazy."

Barrows said the legislature will have few non-budgetary issues to address during the coming session. With the

advancement of Sen. Hass and Rep. Tobias' proposed plan, the legislature will end up considering more than one bill even without the New Partnership, Barrows reasoned.

(Higher education reform) is going to be one of the two, possibly three, issues that will be discussed this session, that is not straight budget," Barrows said in a Dec. 15 Register-Grand article.

ASUO President Amelie Rousseau thinks average students are not aware of the pending battle over education reform, and said that part of the ASUO's purpose is to facilitate student feedback to lawmakers.

"I think a lot of students don't know about the proposal, or what to think about it," Rousseau said. "One of our goals this term involves educating as many students as possible. It's time for students to weigh in."

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