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INTRODUCTION TO HIGHER EDUCATION CAPITAL FUNDING

BEN CANNON, EXECUTIVE DIRECTOR, HECC

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April 13, 2017

Presented to: Joint Ways and Means Education Subcommittee



PRESENTATION SCHEDULE

Day 1-2, March 27-28	<ul style="list-style-type: none">• Introduction to Higher Education Structure and Students, Progress toward State Goals, Quick Funding History
Day 3-4, March 29-30	<ul style="list-style-type: none">• Affordability: Key Factors, State Financial Aid Programs + Intro to Student Pathways
Day 5, April 3	<ul style="list-style-type: none">• Student Pathways and Transitions: Precollege, Inter-college, Private Postsecondary, Workforce
Day 6, April 4	<ul style="list-style-type: none">• Public Testimony
Days 7-8, April 5-6	<ul style="list-style-type: none">• State Support for Community Colleges• Community College presentations
Day 9, April 10	<ul style="list-style-type: none">• Public Testimony
Days 10-11, April 11-12	<ul style="list-style-type: none">• State Support for Public Universities• University presentations
Day 12, April 13	<ul style="list-style-type: none">• Capital Construction, Other Missions of Universities
Day 13, April 17	<ul style="list-style-type: none">• Public Testimony
Day 14, April 18	<ul style="list-style-type: none">• OHSU Budget and Public Testimony
Day 15, April 19	<ul style="list-style-type: none">• An Integrated postsecondary agency, HECC Operations, Conclusion

Start dates for presentation topics are tentative

CAPITAL CONSTRUCTION REQUEST: **PUBLIC UNIVERSITIES**

Andrew Rogers, Director,
University Budget &
Finance



GOVERNOR'S RECOMMENDED BUDGET (GRB/CSL): STATE SUPPORT FOR PUBLIC UNIVERSITY DEBT SERVICE

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Support Debt Service on Previous University Capital Projects	Supports debt service on previously approved capital projects for the universities	\$151.6M (\$119.7M GF, \$31.9M LF)	\$193.6M (\$161.7M GF, \$31.9M LF)	\$193.8M (\$161.9M GF, \$31.9M LF)
Change from 2015-17				+21.8% from LAB +0.1% from CSL

NOTE: This slide focuses primarily on General Fund (GF) and Lottery Fund (LF) dollars, not Other Funds. LAB: Legislatively Adopted Budget, GRB: Governor's Recommended Budget, CSL: Current Service Level

GOVERNOR'S RECOMMENDED BUDGET (GRB/CSL): PUBLIC UNIVERSITIES: NEW CAPITAL FUNDING

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Support University New Capital Funding	Supports new general obligation bond proceeds funding 18 new capital construction projects at all seven public universities. Thirteen of these projects are funded with Article XI-G and Article XI-Q bonds repaid by state General Fund.	\$308.9M OF (\$252.0M State Paid, \$56.9 M University Paid)	N/A	\$349.8M OF Limitation (\$269.6M State Paid, \$80.3M Univ. Paid)
Change from 2015-17		N/A	N/A	N/A
Support University and Community College Campus Safety	Supports lottery bond proceeds related to safety infrastructure investments at Oregon public colleges and universities recommended by the Oregon Campus Safety Workgroup.	N/A	N/A	\$15.0M
Change from 2015-17		N/A	N/A	N/A

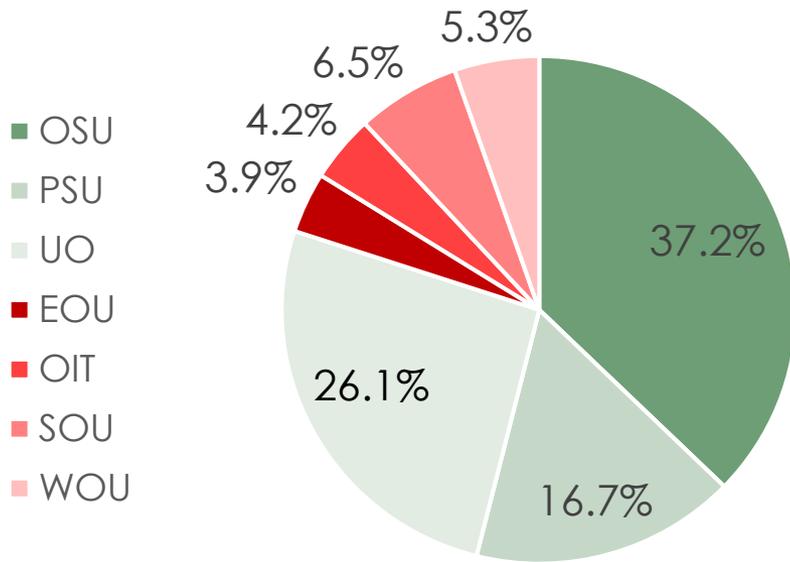
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UNIVERSITY CAPITAL PORTFOLIO

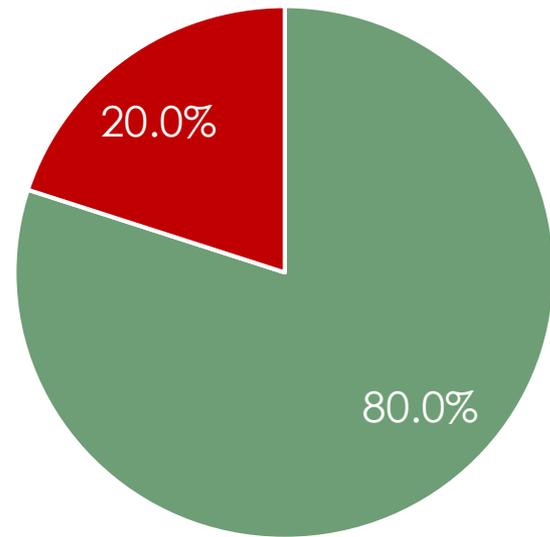
Public University E&G Capital Portfolio, Fall 2016			
	Buildings	GSF	Notes
Total University E&G	597	15,702,789	
Individual Institutions E&G GSF and Buildings			
Institutions	Buildings	GSF	% of Total E&G Space
EOU	20	606,898	3.9%
OIT	32	666,922	4.2%
OSU	265	5,848,180	37.2%
PSU	42	2,619,048	16.7%
SOU	52	1,024,655	6.5%
UO	145	4,099,221	26.1%
WOU	41	837,865	5.3%

DISTRIBUTION OF EDUCATION AND GENERAL (E&G) GROSS SQUARE FEET BY INSTITUTION

Overall Gross Square Feet (GSF) 15,702,789



Big Institutions vs. Technical Regional Universities (TRUs)



Big Institutions-
12,556,449 GSF

TRU Institutions-
3,136,340 GSF

■ Big Institutions ■ TRU Institutions

UNIVERSITY CAPITAL PROCESS

HECC Capital Principles and Scoring Rubric development: Feb.-May



University President's develop Tier I, II and III capital list: April



University capital submission: May



HECC Scoring and ARB development: May.-Nov.



Assist in GRB Considerations: Nov.



GRB finalized list: Dec.

HECC UNIVERSITY CAPITAL PRINCIPLES

All state backed debt will support the Commission's Strategic Plan through investments in:

- Classroom, Laboratory, Research or Student Services space

Institutions must plan for ongoing operational and maintenance needs of current and future capital portfolio

State backed debt will serve either to

- Extend the useful life of current capital assets
- Expand capacity to meet needs of students
- Develop or extend key competitive advantages

Projects which generate operational cost savings will be prioritized

HECC UNIVERSITY CAPITAL PRINCIPLES, CONTINUED

The HECC, in conjunction with institutions will evaluate key capacity constraints across the portfolio of institutions to prioritize investment

Public-private and multi-party collaborations will be encouraged

Leveraging of non-state resources, including private and university funds will be encouraged

Deferred maintenance and capital debt prioritization will focus on aligning economic incentives of institutions and state capital investment

HECC 2017-19 CAPITAL RUBRIC

Project must meet Campus Master Plan, OEIB and HECC Strategic Plans	<ul style="list-style-type: none"> • Minimum threshold
HECC priorities	<ul style="list-style-type: none"> • Ease capacity constraints within portfolio <ul style="list-style-type: none"> • 10 pts • Support student completion <ul style="list-style-type: none"> • 10 pts • Support research & economic development <ul style="list-style-type: none"> • 5 pts • Collaboration <ul style="list-style-type: none"> • 5 pts
Deferred maintenance and cost savings	<ul style="list-style-type: none"> • 10 pts
Life, safety and code compliance	<ul style="list-style-type: none"> • 10 pts
Campus priority	<ul style="list-style-type: none"> • 20 pts
Enhance current effort	<ul style="list-style-type: none"> • 5 pts
Leveraging campus and external support	<ul style="list-style-type: none"> • 15 pts
Strategic priority	<ul style="list-style-type: none"> • 10 pts

BRIEF OVERVIEW OF BOND TYPES

XI-F(1) Bonds-Backed by university revenues. Can be utilized for non E&G projects.

- University pays full debt service.

XI-G Bonds-University provides dollar for dollar match to state bonding commitment. Restricted to higher education facilities (University, OHSU and CC)

- State pays debt service.

XI-Q Bonds. Fully state paid. Restricted to state owned buildings only.

- State pays full debt service.

PUBLIC UNIVERSITY CAPITAL REQUEST (GRB)

Public University Prioritized Capital Construction Request, 2017-19 Biennium
GRB (in thousands \$) (table one)

Institution	Project	State-Paid Debt			State Paid Cumulative Total	Campus Paid Debt & Resources			Total
		XI-G	XI-Q	State-Paid Total		XI-F	Gifts/Other	Campus Total	
All	Capital Improvement & Repair		\$ 45,650	\$ 45,650	\$ 45,650				\$ 45,650
PSU	4th & Montgomery for Graduate School of Education	\$ 40,500		\$ 40,500	\$ 86,150	\$ 6,000	\$ 52,000	\$ 58,000	\$ 98,500
OSU	Gilkey Hall Renovation	\$ 2,000	\$ 1,000	\$ 3,000	\$ 89,150		\$ 2,000	\$ 2,000	\$ 5,000
OSU	Oregon Quality Foods & Beverage Center	\$ 9,000	\$ 0	\$ 9,000	\$ 98,150		\$ 9,000	\$ 9,000	\$ 18,000
EOU	Information Technology Equipment Facility		\$ 1,200	\$ 1,200	\$ 99,350				\$ 1,200
OSU	Cordley Hall Renovation Phase I		\$ 15,000	\$ 15,000	\$ 114,350				\$ 15,000

PUBLIC UNIVERSITY CAPITAL REQUEST (GRB)

Public University Prioritized Capital Construction Request, 2017-19 Biennium
GRB (in thousands \$) (table two)

Institution	Project	State-Paid Debt			State Paid Cumulative Total	Campus Paid Debt & Resources			Total
		XI-G	XI-Q	State-Paid Total		XI-F	Gifts/ Other	Campus Total	
OIT	Center For Excellence In Engineering And Technology/Renovation Of Cornett Hall	\$ 4,000	\$ 34,000	\$ 38,000	\$ 152,350		\$ 4,000	\$ 4,000	\$ 42,000
UO	Classroom and Faculty Office Building	\$ 30,000	\$ 14,000	\$ 44,000	\$ 196,350		\$ 30,000	\$ 30,000	\$ 74,000
SOU	Central Hall Modernization		\$ 6,000	\$ 6,000	\$ 202,350				\$ 6,000
WOU	Oregon Military Academy – Phase 2 Renovation	\$ 500	\$ 7,200	\$ 7,700	\$ 210,050		\$ 500	\$ 500	\$ 8,200
OSUC	Cascades Expansion- a. Site Reclamation		\$ 9,000	\$ 9,000	\$ 219,050				\$ 9,000
OSUC	Cascades Expansion- b. Campus Infrastructure		\$ 11,000	\$ 11,000	\$ 230,050				\$ 11,000

PUBLIC UNIVERSITY CAPITAL REQUEST (GRB)

Public University Prioritized Capital Construction Request, 2017-19 Biennium
GRB (in thousands \$) (table three)

Institution	Project	State-Paid Debt			State Paid Cumulative Total	Campus Paid Debt & Resources			Total
		XI-G	XI-Q	State-Paid Total		XI-F	Gifts/ Other	Campus Total	
UO	Knight Campus for Accelerating Scientific Impact	\$ 34,000	\$ 0	\$ 34,000	\$ 264,050		\$ 100,000	\$ 100,000	\$ 134,000
EOU	Loso Hall Renovation, Phase One		\$ 5,500	\$ 5,500	\$ 269,550				\$ 5,500
EOU	Track and Field Facilities Restoration Project				\$ 269,550	\$ 750	\$ 750	\$ 1,500	\$ 1,500
PSU	University Center Building Land Purchase				\$ 269,550	\$ 15,000	\$ 2,000	\$ 17,000	\$ 17,000
PSU	12th and Market Resident Hall				\$ 269,550	\$ 53,500	\$ 10,000	\$ 63,500	\$ 63,500
OIT	Student Recreation Center				\$ 269,550	\$ 5,000		\$ 5,000	\$ 5,000
		\$ 120,000	\$ 149,550	\$ 269,550	\$ 269,550	\$ 80,250	\$ 210,250	\$ 290,500	\$ 560,050

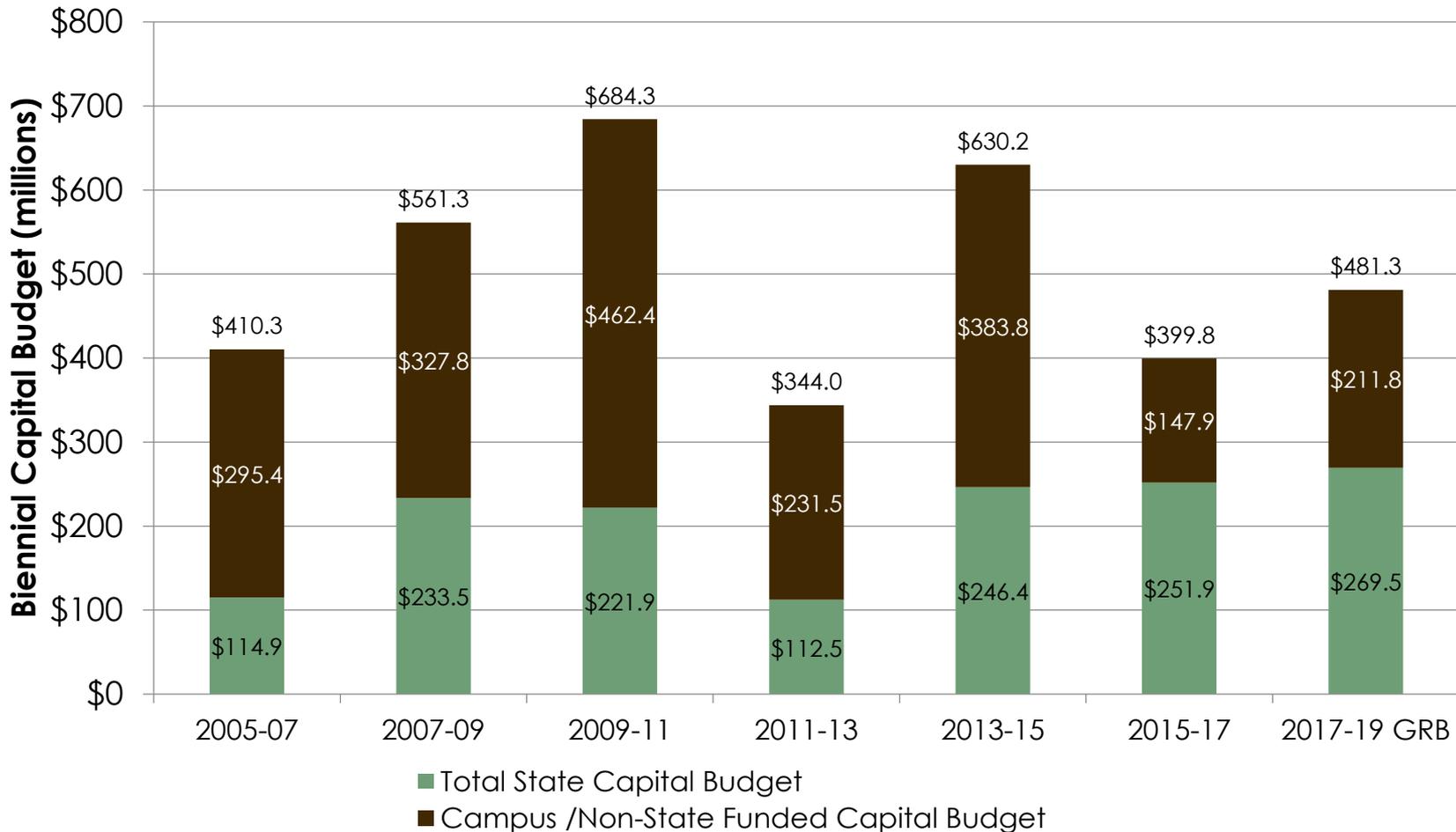
SYSTEMWIDE - CAPITAL REPAIR AND RENEWAL

Provides
an
omnibus
capital
funding
category
to
address

- Current capital improvements
- Code compliance
- ADA and safety related projects

CAPITAL CONSTRUCTION FUNDING

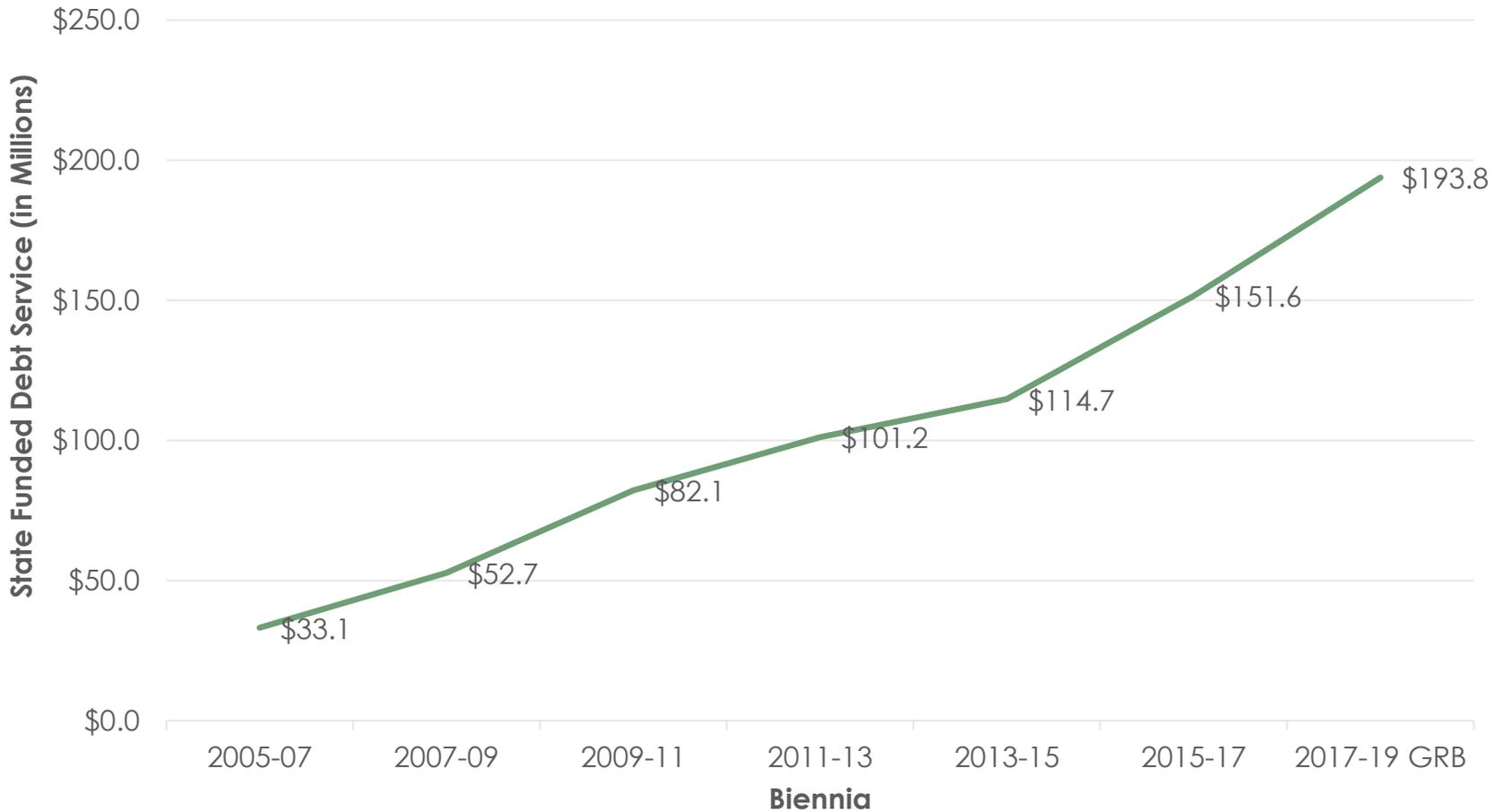
General Fund and State Backed Debt (Public Universities)



Source: HECC Office of University Coordination

STATE FUNDED DEBT SERVICE HISTORY

Total State Funded Debt Service (GF+LF)



Source: OUS Budget Summaries 2005-2006, through 2014-15, HECC BRS 2016-17, and Governor's Recommended Budget (2017-19).



CAPITAL CONSTRUCTION REQUEST: **PUBLIC COMMUNITY COLLEGES**

Patrick Crane, Director,
Community Colleges
and Workforce
Development

LBCC

GOVERNOR'S RECOMMENDED BUDGET (GRB):
**STATE SUPPORT FOR PUBLIC COMMUNITY COLLEGE
 DEBT SERVICE**

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Support Debt Service on Previous Community College Capital Projects	Supports debt service on previously approved capital infrastructure projects for the community colleges	\$35.1M (\$24.6M GF, \$10.5M LF)	\$43.8 M (\$32.1M GF, \$11.7M LF)	\$43.8M (\$32.1M GF, \$11.7M LF)
Change from 2015-17				+19.9%

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GOVERNOR'S RECOMMENDED BUDGET (GRB): PUBLIC COMMUNITY COLLEGES: NEW CAPITAL INFRASTRUCTURE FUNDING

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Support Community College Capital Infrastructure Funding	Supports bond proceeds funding eleven campus infrastructure projects at community colleges, through Article XI-G bond program.	N/A	N/A	\$75.2M OF Limitation
Change from 2015-17				N/A
Support University and Community College Campus Safety	Supports lottery bond proceeds related to safety infrastructure Investments at Oregon public colleges and universities recommended by the Oregon Campus Safety Workgroup.	N/A	N/A	\$15.0M OF Limitation
Change from 2015-17		N/A	N/A	N/A

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COMMUNITY COLLEGE CAPITAL RULES

Community college capital construction projects are funded by XI-G bonds or lottery funds.

Colleges may not have more than one project approved for XI-G bond funding that are awaiting match funds.

For biennia beginning on or after July 1, 2015, the aggregate amount authorized for the issuance of XI-G bonds for projects at a single college may not exceed \$8 million.

COMMUNITY COLLEGE CAPITAL PROCESS

Due Diligence Report templates sent to colleges: Feb

Due Diligence Reports for Tier I and Tier II projects due to HECC: March

Capital Construction Workgroup conducts blind review and ranking, makes recommendations to HECC staff: April

HECC staff present overview to or process and proposals to Funding and Achievement subcommittee: April

Oregon Presidents Council finalizes recommendations for HECC staff: April

HECC reviews final staff recommendations for Tier I and Tier II projects: May

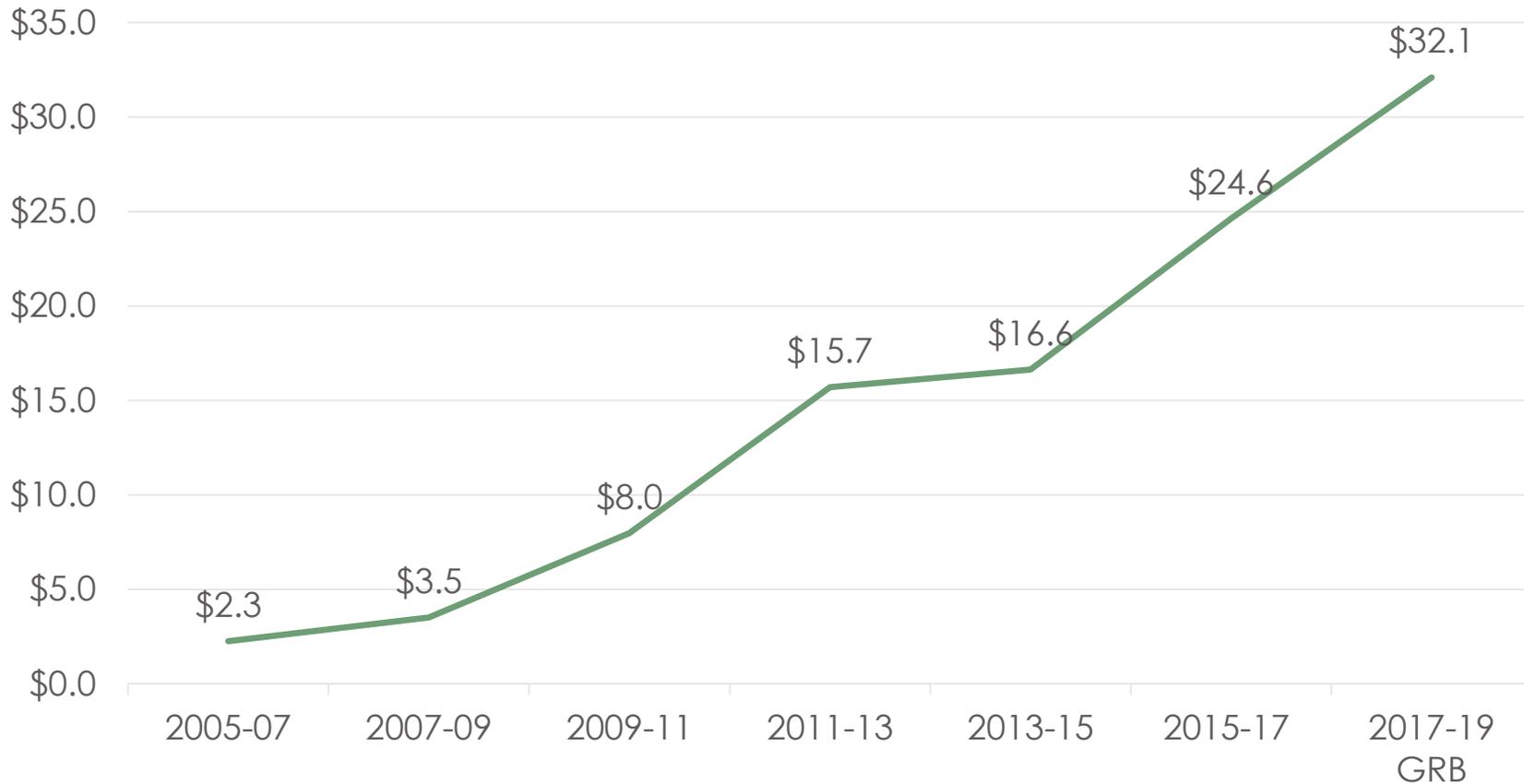
CC CAPITAL CONSTRUCTION PROJECTS

GRB Community College Capital Construction Projects for 2017-19 Biennium

College	Project	XI-G Bonds Requested	Total Project Cost
Umpqua Community College	New industrial technology building	\$ 8,000,000.00	\$ 20,110,414.00
Linn Benton Community College	Student affairs and campus safety space renovation	\$ 7,500,000.00	\$ 15,062,670.00
Chemeketa Community College	New agricultural complex	\$ 6,000,000.00	\$ 17,060,313.00
Portland Community College	Health Training Building Renovation	\$ 8,000,000.00	\$ 22,500,000.00
Lane Community College	New health care village	\$ 8,000,000.00	\$ 16,200,000.00
Southwestern Community College	Dellwood Hall remodel and expansion	\$ 2,749,997.00	\$ 5,499,995.00
Clackamas Community College	DeJardin Building addition	\$ 8,000,000.00	\$ 24,700,000.00
Mt Hood Community College	New Maywood Park Center	\$ 8,000,000.00	\$ 23,000,000.00
Blue Mountain Community College	New animal science facility complex	\$ 5,000,000.00	\$ 10,000,000.00
Oregon Coast Community College	New workforce and academic building	\$ 8,000,000.00	\$ 16,000,000.00
Rogue Community College	Elk Building science building renovations	\$ 6,000,000.00	\$ 12,000,000.00

COMMUNITY COLLEGE DEBT SERVICE HISTORY

Community College GF Funded Debt Service (In Millions)



Data Source: HECC Office of Community Colleges and Workforce Development (CCWD)



CAMPUS PUBLIC SAFETY INVESTMENT

Ben Cannon, Executive
Director, HECC

GOVERNOR'S RECOMMENDED BUDGET (GRB): NEW CAPITAL INFRASTRUCTURE FUNDING: CAMPUS SAFETY

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Support University and Community College Campus Safety	Supports lottery bond proceeds related to safety infrastructure Investments at Oregon public colleges and universities recommended by the Oregon Campus Safety Workgroup.	N/A	N/A	\$15.0M OF Limitation
Change from 2015-17		N/A	N/A	N/A

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CAMPUS SAFETY WORK GROUP

Convened by Governor Brown in the wake of the 2015 Umpqua Community College tragedy

- Membership from all sectors of higher education as well as law enforcement

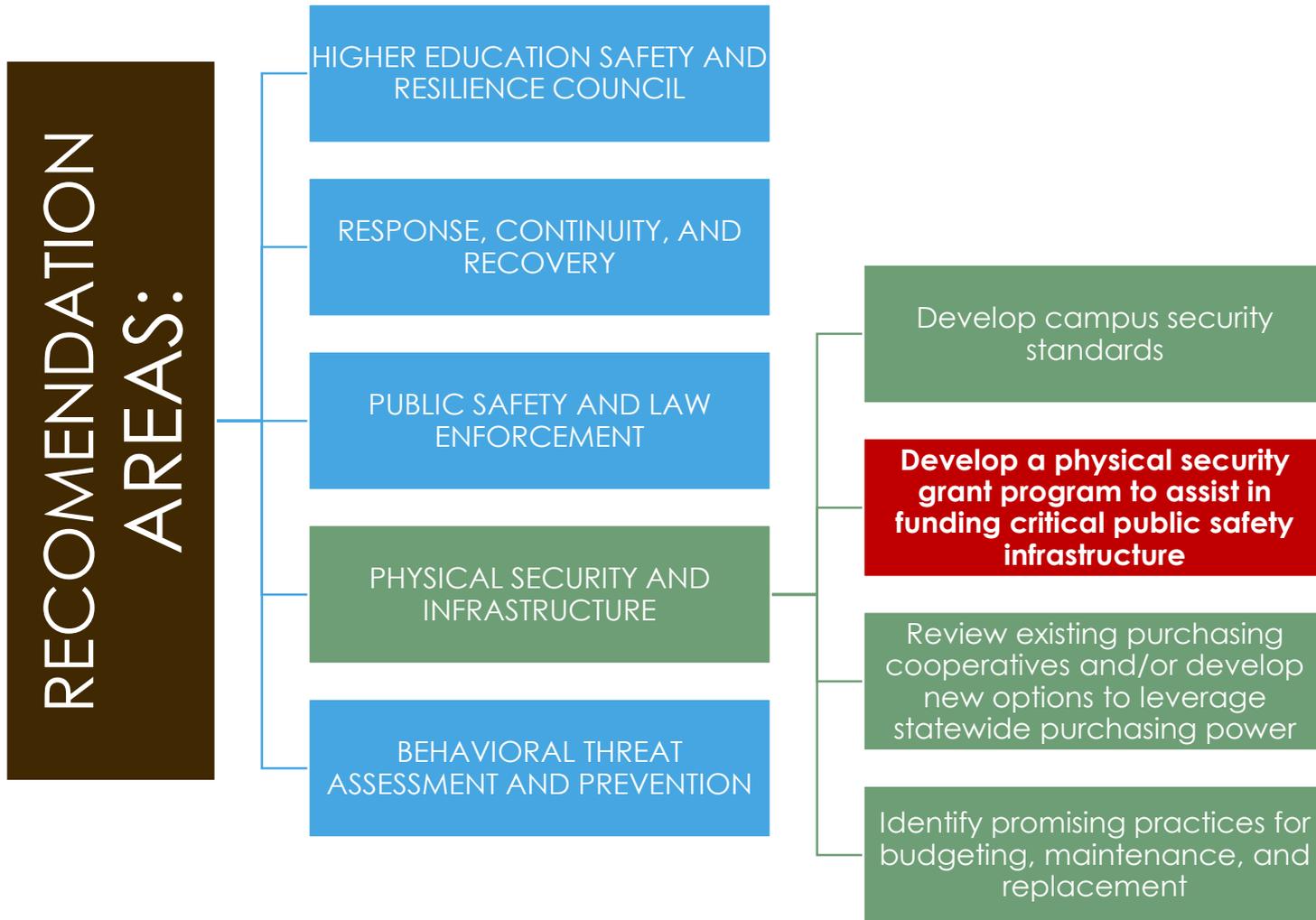
CHARGE:

- **Ensure best practices and protocols are implemented** across all higher education institutions to maintain public safety, and prevent, prepare for, and effectively manage future crisis response efforts; and
- **Identify resource needs** and potential state policy to enable a coordinated strategy across the higher education system for public and private institutions.

Download the full report at:

<https://gis.uoregon.edu/campussafety/>

CAMPUS SAFETY WORK GROUP: INFRASTRUCTURE IS ONE COMPONENT OF BROAD STATEWIDE SAFETY RECOMMENDATIONS



PHYSICAL SECURITY AND INFRASTRUCTURE:

All post-secondary education institutions should have campus security standards that take into account the campus's size, complexity, and hours of operation and incorporate crime prevention through environmental design principles. These standards should be integrated into campus planning efforts, capital projects, and major remodels.

Develop a physical security grant program to assist post-secondary institutions in funding critical public safety infrastructure including access control, cameras, alarms, data storage for video, mass notification, and lighting in existing buildings and campus infrastructure.

Review existing purchasing cooperatives and/or develop new options to leverage statewide purchasing power for physical security infrastructure including, but not limited to: access control systems, cameras, alarms, data storage solutions, lighting, etc.

Identify promising practices for budgeting, maintenance, and replacement of security systems at post-secondary institutions.



DIVERSE MISSIONS OF PUBLIC UNIVERSITIES: PUBLIC SERVICES, STATEWIDE PROGRAMS

ANDREW ROGERS, DIRECTOR, UNIVERSITY BUDGET & FINANCE

Date

Presented to: Joint Ways and Means Education Subcommittee

PUBLIC UNIVERSITY STATE PROGRAMS

GOVERNOR'S RECOMMENDED BUDGET (GRB): PUBLIC UNIVERSITIES: STATE PROGRAMS

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Preserve Public University State Programs	Preserves funding at 2015-17 level for state programs including as engineering and technology investments to the universities, Dispute Resolution Center, Oregon Solutions, Signature Research Centers, and others.	\$39.1M GF	\$39.5M GF	\$39.1M GF (\$25.XM engineering and technology investments to universities)
Change from 2015-17			0% from LAB -1.1% from CSL	

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STATE PROGRAMS FUNDING REQUEST

Public University State Programs		
University	Program	Funding
All	Engineering Technology Sustaining Funds	\$25.2M
PSU & UO	Dispute Resolution Center	\$2.6M
PSU	Oregon Solutions	\$2.3M
OSU, PSU & UO	Signature Research Centers	\$1.1M
UO	Labor Education Research Center	\$699K
PSU	Population Research Center	\$449K
OSU	Institute of Natural Resources	\$411K
UO	Clinical Legal Education	\$359K
OSU	Oregon Climate Change Research Institute	\$322K
OSU	Oceangoing Research Vessel	\$639K
OSU	Fermentation Science	\$1.3M
OSU & UO	Advanced Wood Products Center	\$3.5M
PSU	Profiling Study (Temporary)	\$258K
Total		\$39.1M

STATE PROGRAMS

Programs operated largely by the three research universities which focus on economic development, industry and public service needs of Oregon

Legislatively appropriated line items, support and extend key capacities of research universities for the betterment of the state

Programs range from mediation and conflict resolution training to demographic forecasting and maritime research



STATEWIDE
PUBLIC
SERVICE
PROGRAMS

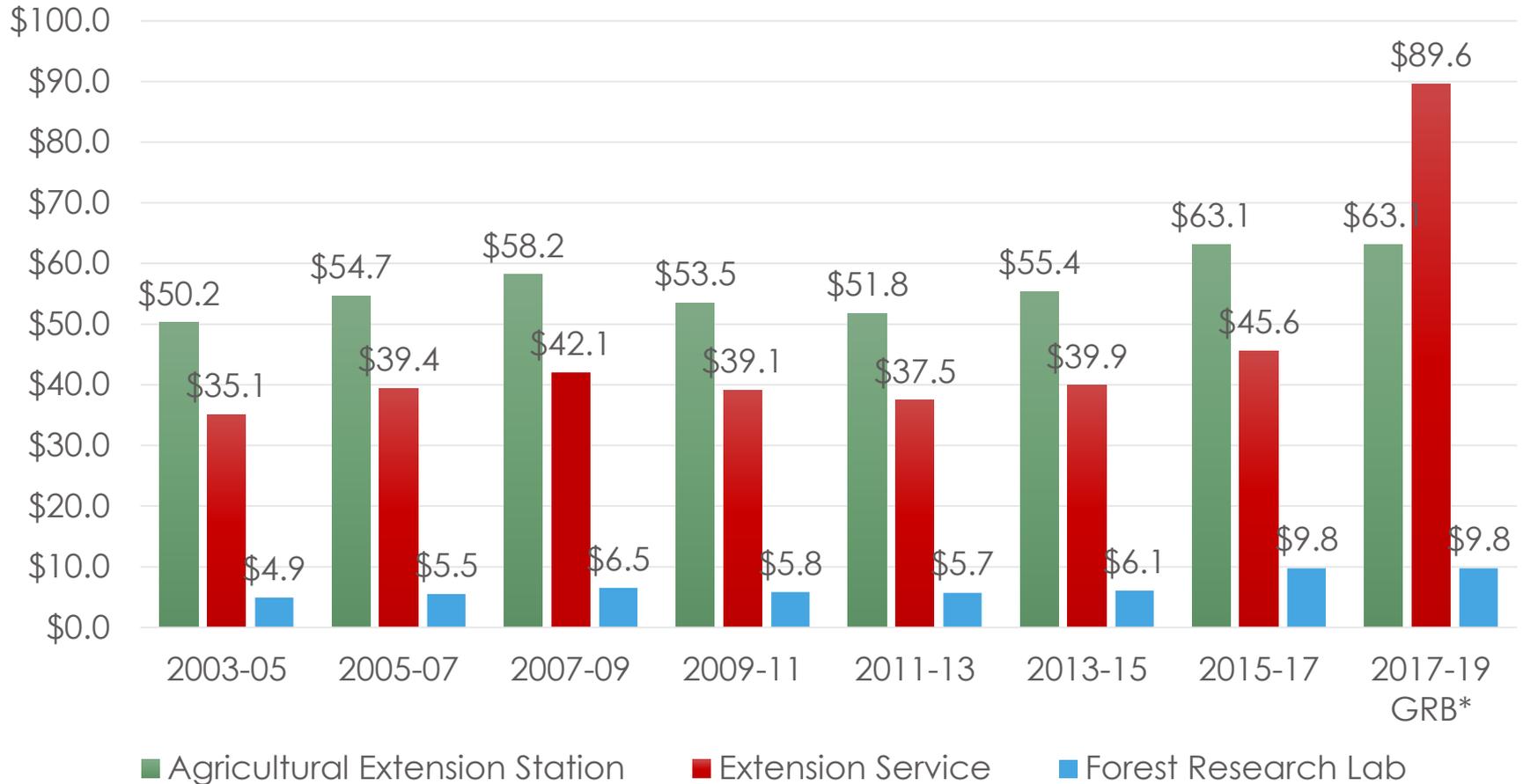
GOVERNOR'S RECOMMENDED BUDGET (GRB): PUBLIC UNIVERSITIES: STATEWIDE PROGRAMS

Activity	Description	2015-17 LAB	2017-19 CSL	2017-19 GRB
Support the Agricultural Experiment Station	Preserves funding at 2015-17 level for the Agricultural Experiment Station.	\$63.1M GF	\$65.8M GF	\$63.1M GF
Change from 2015-17				0% from LAB -4.03% from CSL
Support the Forest Research Laboratory	Preserves funding at 2015-17 level for the Forest Research Laboratory.	\$9.8M GF	\$10.2M GF	\$9.8M GF
Change from 2015-17				0% from LAB -4.0% from CSL
Support the OSU Extension Service	Preserves funding at 2015-17 level for OSU Extension Service, and adds Lottery Funds to implement voter-approved Measure 99 (2016) that establishes an Outdoor Schools Program.	\$45.6M GF \$0 LF	\$47.5M GF	\$45.6M GF \$44M LF
Change from 2015-17				0% from LAB GF -4.0% from CSL GF

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SWPS HISTORICAL FUNDING

Statewide Public Service Funding (2003-05 to 2017-19) in Millions



*=Includes \$44 million in lottery funds for Measure 99 Outdoor School Program.

Source: HECC Office of University Coordination

MEASURE 99: OUTDOOR SCHOOL PROGRAM

In the November 2016 election, voters approved ballot measure 99, which dedicates lottery funds (\$44M in 2017-19) to Oregon State University's Extension Service in order to fund an outdoor school program. The goal of this measure was to ensure that every sixth grade Oregonian will get an opportunity to attend a week-long outdoor school program.

OSU's Extension Service will focus on:

- Developing and administering statewide standards related to Outdoor School programs.
- Issuing grants to school districts seeking to create and expand Outdoor School programs.



Engaging and Serving Oregonians and Their Communities

***Ways and Means Subcommittee
on Education***

April 13, 2017



State Appropriations to Public Universities

Yesterday...

Today's topics...

Public University Support Fund

- Outcomes (Degrees)
- Activities (Enrollment)
- Mission Differentiation:
 - Regional Support
 - Research
 - Public Service

Sports Lottery

- Grants to Student Athletes
- Graduate Scholarships

Public University State Programs

Currently 13 Research and Public Service Programs across the universities with request to include the Oregon Renewable Energy Center (OREC) at Oregon Tech

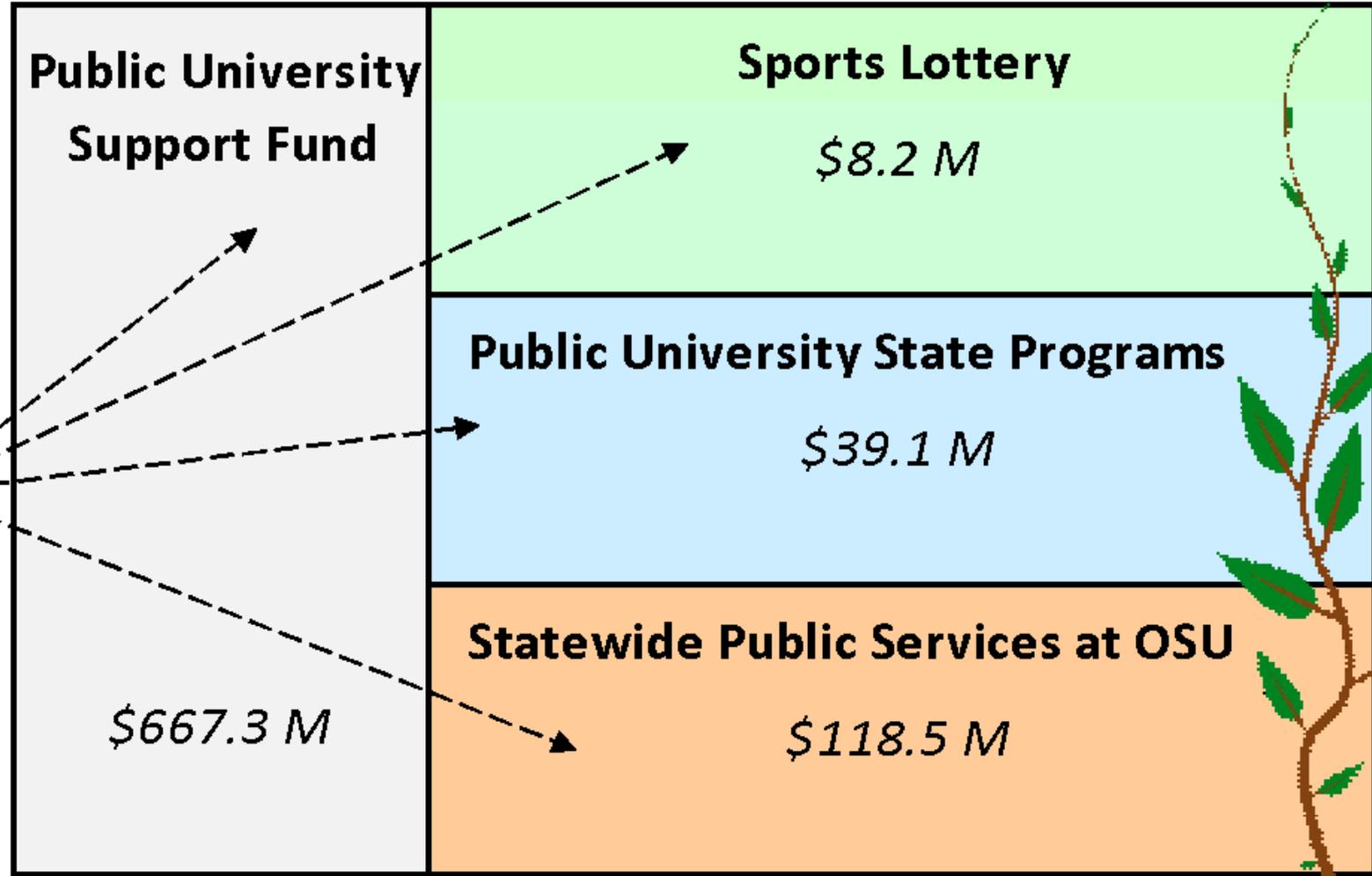
Statewide Public Services at Oregon State University

- Agricultural Experiment Station
- Extension Service
- Forest Research Laboratory

Our core missions are integrated within all state funded activities

**Teaching
Research
Public Service**

2015-17 Funding Levels



All state funded activities encourage economic development

Sports Lottery = Equity Scholarships



Background

- HB 3262 (1989) Sports betting established at the Oregon Lottery. **Funding supported intercollegiate athletics.**
- HB 3466 (2005) eliminated sports betting. **Replaced with guarantee of 1% of lottery money to public institutions for athletics.**
- The public institutions received the guaranteed one percent for **only one biennium**. In subsequent biennia, total Sports Lottery has been capped. More recently, two individual institutions – OSU and UO – have been capped at \$1M each, with the remaining funding allocated among the other five institutions.

88% of funding for intercollegiate athletics
 (\$7.2M for 15-17)

12% for graduate student academic scholarships
 (\$1M for 15-17)

Increasing Access and Affordability

Number of Student-Athletes Benefiting from Sports Lottery 2015-16	
Institution	Student-Athletes
EOU	323
OIT	243
OSU	245
PSU	311
SOU	426
UO	363
WOU	327
TOTAL	2,238

- Over 75% of Sports Lottery Funding **supports scholarships**. Giving access to those who might not otherwise be able to enroll at a university.
- Sports Lottery supports the universities **Title IX requirements to equitably fund women’s athletics programs**. De-funding Sports Lottery will directly affect female athletes as well as overall operations of intercollegiate sports.

Restore the 1% - Approximately \$12.5M

- Being engaged in intercollegiate athletics while pursuing a degree has a positive effect on student performance.
- Data show that the average student-athlete has **better retention rates, GPAs and graduation rates** than the overall student population.



Public University State Programs: Service to Oregonians

Distinct research and public service programs dealing with economic development, natural resources, and other statewide priorities

Public University State Programs

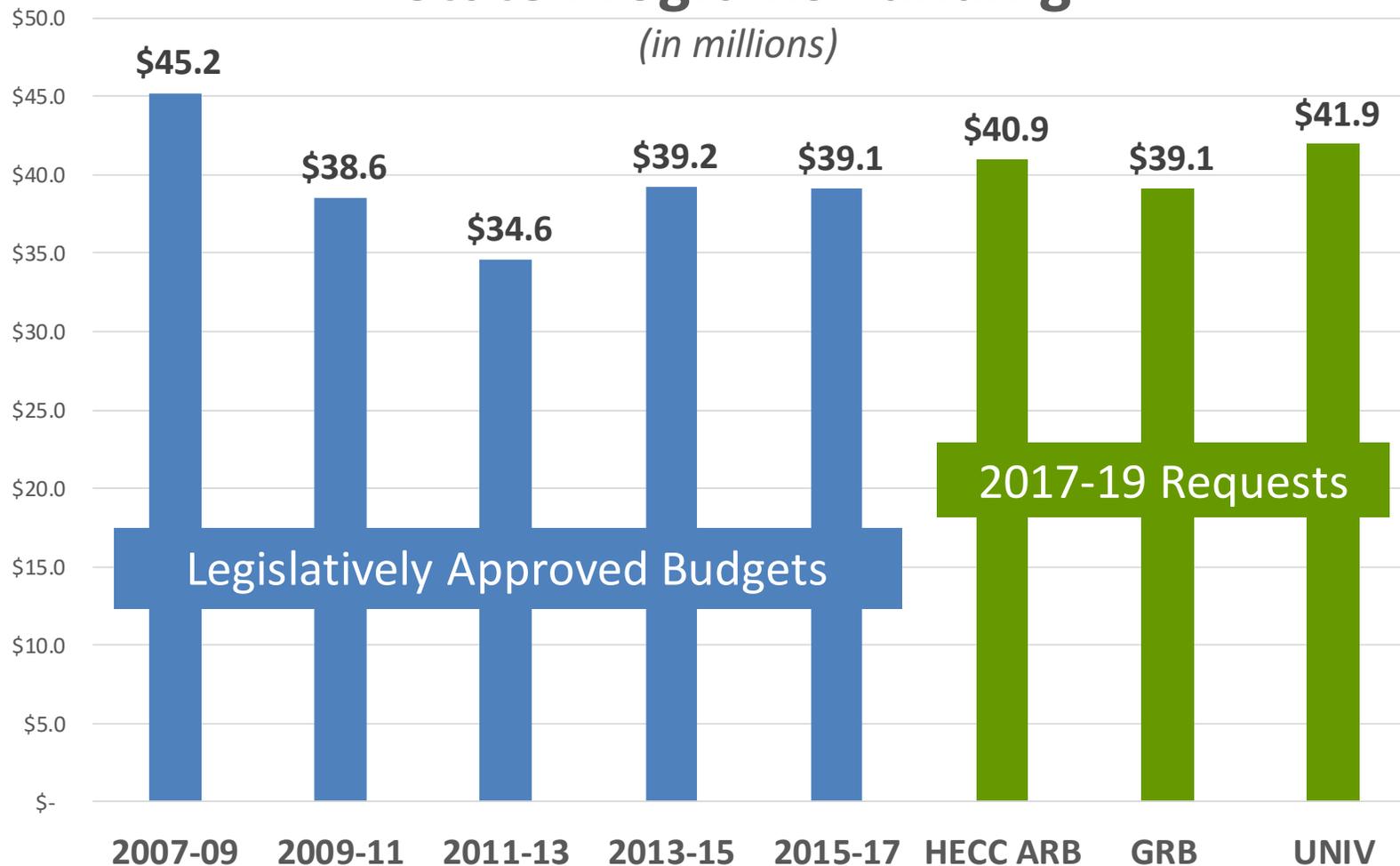
Engineering Sustaining Funds
TallWood Design Institute (OSU & UO)
 Dispute Resolution (UO & PSU)
 PSU Oregon Solutions
 OSU Fermentation Science
 Signature Research (OSU, PSU, UO)
 UO Labor Education Research Center

OSU Marine Research Vessel
 PSU Population Research Center
 OSU Institute for Natural Resources
 UO Domestic Violence Legal Clinic
 OSU Climate Change Research Institute
 PSU Profiling
OT Oregon Renewable Energy Center

Details on all programs in supplemental materials

State Programs Funding

(in millions)



Public University State Programs

Highlighting two state program investments:

TallWood Design Institute

(originally funded as Advanced Wood Products)

- Geoff Huntington, Oregon State University
- Judith Sheine, University of Oregon

Oregon Renewable Energy Center (OREC)

- Josh Bratt, Power Oregon
- John Dumbauld, Oregon Tech alumnus, eWind Solutions
- Christian Diaz, Oregon Tech student

TALLWOOD

DESIGN INSTITUTE



National Center for Advanced Wood Products Manufacturing and Design

is now

TallWood Design Institute

TallWood Design Institute

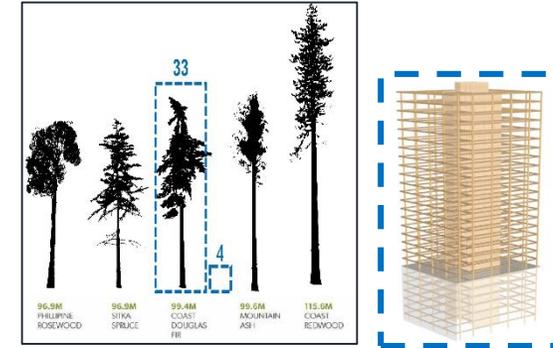


- School of Architecture and Allied Arts, University of Oregon
- College of Forestry, Oregon State University
- College of Engineering, Oregon State University

TallWood Design Institute Vision

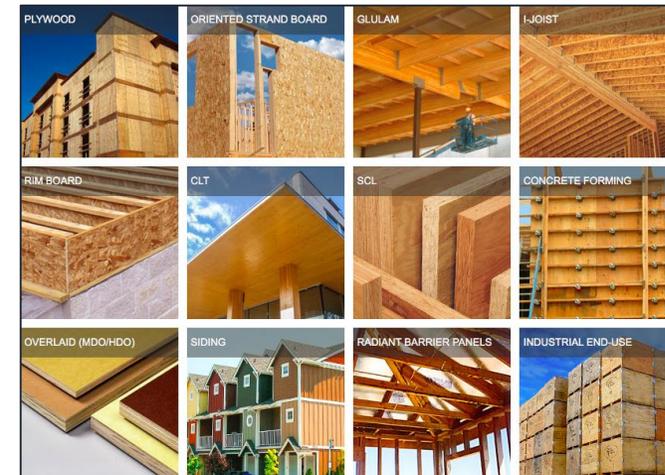
The Institute seeks to:

- *Increase the ability of Oregon's manufactured wood products industries to compete in emerging markets for the high value wood products that are perfectly suited to the timber we grow and the stewardship ethic of our State.*
- *Support Oregon's growing reputation as a center of expertise for sustainable building design.*



How?

- Grow the mass timber manufacturing base in Oregon
- Eliminate barriers and stimulate demand for buildings utilizing mass timber products and building systems



What we do

- Industry-focused applied research
- Product development and testing
- Training and education

Applied Research

\$1.9 M in Projects Underway in 2015/2017 Budget Biennium

- Fire Performance of CLT Wall and Floor Assemblies Made in Oregon
- Behavior of CLT Connections with Self-tapping Screws
- CLT Fastener Solutions for Tall Wood Buildings
- Composite Concrete/CLT Floor Systems for Tall Buildings
- Seismic Performance of Cross-Laminated Timber and Cross-Laminated Timber-Concrete Composite Floor Diaphragms
- Design of the Timber Pile Ground Improvement for Liquefaction Mitigation
- Post-Occupancy Performance Monitoring of Mass Timber Buildings
- Peavy Hall as a Living Lab
- Net-Zero Tall Wood Buildings
- Life Cycle Analysis of Mass Timber Buildings
- Tall Wood Buildings and Indoor Air Quality
- Launching an Annual Survey -- Taking the Pulse of the Global CLT Industry

Product Development & Testing

Nearly \$1 M available for testing of building components and code development

- Partnering with manufacturers to prototype, test and refine new mass timber products
 - DR Johnson CLT Panels
 - Freres Lumber MPP Panels
 - Modern Building Systems
- Providing peer review and testing services for new mass timber projects
 - Framework Project
 - Glenwood Project
 - City of Eugene Planning Division



Education & Training

Programs that cross disciplines, prepare tomorrow's workforce, and train wood products professionals and regulators

- Collate and synthesize research findings for code officials, designers and other relevant audiences
- Joint courses involving UO and OSU students
- Certificate program in mass timber manufacturing and construction for students and existing workforce



Education & Training Outreach

Recent Initiatives

- Affordable Housing and Wood Building Systems Round Table
- OSU/HP partnership examining 3-D printing applications with wood
- UO design of Glenwood Project parking structure
- UO design of modular wood classroom
- OBOA partnership to compile testing data for Oregon code officials

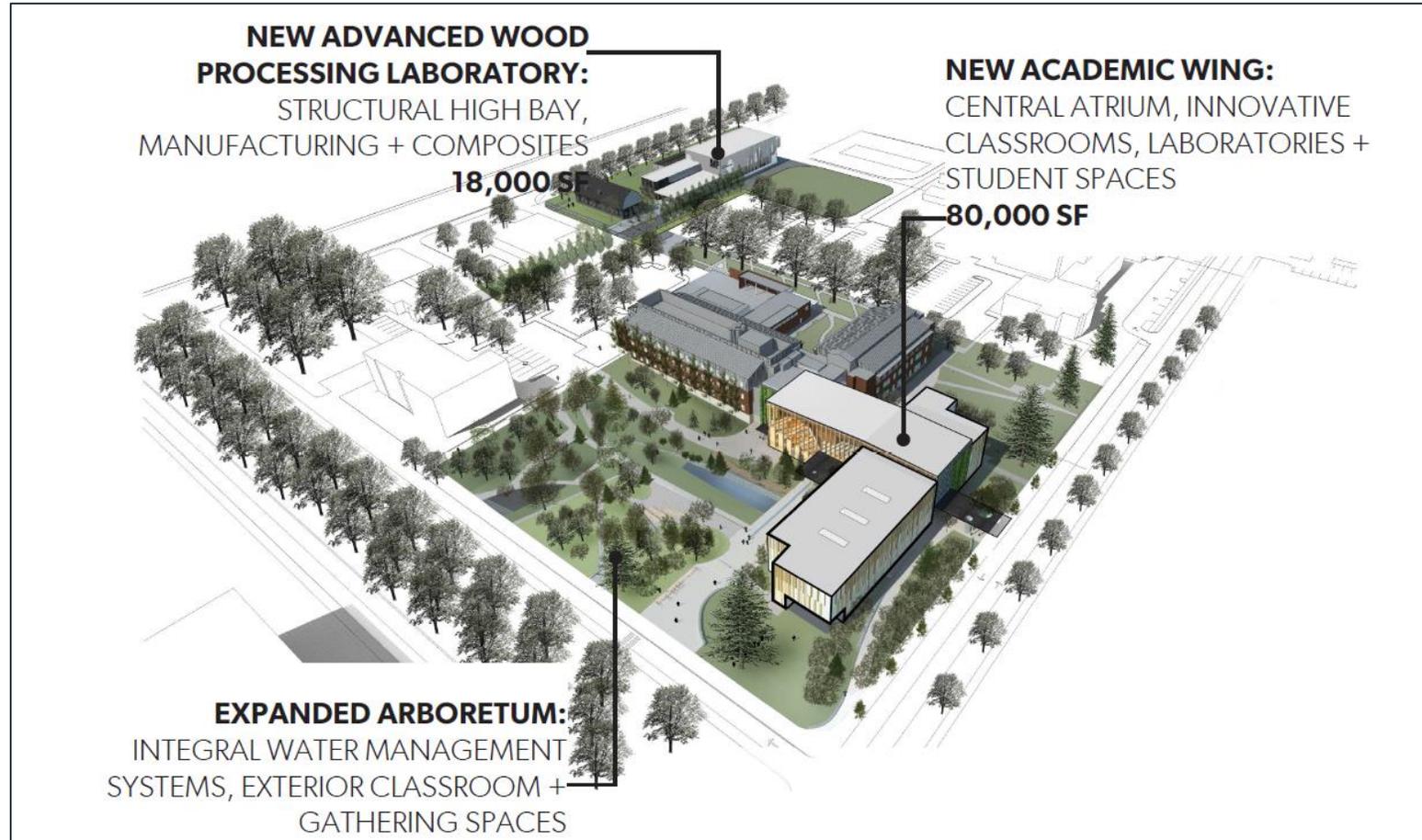




KAITO [box-kite]

Tom Adamson | Ryan Kiesler | Tom Moss
Judith Sheine, Mark Donofrio, Faculty Advisors

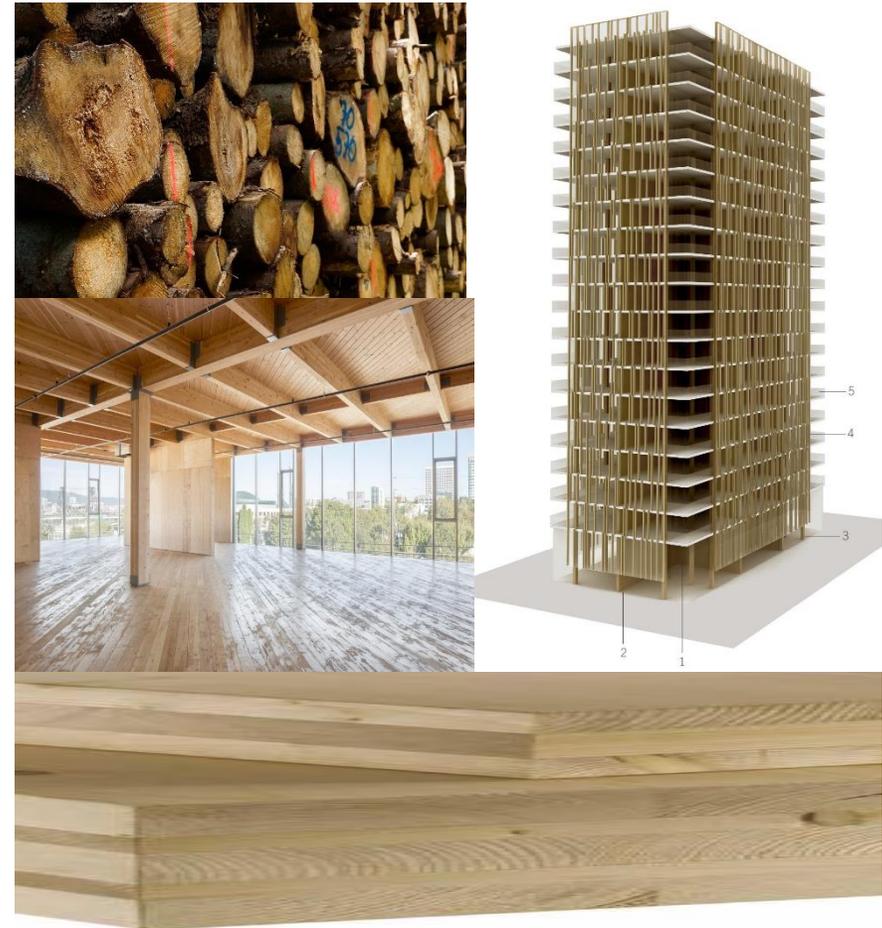
Oregon Forest Science Complex



TallWood Design Institute

Helping Oregon Lead the Forest to Frame Movement

- \$3,579,157
2017/2019 Governor's Recommended Budget
- \$3,000,000 Anticipated match from federal and other funds
- \$1,000,000 University program commitments
- \$7,500,000 Industry donations for Advanced Wood Products Laboratory Construction



TALLWOOD

DESIGN INSTITUTE

Advancing solutions for designers, manufacturers
and engineers of our built environment.



Oregon Renewable Energy Center



Josh Bratt, Power Oregon

John Dumbauld, Oregon Tech Alumnus, eWind Solutions

Christian Diaz, Oregon Tech Graduate Student

Oregon Renewable Energy Center (OREC)

1. Energy Generation

- Geothermal Power Plants = **2 MW** 
- Solar Arrays = **2 MW** 

2. Talent Development

- Departments of Electrical Engineering and Renewable Energy, Mechanical & Manufacturing, Software and Embedded Systems

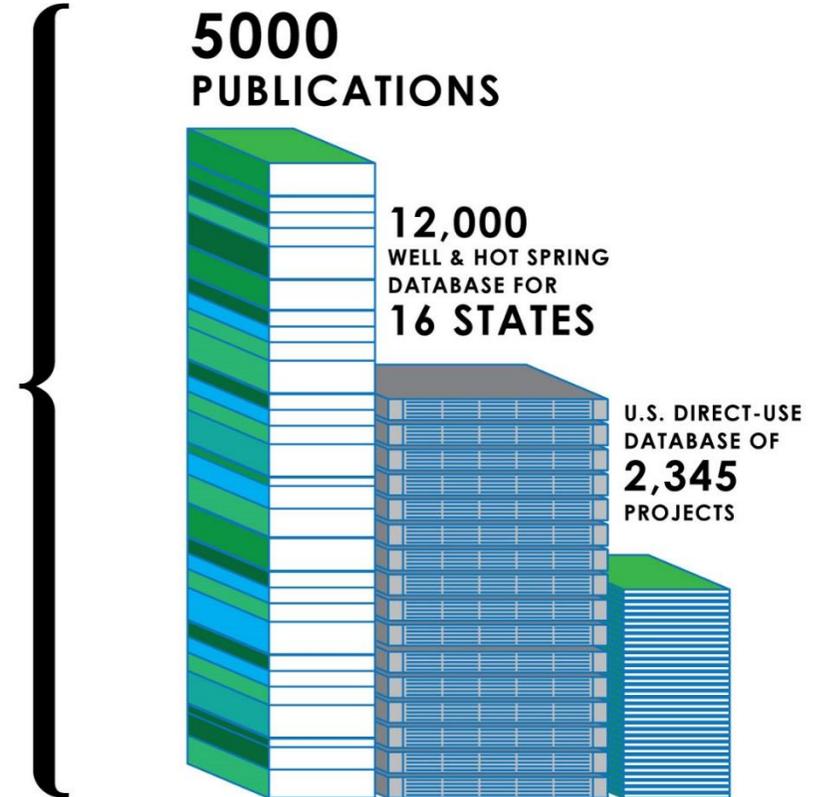
3. Applied Research and Technical Assistance for companies and communities

- Geo-Heat Center – Technical assistance, international resources and advice on the use of geothermal energy
- Next steps in innovation and commercialization for companies: Prototypes, Testing, Manufacturability



OREC Accomplishments

- Klamath Falls Campus powered by **4 MW** of **Geothermal and Solar Energy**, creating learning labs for students, faculty and partners.
- **Produced graduates for the energy industry:** renewable energy, manufacturing, mechanical, software and embedded systems engineering: **over 665 graduates since 2006.**
- **Conducted technical assistance and applied research for 22 companies.**



Industry Partner Project: PGE Energy Storage

- Independent characterization of novel battery for utility-scale energy storage
- Exposure to novel/cutting-edge technology
- Networking and contacts within industry
- Training in directly applicable industry skills



E-Wind Solutions

- **E-Wind Solutions:** Dr. Don Lee: with two student teams
- **eWind Tether Team:** Tether System design and fabrication: John Dumbauld, Jacob Ferguson, Bradley Wirth, Jared Lathone, Joshua Erler
- **eWind Generation Team:** Electricity Generation with generator fabrication: Henry Rueda, Joseph Brannen, Amanda Cruz, Ryan Grant



OREC Needs

- **Valuable state asset**, authorized in statute in 2001, needs to be included in **University State Programs** budget
- HECC Agency Recommended Budget includes **\$985K per biennium** for OREC operations and faculty time for applied research
- Oregon Tech will **complement state funds** with faculty teaching time, lab investments, grants and grant administration

OREC Benefits

- Energy solutions with geothermal and other energy sources and systems
= **Less carbon**
- Talent development
= **Graduates ready to work**
- Economic development with assistance for small and medium-sized companies
= **Jobs**



Oregon TECH

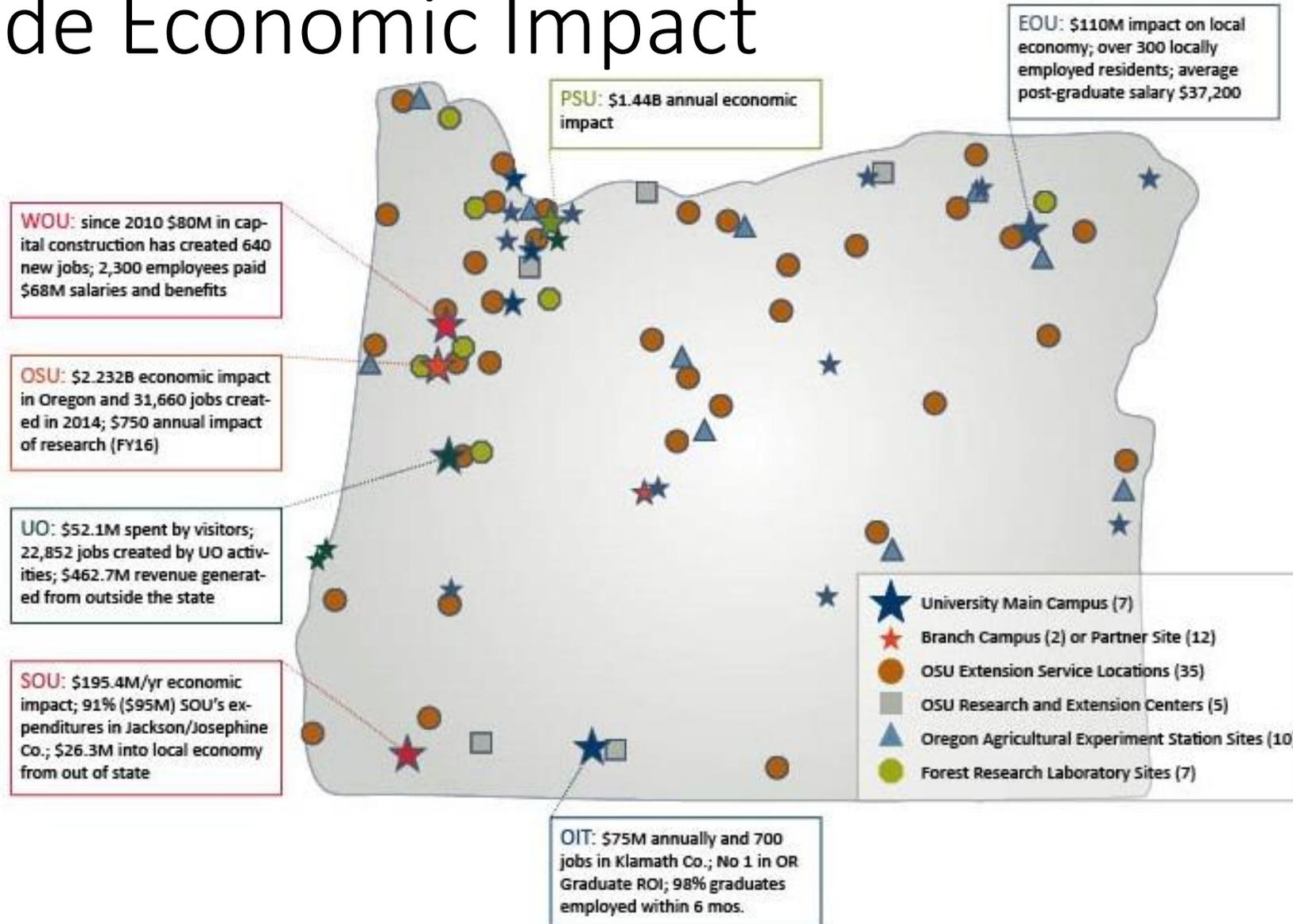
OSU
Oregon State
UNIVERSITY



+\$100M

Oregon Public Universities: Economic Impact and Research

Statewide Economic Impact



Universities are a smart investment

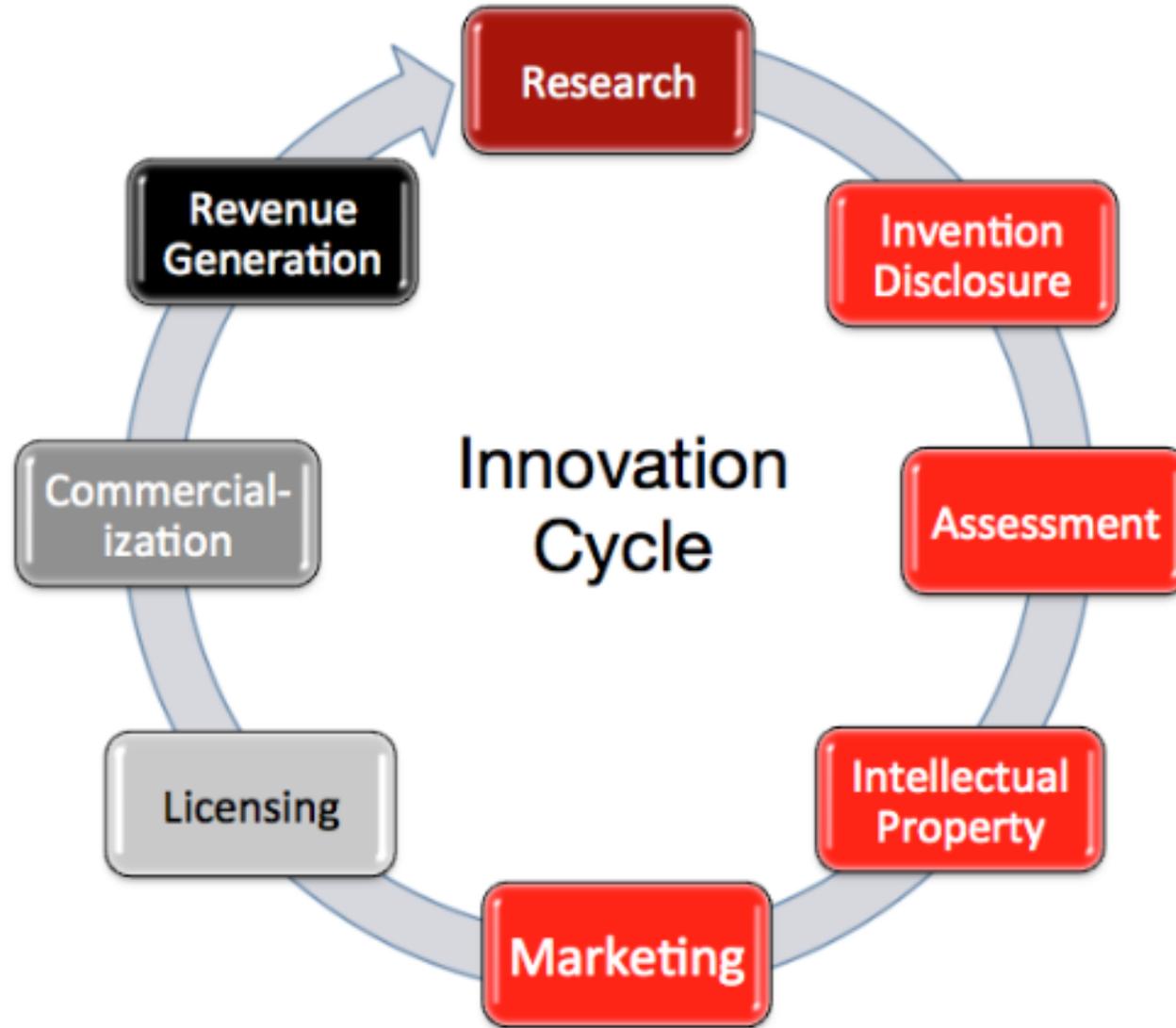
- ✓ **Develop talent for businesses**
- ✓ **Conduct research** (ONAMI, OTRADI, Oregon BEST, Federal Grants, Private Grants)
- ✓ **Increase employment in communities** (Employees and New Businesses/Startups)
- ✓ **Develop and contribute to community** (Volunteer Hours and Community Service Programs)
- ✓ **Introduce new technologies** (Patents, Inventions, Technology Transfer)
- ✓ **Create new business opportunities and support new businesses** (Technology Transfer, Small Business Development Centers, Business Accelerators)
- ✓ **Attract talent from around the world**

University Research

FY2016 Externally Funded Research Awards and Expenditures

	Awards	Expenditures
Federal	\$379,071,362	\$338,033,984
State of Oregon	96,922,720	66,596,343
Commercial/Industry	32,032,654	11,335,030
Non-Profit	25,560,786	23,861,809
Other States/Foreign & Local Govt	5,057,461	5,319,933
Other	5,319,236	4,409,831
Total	\$543,964,219	\$449,556,930

Start-ups/Spin-offs generated by the Universities from external research dollars in the last 10 years = **63**





Oregon TECH



+\$100M



Student Experience -- Bret Lorimore

Convolutional Neural Networks for Video Analysis:

Segmenting NFL game films by play & camera angle

- Google Internship 

Graphics Processing Unit (GPU) Architecture:

Accelerating performance of deep neural networks

- Grew out of course project
- Valuable mentoring relationship with professor
- Exposure to academic research process
- Strong recommendation for post-graduation job hunt



Statewide Public Service Programs

Extension Service Scott Reed, Director

Agricultural Experiment Station Dan Arp, Director

Forest Research Laboratory Thomas Maness, Director



OSU is Oregon's Land-Grant University 1862 Morrill Act

SWPS are line items in Oregon's budget, matched by federal and external funds



OSU Extension Service 1914 Smith-Lever Act

Building vitality in communities across Oregon

More than \$10 M from funding partnerships with Oregon counties



Agricultural Experiment Station 1887 Hatch Act

Focusing the power of science on Oregon's critical issues

More than \$58.7 M in external funding leveraged by state support



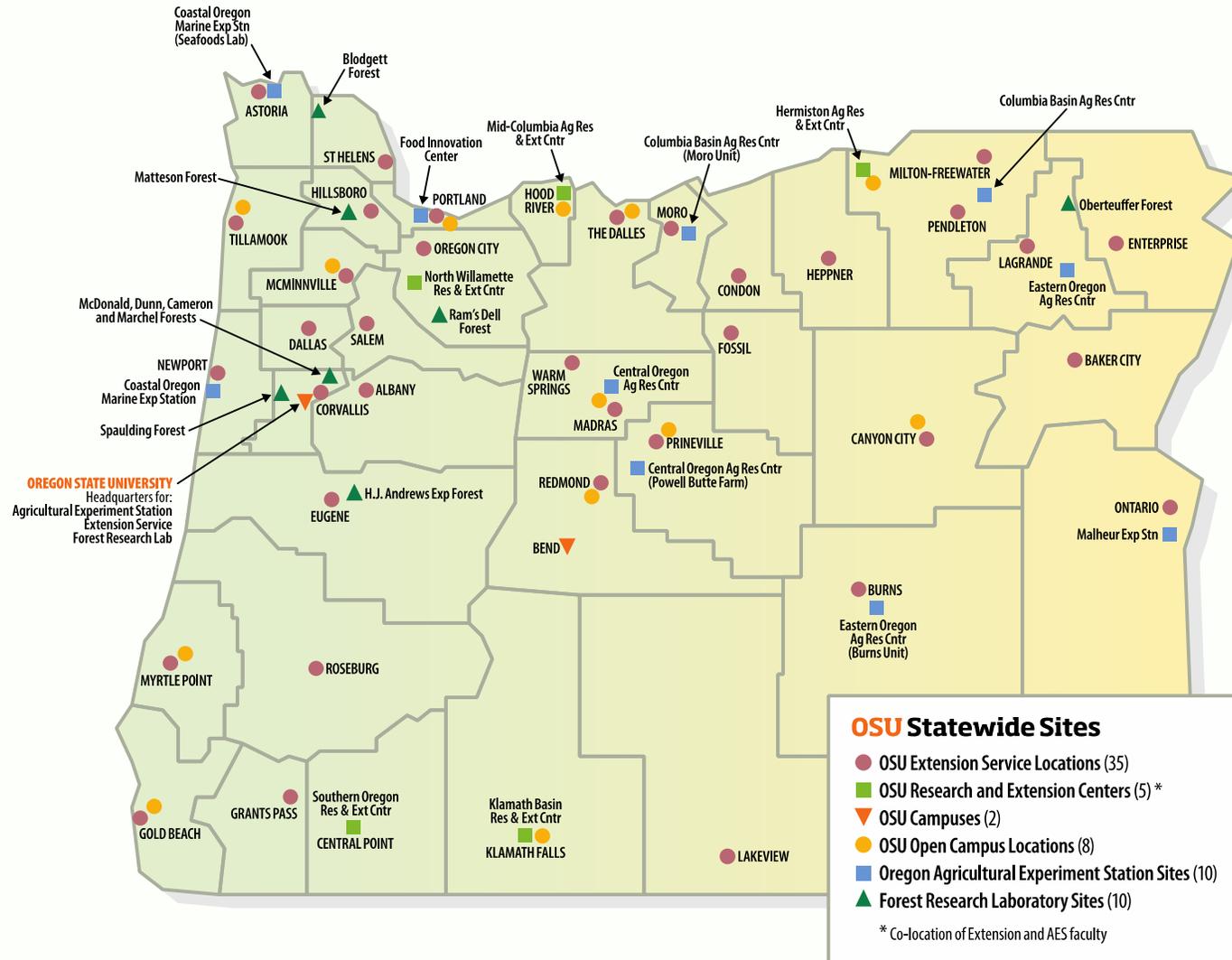
Forest Research Laboratory 1941 ORS 526.225

Conducting research and analysis of forest resource issues important to Oregon

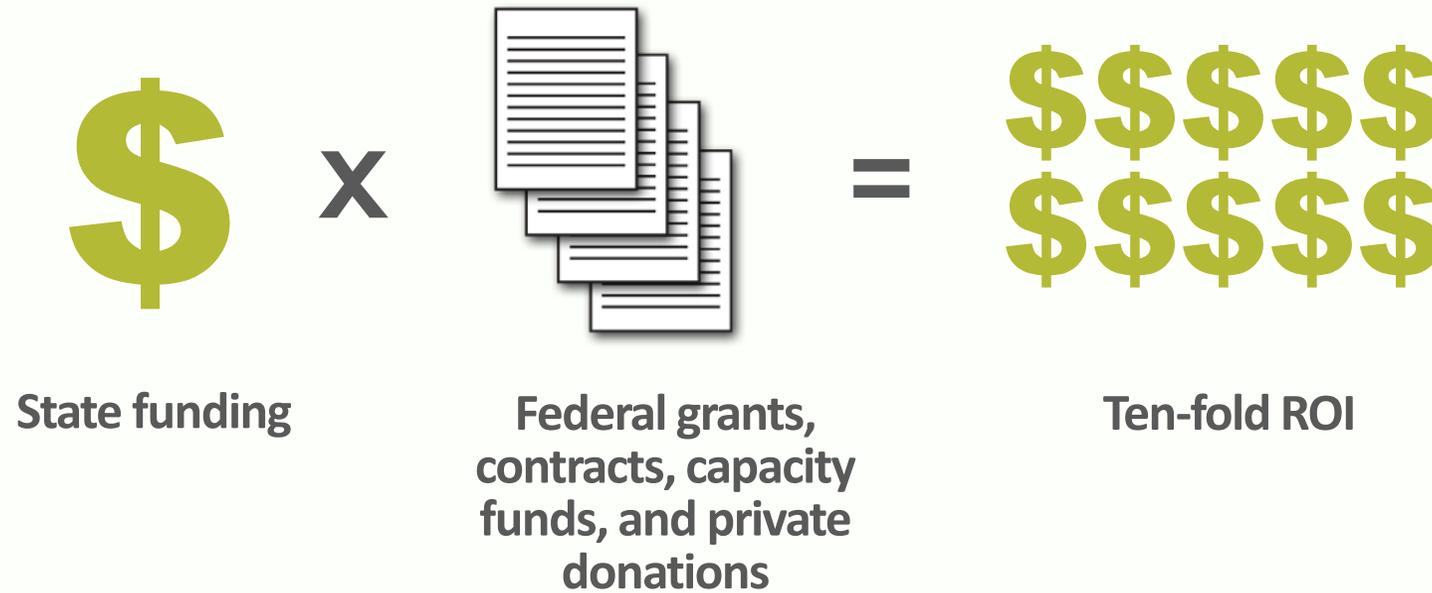
More than \$18.8 M in external funding leveraged by state support

OSU's Statewide Public Service Programs

Solving problems and creating economic opportunities across the state



State funding for SWPS leverages external funding for a *ten-fold return* in economic impacts



Extension programs *build community capacity* in urban and rural Oregon



2015-17 Investments in the Statewides' Budget

New positions and expanded initiatives build vitality across the state

Urban communities	<ul style="list-style-type: none">• Healthy living and nutrition education• Small-scale farming and community food systems• Research and development in fermentation sciences
Willamette Valley	<ul style="list-style-type: none">• Honey-bee and pollinator health• Integrated pest management and slug control• Specialty seed production and timber harvest management
Coastal communities	<ul style="list-style-type: none">• Managing forest lands in marbled murrelet habitat• Seafood safety and near-shore fishery management• Community economic development
Eastern Oregon	<ul style="list-style-type: none">• Rangeland ecology to support sage-grouse conservation• Juniper harvest and manufacturing• Water and nutrient management in rotation cropping
Throughout Oregon	<ul style="list-style-type: none">• Increased opportunities for college and career readiness• Experiential learning in real-world settings

Budget Proposals and Impacts

Statewide Public Service	2015-17 Legislatively Approved	2017-19 OSU Trustee Request	2017-19 Governor Recommended	Shortfall
Agricultural Experiment Station	\$63.1 M	\$68.1 M	\$63.1 M	\$5.0 M
OSU Extension Service	\$45.6 M	\$49.2 M	\$45.6 M	\$3.6 M
Forest Research Laboratory	\$9.8 M	\$10.5 M	\$9.8 M	\$.8 M
Total	\$118.5 M	\$127.9 M	\$118.5 M	\$9.4 M

SB 805 supports the Statewides' continuing service level by replacing the \$9.4 M shortfall

- Unanimously approved by Senate Environment and Natural Resources Subcommittee
- Referred to Ways and Means Committee

OSU's Statewide Public Service Programs focus on *Oregon's critical issues*



Sustainable management
of working landscapes



Water quality
and quantity



Value-added manufacturing
and economic vitality



Public health, food safety
and security



Educating the workforce
of tomorrow

OSU keeps honey bees healthy

One-third of our food is dependent on honey bee pollination

- OSU's Honey Bee Lab examines thousands of bees from commercial hives to check for parasites, disease, and malnutrition.
- This work saves Oregon's beekeepers about \$1.4 million a year in reduced medications and \$3 million in reduced bee mortality.
- Key partners: Oregon Beekeepers Association, Oregon Dept. of Agriculture



OSU helps save sage-grouse

What's good for the bird is also good for the herd

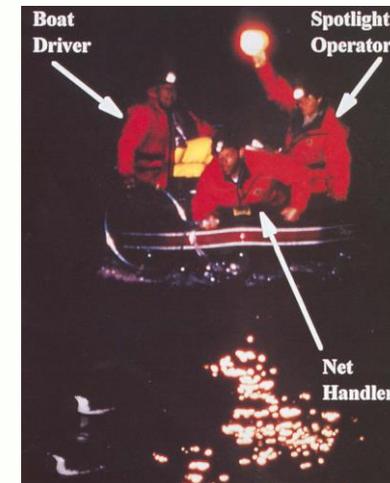
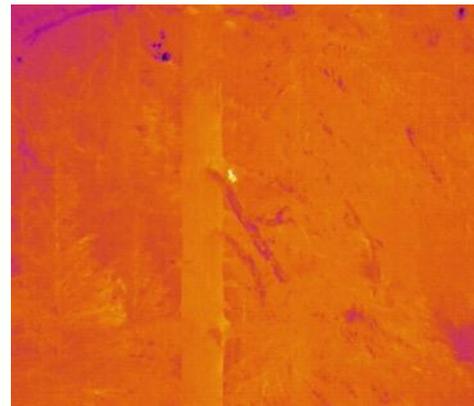
- AES research and Extension are helping landowners develop ranch-scale conservation plans to improve rangeland for both grazing and wildlife habitat.
- Key partners: Bureau of Land Management, Oregon Dept. of Fish and Wildlife, U.S. Fish and Wildlife Service



Forest Research Laboratory Initiative

Better science on murrelet habitat relationship to active forest management

- Statewide dollars support a host of research initiatives important to managing Oregon's forests.
- Capture, release, and tracking murrelets from the ocean to their nests in forests is the key to determining how to actively manage coastal forests while protecting habitat.



Statewide Public Service Programs

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Director, Oregon Agricultural Experiment Station

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Thomas Maness

Dean, College of Forestry

Director, Oregon Forest Research Laboratory

The public universities, on behalf of our students, alumni, and trustees, thank you for your support.

Let's keep the momentum going...

2017-19 Request (in millions)	
Public University Support Fund	\$ 765.0
Public University State Programs	\$ 41.9
Statewide Public Services	\$ 118.5
Sports Lottery	\$ 12.5