

UO financing plan put on hold

The proposal to establish a separate governing board and a big operations endowment is shelved until 2012

By GREG BOLT
The Register-Guard

University of Oregon President Richard Lariviere's plan to radically change how the UO is financed and managed will be put aside until next year following an agreement between the governor and Lariviere.

In an announcement Wednesday, Lariviere and Gov. John

Kitzhaber said they will work to enact the governor's top education priority during the current legislative session and turn to considering Lariviere's proposals when lawmakers convene again next February. Lariviere had hoped to get his plan through the Legislature this year but said Wednesday that it makes sense to take more time and build support for the changes.



Richard Lariviere

and using state bonds to help establish a large endowment that would finance university operations. But in a letter to Lariviere, Kitzhaber stops short of

Lariviere asserted that Kitzhaber is now behind his plan, known as the New Partnership, which includes establishing a separate governing board for the UO

endorsing the plan and instead said he's committed to giving it a fair and detailed hearing.

"This is a big, complicated shift, and it takes a lot of time to educate people," Lariviere said. "So in some ways this is a welcome reprieve, especially in light of the governor being as supportive as he has been."

The governor wants lawmakers in the current session to approve his plan for a single board that oversees education from prekindergarten through college. The Oregon Education In-

vestment Board would supplant both the state Board of Education and the Board of Higher Education and would combine elementary and secondary schools, community colleges and universities into a unified enterprise with a single budget.

Kitzhaber already has named an education team to develop a framework for the new board while a bill works its way through the Legislature. The 13-member team, with the gover-

Turn to EDUCATION, Page B6

Education: State board has its own plans for reform

Continued from Page B1

nor as chairman, includes Lane Community College President Mary Spilde.

Kitzhaber and Lariviere agreed that trying to get the New Partnership plan through the Legislature this session was a tall order, given the state's significant budget challenges and Kitzhaber's desire to push the OEIB through first. In his letter to Lariviere, Kitzhaber said he would include the New Partnership ideas in a package of reforms he intends to propose next year.

"I expect that these recommendations will include full consideration of establishing local governing boards and endowment partnerships for our universities," the governor wrote. "... Your ideas are thoughtful and advance the greater mission of our educational system."

State Sen. Lee Beyer, a Democrat from Springfield, said he supports the New Partnership but agreed it was facing tough odds in the current session, given that lawmakers hadn't had time to study it before the session began. Big changes usually take time, he said.

"I thought this was a very credible way to endow the university for long-term financial stability," he said. "I guess it's just short steps forward. Sometimes it takes two or three sessions to get things done."

Although the delay could be seen as a setback, Lariviere could gain a powerful ally if Kitzhaber becomes an advocate for the New Partnership. While the plan has support from faculty groups on campus, it is opposed by student groups and, for the time being, by the state higher education board.

The state board has its own plan for revamping the university system, one that remains before the Legislature. Board members have said they want that plan considered ahead of Lariviere's, so waiting a year could at least blunt the board's concerns.

But it's not clear whether the higher education board's proposals, which call for greater independence from the state, mesh with the governor's. And the board has been lukewarm at best to establishing the education investment board, which would replace the higher education board.

Lariviere's decision to pursue the New Partnership in the face of the state board wanting him to delay caused some friction, and his decision to support the governor's education investment board could again put the UO president at odds with the board's goals.

But Lariviere, who said he supports the state board's proposals, discounted that idea.

"I don't think it will create any more friction," he said. "I have never felt any competition or conflict with the ideas of the state board and our position."