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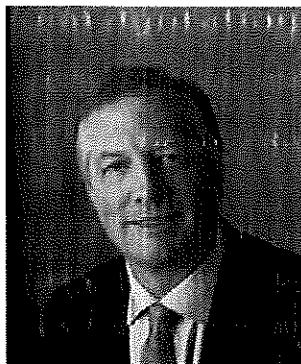
Everything Oregon

Reinvigorating Oregon's higher ed system

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By **George Rede, The Oregonian**

Editor's note: Portland businessman John E. von Schlegell recently stepped down from the Oregon State Board of Higher Education after five years of service. In a letter to Gov. Ted Kulongoski, below, he prescribes eight steps that "must happen if we want higher education in this state to survive, let alone thrive and excel."



John E. von Schlegell

Download a PDF of John von Schlegell's letter to the governor

August 25, 2009

Governor Ted Kulongoski:
Governor's Office
State Capitol, Room 254
900 Court Street NE
Salem, OR 97301-4047

Dear Governor Kulongoski:

When you persuaded me to serve on the Oregon Board of Higher Education, I agreed for two reasons: first, and most importantly, I don't believe we want a two-class system of higher education where the great private universities build large endowments and cherry pick the best faculty and students while the public universities get underfunded and over-mandated and lose their ability to be excellent. Second, I agreed because you expressed a serious and genuine desire to reverse this trend towards a two-class system and told me and fellow

recruits to the Board that "everything was on the table." Well, now that I have "retired" after 5 years on this Board, I feel I owe it to you and others to summarize what I believe should be on the table and MUST HAPPEN IF WE WANT HIGHER EDUCATION IN THIS STATE TO SURVIVE, let alone thrive and excel. Some or all of the following will likely find vehement disagreement from various stakeholders in higher education:

1) Constitutional Corporation. Higher education needs to be set up in its own public corporation with an ability to manage itself as an efficient, coordinated entity rather than a loose, less efficient confederation. This should include one line item of funding (rather than hundreds) from the State, should include freedom to develop its own unique compensation system, revenue and expense autonomy, legal support, etc. The public mission would be essential to this corporation, and the Board of Regents would be charged to ensure that the public mission of access and excellence for Oregonians was upheld. I believe the constitutional corporate structure would further and enhance our public mission, not detract from it as some would claim.

2) Funding. The higher education corporation would covenant with the legislature and the governor to achieve certain quantities and qualities of deliverables for the state. In turn the block funding should be determined with a simple formula: "no less than the U.S. median state contribution per student times the number of students Oregon wants to educate." In other words, Oregon's funding per student would need to be no worse than 25th out of 50 states. As you know, we are currently 48th or 49th.. This case can and should be made to Oregonians, but without putting our own house in order, it's difficult to ask for the investment.

3) Governance. To be asked to serve on this new Board of Regents for our public corporation should be the greatest honor a governor can bestow (not an arm-twisting) and reserved for our brightest and most capable men and women. It should be no more than 9-12 people, and self-perpetuating in that the Board would nominate successive Board members and seek approval from the Governor. This allows a Board to manage itself, hold itself accountable and take a more comprehensive approach. While I have served with many wonderful student and faculty representatives on the Board of Higher Education, this board should be a citizen board and not include those currently in the academy. There are other, better ways for faculty and students and other constituents to have a seat at the table (which of course they should have).

4) CEO Model. The public corporation needs to be established with a CEO model, and the CEO needs to have both the authority and accountability to pursue the mission of the Board. If the Board's directives (i.e., the state's mission) are not accomplished, the CEO serves at the pleasure of the Board of Regents. The current "cajole model" is not sufficient.

5) Campus Autonomy. The campuses need to have the day-to-day autonomy to manage their affairs as well as the accountability to perform within the system. The amount of micromanagement our current structure invites is highly inefficient, wasteful and really does not provide effective oversight. The university presidents need to serve at the pleasure of the CEO and the Board.

6) OHSU. OHSU should be part of this public corporation.

7) Efficiency and Creativity. The corporation should be empowered (and required) to explore creative ways to

do more with less, including curriculum rationalization across the system, a coordinated and focused plan for Portland, on-line education (we should lead the nation in web-based solutions as part of our system offering), boundaries/coordination with community colleges, technology and intellectual property transfer, etc.

8) Marketing. You and I explored some of this with Weiden + Kennedy and others, but this corporation needs to have a marketing campaign that reaffirms what higher education does for Oregon, the ROI to the treasury as well as the civic and regional benefits to the inner city and to the most remote ranch. We have not done a good, coordinated job on making our case and we continue to pay the price.

I realize the political obstacles regarding the above proposals are above my pay grade, but each and every item is essential, in my opinion, to the viability of public higher education in Oregon. Consequently, we do not have a choice.

Best regards,

John E. von Schlegell

cc: Paul Kelly

George Pernsteiner

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