

# Inter-Institutional Faculty Senate

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Remarks by IFS President Peter Gilkey  
to the State Board 6 March 2009

My name is Peter Gilkey – I am a Professor of Mathematics and I have the high honor and privilege to be President of the InterInstitutional Faculty Senate this year. I would like to address you on two topics. The first deals with enrollment management and the second with fund balances.

## **Bilateral enrollment agreements.**

In February, Chancellor Pernsteiner asked the IFS to come up with creative new ideas that would help us in these turbulent economic times. I would like to discuss one such idea that relates to enrollment management.

Several OUS Universities have excess student demand that they can not satisfy and others have excess student capacity. The IFS considered one such pairing. The University of Oregon has more qualified Oregon students who apply than can be admitted; Southern Oregon University has more capacity than applicants. The IFS recommends that perhaps 300 students per year who are highly qualified but who can not be admitted to the UO be offered the opportunity to attend SOU with the guaranteed option to transfer to the UO for their upper division work 2 years hence should they fulfill certain conditions which would worked out and specified in advance.

This seems an excellent fit – SOU has a very strong liberal arts program and the UO has some attractive upper division majors. An additional 300 students could produce a significant amount of extra revenue for SOU. And surely not all of the 300 students would in fact transfer for their upper division work to the UO – many would make friends in Ashland and decide in the end not to transfer – the winter weather is better in Ashland than Eugene -- but it would be **their** choice. So in addition to the financial advantages for SOU, this would also increase access for Oregon Students. And such a bilateral enrollment agreement might in time lead to other mutually beneficial collaborations between SOU and the UO.

We are not proposing a “takeover” of SOU by the UO as might be contemplated under Senate Bill 442. The two institutions have very different missions and cultures. Attempting to combine them would emesh higher management and faculty at both institutions in bureaucratic nightmares – it would cost enormous amounts of time and energy that can not be spared. And, honestly, there are no real cost savings to be had. Businesses that have “bought out” other companies have often found enormous difficulties in merging the two into one entity. We can not afford those costs at this time. In fact, we are proposing an agreement between equals – a bilateral agreement that could be implemented by the administrations of SOU and the UO with a minimum of fuss and a maximum gain in access and revenue.

Surely there are other bilateral partnerships that could be worked out – EOU has excess capacity for example – and additionally there may well be programs at some Universities with excess demand matched by others with excess capacity at other Universities in our system. I am sure these ideas have occurred to our Provosts.

### **Fund Balances.**

I now want to talk about a truly terrible idea that I have seen in the newspapers. That is that the “fund balances” at the OUS Universities somehow represent excess money that can be “swept up” by the State to cover budget deficits elsewhere. We are all very different so in the interests of brevity let me discuss just 3 of our institutions separately.

1. **EOU:** It is likely that EOU’s fund balance may dip below the 5% level by the end of the fiscal year which is below the board’s minimum fund balance requirements. As well, EOU may need fund balances to support auxiliary debt if residence hall occupancy does not improve. And there are strategic investments in enrollment that need to be made as well as other demands on these funds.
2. **OSU:** Reductions to the fund balances mean that the support they provided to leverage grants, personnel expenses, course instructional support and other related activities, will be affected. Using the fund balances to offset immediate reductions also means that OSU will now need to look even more cautiously at E&G spending in the future.
3. **WOU:** The WOU tuition promise (entering students have a fixed tuition rate for their education) affords students the ability to plan for their college finances with greater certainty. But this program requires high fund balances – WOU receives revenue today it needs in the future to pay for cost escalation in purchased services and supplies, employee benefit cost increases, promotions, and compensation changes.