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## Editorial: A plan to save the U of O

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It is not business as usual at the University of Oregon, where Richard Lariviere is in his first year as president. Instead, the place is the source of new and interesting ideas.

At Oregon's public universities, it has been routine over the last 20 years to lament the declining level of state support and to plead for more the next time the legislature meets, while raising tuition as fast as the legislature would require or allow.

How well has it worked? Not all that well. The state's appropriation to the University of Oregon is down to 9 percent of its budget. It amounts to about \$65 million a year, according to Lariviere.

He has come up with a three-part proposal to put the university on a sounder public footing and allow it to serve Oregon better.

Everybody says in order to regain prosperity and keep it, Oregon must put more people through higher education so they can compete with the rest of the world. Whether this is exactly true may be debatable. At the moment, colleges are pouring out huge numbers of graduates who can't find work. But in the long run it is probably a sound assumption that the economy of the future will require more training and education than most people have now.

Lariviere's proposal starts with a local governing board for the university, appointed by the governor and confirmed by the Senate, a board he could turn to for guidance on running the school. The State Board of Higher Education would become a coordinating board that would still have to approve major changes such as approving new degrees. The local board would be in charge of "all governing and budget decisions" affecting the university.

Lariviere says the reform he has in mind would hold the university more clearly accountable for meeting all of the various goals set for it. This part seems a little hazy to the outsider, but we might get an idea how it would work from a recent controversy. When Lariviere discovered the circumstances of a multimillion-dollar payment to the departing athletic director, he fired — by reassigning — the lawyer who should have overseen and prevented this. That's accountability in action.

The third leg of this stool of university reform has to do with money. Lariviere wants the legislature not to give the university more cash, but to commit itself to provide the same appropriation as now for 30 years. That's the amount that would be used for debt service on an \$800 million bond issue he is asking the legislature to authorize.

The university would match the bond proceeds from private gifts and end up with a \$1.6 billion endowment. Its earnings would be used partly to support university programs and the rest would be reinvested. His projection says that in 30 years the endowment could grow to nearly \$7 billion and yield, by that time, more than \$260 million a year to the school.

All this, Lariviere says, would enable the UO to enroll more students and make entering freshmen this guarantee: Tuition for you would not rise for four years.

Judging by Thursday's report on the disastrous outlook for state finances, lawmakers face huge problems next year. So this plan should appeal to them. It would help make sure Oregon can meet its obligations as the state's flagship public university at a price the legislature can afford. (hh)