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ARCHIVES DIVISION
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TEMPORARY ADMINISTRATIVE ORDER
INCLUDING STATEMENT OF NEED & JUSTIFICATION
HECC 1-2017
CHAPTER 715
HIGHER EDUCATION COORDINATING COMMISSION

FILED
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ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Distribution of Engineering Technology Sustaining Funds to Oregon public universities.

EFFECTIVE DATE: 10/20/2017 THROUGH 04/17/2018

AGENCY APPROVED DATE: 10/12/2017

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NEED FOR THE RULE(S):

This rule is necessary in order to allow for distribution of legislatively appropriated engineering technology sustaining funds while a workgroup develops a new allocation formula. Without this temporary rule, no funds will likely be distributed until Q4 FY 2018, imperiling programs at public universities that rely on such funds. This temporary approach is based on the funds distributed in Q2 and Q3 of FY16. The final rule developed as a result of the workgroup may differ significantly from this temporary rule and a settle-up may be required in order to adjust Q4 FY 2018 distributions to match the workgroup developed rule.

JUSTIFICATION OF TEMPORARY FILING:

This need is justified in order to allow for legislatively appropriated funds to be distributed to public universities to support engineering technology programs while a workgroup develops a new allocation formula for such funds.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

Previous 2015 Workgroup Outcomes and Workgroup Description/Next Steps.

Available on the HECC Website at: http://www.oregon.gov/HigherEd/Documents/HECC/FA/2015/11_Nov-5-15/6.0EngineeringTechnologySustainingFundsWorkgroupCharge.pdf

AMEND: 715-013-0062

RULE SUMMARY: This rule is necessary in order to allow for distribution of legislatively appropriated engineering technology sustaining funds while a workgroup develops a new allocation formula. Without this temporary rule, no funds will likely be distributed until Q4 FY 2018, imperiling programs at public universities that rely on such funds. This temporary approach is based on the funds distributed in Q2 and Q3 of FY16. The final rule developed as a result of the workgroup may differ significantly from this temporary rule and a settle-up may be required in order to adjust Q4 FY 2018 distributions to match the workgroup developed rule.

CHANGES TO RULE:

Engineering Technology Sustaining Funds ¶

(1) Definitions ¶

(a) ~~Engineering and Technology Industry Council or ETIC was the body established by ORS 351.663 and abolished by Section 5, Chapter 682 Oregon Laws 2015, for the purposes of improving engineering education in the state of Oregon. ¶~~

(b) ~~The Higher Education Coordinating Commission or HECC is the body established by ORS 351.740.075 and appointed by the Governor. ¶~~

(c) ~~Historical Funding is funding based upon a university's historical allocation of ETIC Sustaining Funds in fiscal year 2015 as approved by the Oregon Education Investment Board (OEIB). ¶~~

(d) ~~Oregon Education Investment Board (OEIB) was the body established by section 1, chapter 519, Oregon Laws 2011 and appointed by the Governor. ¶~~

(e) ~~Oregon Health and Science University (OHSU) is an independent public corporation established by ORS 353.020. ¶~~

(f) ~~Oregon Students, Oregon Jobs Model is defined as the model that had been developed by ETIC and submitted to the HECC to award funds based on placement of Oregon resident graduates in Oregon jobs. ¶~~

(g) ~~A Public University is any institution as defined in ORS 352.002, including; Eastern Oregon University (EOU), Oregon Institute of Technology (OIT), Oregon State University (OSU), Portland State University (PSU), Southern Oregon University (SOU), University of Oregon (UO) and Western Oregon University (WOU). ¶~~

(h) ~~2) Sustaining Funds are funds designat~~The funds distributed through this rule are those defined by in the Legislature as legacy ETIC Sustaining Funds SB 5524 (2017) budget report as Engineering Technology Sustaining Funds, which is listed in the Public University State Programs section of the budget report. ¶

(2) ~~This rule allocates~~distributes Engineering Technology Sustaining Funds to Public Universities and OHSU for the 2015-17 biennium. for part of fiscal year (FY) 2018. ¶

(3) ~~Allocations in the first year of any biennium shall be 49% of total appropriated for the biennium. The remainder shall be~~This rule is intended only to provide temporary distribution authority until a permanent allocat~~ed in the second year of the biennium. ¶~~

(4) ~~Sustaining Funds are to be spon~~ension and distribution rule is established and may not be relied upon, in part or in full, when attempting to predict fin~~supportal distributions of engineering and technology related programs in support of Oregon industry. ¶~~

(5) ~~Allocas~~sustaining funds to specific public universities. ¶

(5) Distributions shall be made by the HECC to Public Universities and OHSU for the fiscal yeas follows: ¶

(a) For the quarter beginning on July 1, 2015 as follows; ¶

(a) ~~80% of available funds shall be allocated on the basis of H~~October 1, 2017, distorical Funding. Of these funds, the allocab~~utions shall be as follows; ¶~~

(A) ~~Eastern Oregon University shall receive \$144,6093,211. ¶~~

(B) ~~Oregon Health Sciences University shall receive no historical funding. ¶~~

(C) ~~Oregon Institute of Technology shall receive \$44574,59274. ¶~~

(D) ~~Oregon State University shall \$6,179,3234,223,146. ¶~~

(E) ~~Portland State University shall receive \$2,410,1661,908,441. ¶~~

(F) ~~Southern Oregon University shall receive \$168,44741,625. ¶~~

(G) ~~The University of Oregon shall receive no historical funding~~\$64,710. ¶

(H) ~~G) Western Oregon University shall receive \$237,770. ¶~~

(b) ~~20% of available funds shall be allocated in the proportions indicated by the Oregon Students, Oregon Jobs Model. Of these funds, the alloca~~180,092. ¶

(b) For the quarter beginning January 1, 2018, distributions shall be as follows; ¶

(A) ~~Eastern Oregon University shall receive \$10,81437,337. ¶~~

(B) ~~Oregon Health Sciences University shall receive no funds. ¶~~

(C) Oregon Institute of Technology shall receive \$513,4230,152.¶

(D) Oregon State University shall receive \$862,0721,691,625.¶

(E) Portland State University shall receive \$771,84164,445.¶

(F) Southern Oregon University shall receive \$67,68856,729.¶

(G) The University of Oregon shall receive \$107,825,920.¶

(H) Western Oregon University shall receive \$672,503137.¶

(6c) ~~Allocations shall be made by the HECC to public universities and OHSU for the fiscal year~~For the quarter beginning July~~April 1, 2016 as follows;~~¶

(a) ~~Funding to each public university shall continue in amounts equal to those in section 5.~~¶

(b) ~~The additional fu~~8. distributions may be determined and available shall be allocated to institutions which have not reached funding indicated in the Oregon Student, Oregon Jobs Model. Of these funds, the allocations shall be as follows:¶

(A) Eastern Oregon University shall receive no funds.¶

(B) Oregon Health Sciences University shall receive no funds.¶

(C) Oregon Institute of Technology shall receive \$287,431.¶

(D) Oregon State University shall receive no funds.¶

(E) Portland State University shall receive \$105,785.¶

(F) Southern Oregon University shall receive \$17,318.¶

(G) The University of Oregon shall receive \$77,906.¶

(H) Western Oregon University shall receive \$586.¶

(7) ~~The continued allocation of Historical Funding is contingent upon institutions maintaining performance consistent with past efforts.~~djusted by means of a settle-up procedure in order to adjust for the new allocation formula to be adopted by rule for distribution of Engineering Technology Sustaining Funds. This settle-up may result in either an increase or decrease in engineering technology sustaining funds distributed to a particular public university for the 2017-18 fiscal year. ¶

(86) ~~The HECC will give deference to any legislative designation of specific resources or policy decisions when making determinations on allocation of funds.~~is rule shall expire upon the promulgation of an alternative rule or on April 17, 2018, whichever is sooner.

Statutory/Other Authority: ORS 351.730,075(56)

Statutes/Other Implemented: ORS 351.735(3)(iii)(f), 2015 OL Ch 682 Chapter 595, Oregon Laws 2017