

The Register-Guard

EUGENE, OREGON

THURSDAY, JUNE 16, 2011

"We were not pleased that the University of Oregon went down that path for much of the legislative session."

— PAUL KELLY, PRESIDENT OF THE STATE BOARD OF HIGHER EDUCATION

Rules change for Lariviere

The UO president faces new conditions in his contract that bar him from bypassing the state higher ed board

By GREG BOLT
The Register-Guard

The state Board of Higher Education is tightening the reins on University of Oregon President Richard Lariviere following his decision to pursue sweeping changes at the UO in spite of board objections.

Several new conditions are being added to Lariviere's contract that, among other things,

bar him from doing what he did this year: take a major overhaul of the university directly to legislators without the board's approval. Instead, he can only pursue such changes "through the board's processes."

The new language appears to be the price Lariviere will pay for essentially bypassing the board with his New Partnership plan, which would make big changes in how the UO is funded and



Richard Lariviere

managed. He still is free to pursue the plan, but only by first bringing it to the board and winning its approval. Members of the higher education board approved the new conditions during a phone meeting Tuesday. The conditions are part of a one-year extension of Lariviere's contract, which is expected to be finalized next month. Yet to be hammered out

is Lariviere's compensation; he was hired in March 2009 at an annual salary of \$540,000, which included a state-funded salary of \$245,700 a year plus supplements from the UO Foundation and in deferred compensation.

Through a spokesman, Lariviere said Wednesday he didn't have anything further to add to the board's discussion. He continues to support the board's reform plan and an education reform measure pushed by Gov. John Kitzhaber. Lariviere with-

Turn to LARIVIERE, Page A5

Lariviere: Board's, governor's reform plans are in committee

Continued from Page A1

drew the New Partnership legislation to help pass Kitzhaber's bill.

The New Partnership would make significant changes in how the UO is funded and managed. For one, it would establish a separate board to oversee just the UO, something no Oregon university has had since the 1920s.

Also, Lariviere's plan calls for using \$800 million in state-backed bonds, matched by private donations, to set up an endowment. Payouts from the endowment would replace funding the UO now gets from the state's general fund.

Paul Kelly, president of the state Board of Higher Education that oversees the Oregon University System, acknowledged that board members were not happy with Lariviere's end-run with the New Partnership. The state board is pushing a different reform plan for higher education, and it saw Lariviere's plan as a distraction or worse.

"We did not approve that," Kelly said Wednesday. "In fact, we objected

to the University of Oregon's pursuit of it in face of the board's proposal. ... We were not pleased that the University of Oregon went down that path for much of the legislative session."

The board's reform plan currently is in the Joint Ways and Means Committee, but Kelly said he's optimistic it will emerge in time for the House and Senate to vote on it and believes it will be approved. Kitzhaber's plan also is in Ways and Means but may have a tougher time getting a vote.

"Work within the tent"

Kelly stressed that the board isn't trying to muzzle Lariviere and hasn't said it opposes the New Partnership. He said the contract language is meant only to ensure that Lariviere follows board procedures for proposing changes.

"It's about having everybody work within the tent instead of wandering outside the tent," he said.

In fact, Kelly praised Lariviere's overall performance.

"President Lariviere is an extremely capable, tal-

ented guy who has already done some terrific things at the University of Oregon and, more importantly, has great leadership potential, not just for the U of O but the entire state public higher education system," he said. "We envision a long-term relationship with Richard and hope he wants to be at the U of O for a long period of time."

However, it's clear the board isn't prepared to commit to that long-term relationship yet. Lariviere will get only a one-year contract, even though another president who started at the same time as Lariviere, Bob Davies at Eastern Oregon University, was given a two-year contract at the same meeting.

Another addition to Lariviere's contract is a clause allowing the board to terminate him without cause with 30 days' notice. Other language requires Lariviere to attend board meetings and meetings of the university presidents and to actively participate in discussions over university management and financing.

Kelly said Lariviere has not been attending OUS

meetings "as fully and frequently as we would like."

The one-year contract isn't meant to imply a lack of confidence, Kelly said. He said it reflects the potential for big changes in the state's higher education system that reform efforts could soon bring, which are likely to have a bigger effect on the UO than smaller schools such as EOU. The shorter contract gives both the board and Lariviere more flexibility to deal with any changes, Kelly said.

"Frankly, we could all be looking at a very different landscape a year from now," he said. "We felt that the time frame was appropriate given that potential."

Not an unusual move

The new contract conditions make it clear the board wants to see some changes in Lariviere's approach to certain issues. But that doesn't necessarily mean his position is in jeopardy, and it's not a particularly unusual move for the state board, one former board member said.

Tony Van Vliet, who not only served on the board in the 1990s but also was a

state legislator and forestry professor at Oregon State University, said it's not uncommon for the board to address specific issues through contract language. But Van Vliet still believes Lariviere got off easy.

"If this had been 1980, he would have been gone," he said, referring to the ouster of then-UO President Paul Olum following a similar incident. Olum had gone around the board to seek more funding for the UO from the Legislature, drawing the ire of Chancellor Bud Davis, who sacked him.

"I am surprised that he even got this far doing the things that he did at the Legislature," Van Vliet said of the UO president.

Van Vliet said Lariviere's tactics seem to reflect what he and others have long seen as an attitude problem at the UO, which he said is sometimes seen as putting its own interests ahead of the rest of the higher education system.

"During my tenure on the board, the University of Oregon has not been a team player," he said.

"There's a lot of hard feelings about how business is done there."

Kelly was less blunt but nonetheless shared the view that the state's public universities need to work together under the system established by voters and legislators. Under that system, university presidents are hired by and answer to the state board, which also manages all seven public universities for the benefit of the entire state.

"The University of Oregon is not a stand-alone institution in Oregon," Kelly said. "We cannot let one institution do what it alone prefers to do."