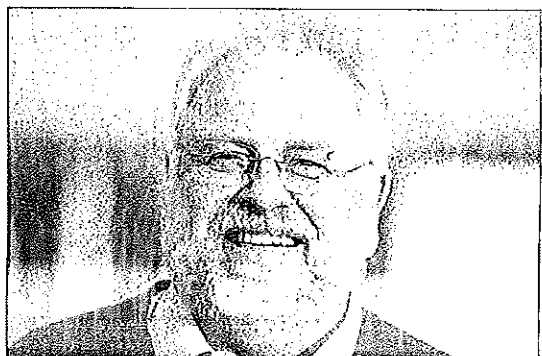
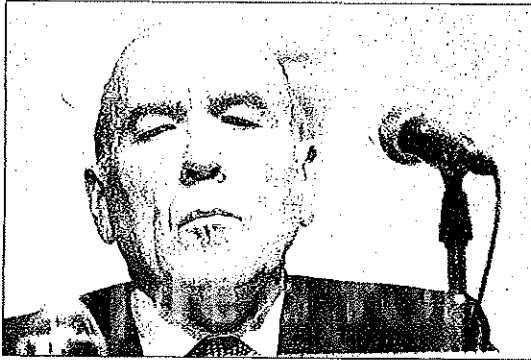


THE INDEPENDENT STUDENT NEWSPAPER AT THE UNIVERSITY OF OREGON • SINCE 1900

<p>DERBY DAMES Emerald City roller girls skating into fourth season SPORTS PAGE 5</p>		<p>SCARY STANFORD Auburn's Cardinal team comes to Eugene tonight SPORTS PAGE 5</p>
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UNIVERSITY FINANCE

A plea for partnership



(Clockwise from top left): University President Richard Lariviere, Attorney Jeff Condit, Oregon Representative Phil Barnhart and University Professor John Cholmers

University president says plan will end 30-year streak of student tuition increases

KAILAN KALINA
 NEWS REPORTER

Money issues are nothing unfamiliar for anyone, especially when it comes to university institutions and students. The University may have found a solution, however, and Wednesday evening that solution was discussed with campus and community members.

Proponents for restructuring finances held a town hall meeting on

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Phil Barnhart discusses how statewide financial problems will affect University

COLTON TOTLAND
 NEWS REPORTER

State Rep. Phil Barnhart (D) of District 11, which includes Eugene and the surrounding area, won re-election last November for the fifth time since 2000. The co-chair of the House Revenue Committee and a co-sponsor of President Lariviere's New Partnership plan, Barnhart sat down Wednesday afternoon to talk about his background, his

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campus in the EMU Ballroom featuring University President Lariviere and his New Partnership with the State plan. He, along with John Chalmers, a professor of finance, and attorney Jeff Condit of law firm Miller Nash detailed on the nuts and bolts of an endowment that would be funded privately and publicly.

Currently, the school receives its funding through state investments, tuition and private gifts. Tuition and fees make up the largest percentage of the budget at around 40 percent, and a mere eight percent is given by the state. Twenty years ago, the University was appropriated \$63 million, while 2011 is projected to bring only \$58 million appropriated to its name. Minus the stimulus, the number stands at \$54 million.

In the past 38 years, tuition increased on average 7.5 percent, and in a given year it fluctuated anywhere from two to 25 percent.

"This pattern has gone on for a long time, and it is an unfair burden on students and their families," Lariviere said. "The endowment will give a degree of certainty."

Lariviere's proposal consists

of three steps drawn up into two separate bills. The first bill, SB 559, details the government structure for the board, and the second bill, SJR 20, consists of the endowment.

First, a new publicly appointed board will be set up and will have the responsibility of observing the operations of the University. This board of 15 members, some of whom will be students and faculty, will have the power to adopt and enforce benchmarks that the University would be required to meet. Secondly, the accountability will be increased for the board which oversees the University's goals. Lastly comes the endowment itself.

The state will issue \$800 in bonds after locking down appropriations at \$63 million over 30 years time. As this is happening, the University will commit to raise an equal amount through private fundraising and donations before the public money from the bonds are used. This will make for a more stable financial stance with an investment of \$1.6 million. In addition, the private funds will be used to support the entire costs of the University, thus incentive is provided for unrestricted gifts.

"We are working under a

system now that isn't working. This is a risk, but not a high one," Lariviere explained at the meeting.

Lariviere did not try to deny that the plan could go unflawed, but did express full confidence in the fact that it would provide the University with a better shot at substantial increases in funding.

"This University cannot continue on its course for the sake of the University, students and faculty," said University Senate President Nathan Tublitz, who organized and acted as the master of ceremonies for the gathering. "I strongly support this plan."

Some students present at the meeting expressed their support for the plan.

"It is important to talk about and understand what this plan is about and what it can do for future Ducks," Student Alumni Association president Carissa Surace said. "Before now I have never heard of anything trying so hard to bring down the outrageous tuition costs that we have."

Copies of both legislative bills and more information on the proposal can be found on the New Partnership website at newpartnership.uoregon.edu.

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challenges as a representative and his opinions on education funding in Oregon.

Oregon Daily Emerald: When did you first move to Eugene?

Phil Barnhart: I first came to Eugene when I was three when my father was hired as the food service director at the University of Oregon. I've lived here essentially all my life in this area. This is a place that I'm very comfortable with and understand quite well.

ODE: What events or life experiences motivated you to campaign in the 2000 election for a seat as a state representative?

PB: What prompted me to want to become a legislator was the rage I felt when I realized we had made some very foolish decisions as a state in reducing the funding we had available for schools. It hit me personally because my son's fifth grade teacher was one of the many who were laid off. A lot of the people who are in politics are there because of some experience like that. The reason was that it was part of a larger problem, one that we're still working on today.

ODE: As you know, the Oregon House of Representatives is currently split perfectly, 30-30, between Democrats and Republicans. This is also the first time in state history that this has happened. What challenges have resulted from this unprecedented division, just in the legislative process itself?

PB: The main question we had in November and December before this session was,

"Are we going to be able to organize the House to allow ourselves to get any work done?"

We did, but it wasn't easy. It took a lot of effort and time, and I can tell you that we have never worked harder on organizing than we did in the last few months. Obviously there are going to be things that (each party) would like to do that we just aren't going to do, but I think we are going to be fine.

ODE: In addition to the partisan split, Oregon's Congress is also starting this year in the midst of a deficit exceeding \$3 billion, which is another first for the state. How do the financial struggles of the state reflect on the University, and why should students be concerned?

PB: The budget cuts we're dealing with now are bad in a whole bunch of ways for the University. We have a quarter less money than we need, and that means we are going to be cutting all over the place. The University currently gets money from the state, but these days it is down to a very small amount — about eight percent of the school's budget. With the cuts, obviously that eight percent will go down, and your tuition will go up even more. It's going to be harder to hire new, good professors, and harder to keep the good ones you already have.

ODE: In recent months, you have chosen to co-sponsor President Lariviere's restructuring plan, which, if approved, will grant the University \$800 million in state bonds. This, along with a promised \$800 million in anticipated donations, would be invested and used to fund the University into the future. Why have

you chosen to support it as an alternative to the current funding model?

PB: I agreed to co-sponsor the proposal because I think it is very important to have this conversation in the legislature.

A subject is always open to new information, but at this point I am convinced that the funding proposal is in the best interest of the University and the state of Oregon. If Lariviere can raise the matching amount of money from donations, then the University becomes modestly well-funded and the state doesn't even have to pay half in the long run because it is a bond measure. Now, the other issue in the proposal, the University's separate board of directors, is a lot more complicated and will require a lot more conversation. But I think blanket opposition, at this stage, is problematic.

ODE: Besides the bill carrying Lariviere's plan, what other proposals are you working on at the moment, either inside or outside the Revenue Committee?

PB: One of the many things I've been working on is increasing the fairness of the revenue system. Part of raising money is creating a system that is just, but we have a lot of problems with the Oregon tax system that need to be fixed. Last session, we passed a bill that sunsets all Oregon tax credits, including loopholes, and now we are starting the process of examining whether we want to renew them or not. My guess is that a number of them we will put to an end and leave a fairer tax system.

CITY & STATE POLITICS
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