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**Board of Trustees  
Agenda  
October 9, 2015**

7:30am Informal Meet and Greet with Faculty, Staff and Students in the Sunset Room

- |  | <u>Page</u> |
|--|-------------|
| <b>1. Call to Order/Roll/Declaration of a Quorum</b> (8:00am) <i>Chair Graham</i>  |             |
| <b>2. Opening Comments and Reports</b> (8:05am)  |             |
| 2.1 <b>President's Report and Discussion</b> <i>President Maples</i> (30 min)  |             |
| 2.2 <b><a href="#">Legislative Update</a></b> <i>AVP Lita Colligan</i> (15 min)  | 1           |
| 2.3 <b>Faculty Senate Report</b> <i>Faculty Senate President, Robyn Cole</i> (15 min)  |             |
| 2.4 <b>ASOIT Klamath Falls Report</b> <i>ASOIT President Kristen Marsters</i> (15 min)   |             |
| 2.5 <b>Guest: Greg O'Sullivan, Klamath County Economic Development Association</b> (30 min)  |             |
| 2.6 <b>Academic Quality and Student Success Committee Report</b> <i>Trustee Brown</i> (10 min)   |             |
| 2.7 <b>Finance and Facilities Committee Report</b> <i>Vice-Chair Sliva</i> (10 min)  |             |
| 2.8 <b>Executive Committee Report</b> <i>Chair Graham</i> (10 min)   |             |
| <b>Break</b> (10:15am - 10:30am)   |             |
| <b>3. Consent Agenda</b> (10:30am) <i>Chair Graham</i>   |             |
| 3.1 Approve <b><a href="#">Minutes of the July 9-10, 2015 Meeting</a></b>  | 6           |
| 3.2 Approve <b><a href="#">Minutes of the September 10-11, 2015 Retreat</a></b>  | 14          |
| 3.3 Adopt <b><a href="#">Policy on Recommending Candidates for At-Large Board Positions</a></b>  | 21          |
| <b>4. Action Items</b> (10:35am)   |             |
| 4.1 Approve <b><a href="#">Resolution Acknowledging Institutional Responsibilities Under the Program Participation Agreement Related to Title IV Financial Assistance Programs</a></b> <i>VP Foley</i>                 | 23          |
| 4.2 Approve <b><a href="#">Resolution Adopting Fiscal Year 2015-16 Budget</a></b> <i>Interim VP Meyer</i>  | 43          |
| <b>Lunch and Adjournment to Executive Session – ORS 192.660(2)(a)(i) – Employment of Public Officers, Employees, and Agents; and Review and Evaluate Performance of Public Officers and Employees</b> (12:15pm-1:30pm) |             |
| <b>5. Discussion Items</b> (1:30)  |             |
| 5.1 <b>Dashboard Presentation</b> <i>President Maples</i>  |             |
| 5.2 <b>Internal Audit</b> <i>Interim VP Meyer</i>  |             |
| <b>6. Roundtable</b> (2:20pm)  |             |
| <b>7. Public Comment</b> (2:45pm)  |             |
| <b>8. Adjournment</b> (3:00pm)   |             |



To: Oregon Tech Board of Trustees  
From: Lita Colligan, in collaboration with the Public University Legislative Advisory Council  
Date: October 8, 2015  
RE: 2016 Legislative Update

### **Background**

The 35-day, even-year legislative session will reconvene on February 1, 2016, and will adjourn sine die on or before March 6. The scope of the February session is more narrowly focused than the long session and there are fewer bills introduced (usually less than 300 compared to over 3000). The legislature will host a series of committee days in September, November, and January to prepare for the February session.

The session will conclude a few days before the March deadline for candidates to file for office. Fundraising and May primary campaigning will begin immediately. The politics of legislative and statewide races along with contentious ballot measure battles will affect the tone and outcome of decisions made in February.

Based on comments, observations and predictions from many political sources, the 2016 session will include consideration of raising the minimum wage, tort liability caps, transportation funding, revenue reform, and seismic improvements to the Oregon State Capitol.

The legislature adjourned the 2015 session with an ending fund balance of roughly \$360 million in operating funds, and the most recent revenue forecast reduced that total by about \$50 million. The remaining \$310M represents the current dollar amount available to be spent in February. Addressing the costs of this fall's fire season, inevitable human services caseload adjustments, and any federal funding requirements will be the top priority for these funds.

### **LAC Recommendations for 2016**

#### Priority #1: \$55M for the Public University Support Fund

Public universities must ask for completion of 2015's \$755M funding request. We had great success with the message of "restore us to 2007" and we should continue to reinforce this same drumbeat message. We will ask a coalition of legislators to sponsor a bill that appropriates the second biennial year's portion of the \$55M (\$27.5M) and outlines how the money will be spent. The LAC is working with Presidents and VPFAs to determine the best uses for any additional funds. The anticipated \$310 million ending balance could change significantly before the start of session, and we will need to make strategy adjustments accordingly.

Plans under way:

- Express appreciation and demonstrate value of the previous \$30M from 2015 session.
- Build a broad coalition of support for the proposed legislation from a wide variety of stakeholders including board members, students, faculty, staff, unions, business interests, and legislators.
- Conduct consistent, focused visits with legislators, governor and staff from combinations of presidents and other university administrators, trustees, and alumni.

### Priority #2: University Venture Development Fund

Public universities must ask the legislature to reauthorize the University Venture Development Fund, which is now set to expire at the end of calendar year 2015. The fund was created in 2005 and leverages private donations to help commercialize university research. The expiration of the fund was the only major loss for public universities in the 2015 session.

Plans under way:

- OSU and OHSU will be the lead institutions on the 2016 ask. PSU was the lead institution in 2015.
- Leverage 2015's very practical policy changes to UVDF that make it easier for the Department of Revenue to administer and the universities to recruit donors.
- Recruit additional messengers to show broad, deep support for the value of UVDF. Tech transfer officers and entrepreneurs were the main messengers for the 2015 session.

### 2016 individual university asks

There will also be legislative proposals from individual universities. A couple of examples include:

- Track and field request from the University of Oregon
- Potential F bond request from Portland State University

### Other potential issues for universities in 2016

We expect a number of issues to be back on the table in February, along with the potential for ideas not even contemplated. Some possibilities include:

- Adjunct health care benefits
- Minimum wage
- Accelerated learning
- Free community college
- Public entity torts
- Student health records/sexual assault

### **Proposed work plan for Presidents and Board Members (when possible)**

This is a very ambitious work plan, which will shift and change many times during the coming months. It provides a snapshot of the many intertwined and overlapping university and board planning and decision deadlines with the legislative and HECC timelines.

09/30/15 – Legislative Committee Days, Presidents Council - Salem

President, board member

Individual meetings from 9AM–noon  
(What the \$30M bought, what the \$55M will buy, will you support our request?)  
1:30PM–3:30PM – Presidents Council in Salem  
1:30PM–2:30PM Possible informal gathering of board members present

10/22/15 – Presidents' Council, Call In

1PM–3PM – Finalize and approve content of \$55M ask  
Prepare for November 12 HECC presentation about use of \$30M  
First conversation about the 2017-19 agency request budget (ARB)  
(Finance Council)

11/12/15 – HECC meeting at Clackamas Community College

Presentation by Presidents of what the \$30M accomplished

11/13/15 -- Oregon Tech Legislative Breakfast in Wilsonville; Senator Thatcher and Representative Davis will co-host and invite legislators

Board members will thank legislators and explain how funds have been invested in student success; student presentations; discuss needs in 2016 and support for legislative concept in support of university support funds.

11/18/15 - Legislative Committee Days, Presidents Council - Salem

Consider a **COMMITTEE PRESENTATION ABOUT WHAT \$30M BOUGHT**

President, board member and maybe one other

Individual meetings from 9AM-noon

(Shop our \$55M LC draft and collect signatures, build support for our proposal)

1:30PM–3:30PM – Presidents Council in Salem

Second Conversation about 2017-19 agency request budget (ARB)  
(Finance Council)

Prepare for December 10 joint meeting with HECC

12/10/15 – Presidents Council at PSU, Joint meeting with HECC

9AM–10:45 AM – Presidents Council at PSU

**11AM–NOON – Joint meeting with the HECC**

How has it been going and where do we go from here?

Kick off the 2017-19 ARB.

01/14/16 – Legislative Committee Days, Presidents Council - Salem

Consider a **COMMITTEE PRESENTATION ABOUT ADDITIONAL INVESTMENT**

President, board member and maybe one other

Individual meetings from 9AM–noon (Support our bills!)

Note: LC drafts returned by 01/11, must be filed by 01/19

1:30PM–3:30 PM – Presidents Council in Salem

Check in on agency budget request (ARB), other issues

**Potential joint event with community colleges**

**02/01/16 – Legislative session begins**

**02/04/15 – Throw Back Thursday #1**

Legislative meetings, Presidents Council - Salem  
Consider presentation for **COMMITTEE HEARING – STUDENT INVESTMENT (OUR BILL)**

**President, a board member** and maybe one other  
Individual meetings from 9AM–noon (Support our bills!)  
1:30PM–3:30PM – Presidents Council in Salem

**02/11/15 – Throw Back Thursday #2**

**Public university day at the Capitol: President, VPs and Board (if possible)**

Work with students, alumni associations, boards, labor, business associations and other coalition partners for the biggest lobby day in support of our bill

Rally on the front steps

Student performances in the House and Senate

Displays in the Galleria

Goals: 1000 at the Rally, 250 to lobby, displays by all seven universities, visit all 90 legislators and the Governor, Statewide media coverage

**02/18/15 – Throw Back Thursday #3**

Legislative meetings, Presidents Council - Salem

**President, a board member** and maybe one other

Individual meetings from 9AM-noon - focus on House and Senate leaders/stay as a group?

1:30PM-3:30PM – Presidents Council in Salem

Check in on agency budget request (ARB), other issues

Start looking beyond March 6 adjournment

**02/25/15 – Throw Back Thursday #4**

Legislative meetings, Presidents Council - Salem

**President, a board member** and maybe one other

Individual meetings from 9AM -noon

1:30PM–3:30 PM – Presidents Council in Salem

**03/03/15 – Throw Back Thursday #5**

Legislative meetings, Presidents Council - Salem

**President, a board member** and maybe one other

Individual meetings from 9AM-noon

1:30PM–3:30PM – Presidents Council in Salem

**03/06/15 – Constitutional sine die for 2016 legislative session**



## Investing in Higher Education Pays Off for Students

Oregon Tech received \$465,000 of the \$30M in additional public university support funding during the 2015 session, and is excited to report on how the funds were invested.<sup>1</sup>

Oregon Tech is investing the additional funds granted by the legislature in 2015 to achieve these outcomes for students:

- Increased success for 120 first-generation and low-income students (a 75% increase) through targeted, comprehensive advising, and expanded peer consulting and mentoring.
- Better access to academic assistance for 70 high school and university students utilizing a personalized student texting program that eliminates social and logistical barriers to accessing necessary academic supports.
- Increased degree completion through “Completer” scholarships of \$1200 each for 150 successful students who are close to graduation but at risk of dropping out due to financial hardship.
- Systematic and intentional outreach to targeted student populations to increase post-secondary enrollment at Oregon Tech among underrepresented populations.

**Restoring the remainder of pre-recession funding level of \$755M for the second year of the biennium can buy more student success. Oregon Tech’s portion for the second year of the biennium will be approximately \$725,000. Oregon Tech will use these funds to:**

- Hold tuition increase in 2017 to 3% for non-high-cost programs;
- Invest in additional “Completer” scholarships for students that need to complete 45 credits or less to graduate;
- Target investments in recruitment, retention, and support services for under-served students of color, first generation, rural, veteran and other vulnerable student populations.

For more information, contact Lita Colligan, Associate VP for Government Relations at 503-544-1195 or [lita.colligan@oit.edu](mailto:lita.colligan@oit.edu) or President Chris Maples at [chris.maples@oit.edu](mailto:chris.maples@oit.edu).

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<sup>1</sup>Total 2015-2017 biennial public university support fund allocation to Oregon Tech = approximately \$50.9M (including shared services and ETIC allocations).



**Meeting of the  
Oregon Tech Board of Trustees  
Room 402, Wilsonville Campus  
July 9 – 10, 2015  
3pm – 5:30pm and 8am – 3pm**

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**Board of Trustees  
Draft Minutes**

**July 9, 2015**

**Trustees Present**

Lisa Graham, Chair	Fred Ziari	Christopher Maples
Steve Sliwa, Vice-Chair	Dan Peterson	Jessica Gomez
Kelley Minty Morris	Kathleen Hill	Paul Stewart
Jeremy Brown	Gary Johnston	
Melissa Ceron	Dana Henry	

**University Staff and Faculty Present:**

Mateo Aboy, Assoc. Provost, VP for Research  
Brad Burda, Provost, VP for Academic Affairs  
Lita Colligan, Assoc. VP for Strategic Partnerships and Government Relations  
Erin Foley, VP for Student Affairs and Dean of Students  
Sandra Fox, Board Secretary  
Jamie Kennel, Paramedic Education Program Director  
Michelle Meyer, Acting VP of Finance and Administration and Director of Business Affairs  
Brittany Miles, Industry Outreach – Government Relations Manager  
Di Saunders, Assoc. VP for Communications and Public Affairs  
Maureen Sevigny, Distance Education Program Manager  
Terri Torres, Associate Professor of Mathematics

**Others in Attendance:**

Jenee Hilliard, Legal Counsel Miller Nash Graham and Dunn  
Rafael Santiago, Oregon Tech Alumni Association President

**1. Call to Order/Roll/Declaration of a Quorum**

**Chair Graham** called the meeting to order at 3:10pm. The secretary called roll and a quorum was declared.

**Trustee Henry** announced her resignation from the Board as a result of her resignation from the University as an employee, effective July 22, 2015.

## 2. Opening Comments and Reports

### 2.1 Guest

**Wilsonville Mayor Tim Knapp** expressed the City's pleasure at the presence of Oregon Tech in the community. He gave a history of the area and a look at potential future development. He is looking forward to Oregon Tech being a long term partner in the community. There was a discussion regarding tracking the economic impact the university might have on the community and whether businesses are looking to locate here because of the university.

### 2.2 President's Report and Discussion

**President Maples** walked through a PowerPoint presentation (on record) of the national trends in higher education, Oregon Tech (faculty, staff and student) accomplishments, and opportunities and hurdles of being a small university. Discussion occurred regarding priority student, operational and capital investments to be made with state appropriations, bonding, and sale of Harmony site.

### 2.3 Legislative Session Update

**AVP Lita Colligan** explained the Thank You handout (on record) outlining what can be accomplished from the funds allocated by the Legislature. She read the budget message, walked the Trustees through the accomplishments of the legislature, issues that were sent to committee, and work staff needs to complete to address the new requirements. She thanked the Trustees for assisting with the legislature: writing letters, making phone calls, meeting legislators and serving as champions for the University. **A suggestion was made for a breakfast at the Wilsonville Campus with legislators and board of trustees, to say thank you and provide a tour of the university.**

### 2.4 Faculty Senate Report

**Terri Torres, VP of Faculty Senate**, explained how the Faculty contribute to the university and outlined the requests associated with faculty salaries. **Trustee Johnston** asked about the costs associated with each request. **Torres said she would email those costs.** Cost of living is not in the comparison nor are benefit packages. Discussion occurred on how agendas are set for the group, and members suggested that the Faculty Senate look at what items the University might consider to create incentives or reward faculty, such as consideration of creating open source text books when looking at promotion and tenure. **Open source text books could be a future discussion item based on the outcome of the fall retreat.**

### 2.5 Administrative Council Introduction and Report

**Administrative Council Chair, Bill Goloski** explained that the group of ten, from Wilsonville and Klamath Falls, represents unclassified staff (107); tasks include policy review and granting emeritus status. Brief overview of accomplishments over the past year and existing projects which include: working on an unclassified staff employee handbook, new employee checklist, flu shots through integrated student health center, acronym guide, spirit week coordination, and plausibility of establishing a day care center on campus.

### 2.6 ASOIT Wilsonville Report

Trustees received a handout (on record) outlining the accomplishments of Wilsonville ASOIT.

## 2.7 Academic Quality and Student Success Committee Report

**Trustee Brown** summarized the committee's meeting which included a recommendation for a new program, a presentation on academic quality, discussion on Title IX, Violence Against Women Act, and Clery Act compliance; and a brief discussion regarding enrollment, retention and graduation. There will be a future presentation on Student Success.

## 2.8 Finance and Facilities Committee Report

**Vice Chair Sliwa** summarized the Finance and Facilities Committee meeting which included a recommendation to the full board on the investment of funds; a report on investments; reports on funding and expense levels; a report on deferred maintenance, space inventory, and capital construction/renovation; and a report on Facility Master Plan creation based on the Academic Plan. The committee briefly discussed institutional risk and that the committee will address one type of risk per meeting.

## 2.9 Executive Committee Report

**Chair Graham** stated the committee had an update on how marketing/communications helps increase enrollment; discussion about enrollment management strategies; presentation on HECC's university evaluation proposal; and a report on Mission Alignment.

## 3. Consent Agenda

### 3.1 Approve Minutes of the April 7, 2015 Meeting

### 3.2 Approve Committee Charters

**Trustee Johnston moved to approve the consent agenda. Trustee Stewart seconded the motion. With all Trustees present voting aye, the motion passed unanimously.**

## 4. Action Items

### 4.1 Approve Resolution Adopting Oregon Tech's Mission Statement and Core Themes

**Chair Graham** explained the statutory requirement for the Board to adopt a mission statement, and staff proposed to adopt the current mission with a slight modification addressing the dissolution of the Oregon University System. It was explained that the Board can review and modify at future meeting if desired.

**Trustee Sliwa moved to approve the Resolution adopting Oregon Tech's mission statement and core themes. Trustee Peterson seconded. With all Trustees present voting aye, the motion passed unanimously.**

### 4.2 Amend Resolution 15-3 authorizing the President to repeal Administrative Rules and adopt certain rules as University Policies

**Chair Graham** explained the request to change the term 'shall' to 'may' when discussing the force of law in regards to policies.

**Trustee Ziara moved to Amend Resolution 15-3 authorizing the President to repeal Administrative Rules and adopt certain rules as University Policies. Trustee Gomez seconded the motion. With all Trustees present voting aye, the motion passed unanimously.**

### 4.3 Approve Resolution Authorizing the Investment of University Funds in the Oregon Public University Fund

**Acting VP Meyer** explained the benefit of placing the university's investment into the Public University Fund.

**Trustee Brown seconded the motion of the Finance and Facilities Committee to approve the resolution authorizing the investment of University Funds in the Oregon Public University Fund.**

There was a discussion regarding moving endowment funds into this low risk fund and the ability for future discussion regarding the appropriate place to invest long-term.

**With all Trustees present voting aye, the motion passed unanimously.**

**4.4 Select Board Members for 2016 External Audit Request for Proposal Committee**

**Acting VP Meyer** gave background on the need for an external auditor and the reasoning for the Board to have members involved with the Request For Proposal. She recommended staff manage the RFP process and recommend one external audit firm for the F&F committee, acting as the audit committee, to award the contract.

**Trustee Sliwa moved to have staff manage the external audit Request For Proposal process and recommend one firm for the Finance and Facilities Committee to award the external audit contract. Trustee Ziari seconded the motion. With all Trustees present voting aye, the motion passed unanimously.**

**4.5 Recommendation to Provost's Council to Approve New Program: Master of Science in Allied Health**

**Trustee Brown** stated this is an opportunity for Oregon Tech to move forward and offer a strong program.

**Trustee Stewart seconded the motion from the Academic Quality and Student Success Committee to recommend to the Provost's Council approval of a new program: Master of Science in Allied Health. With all Trustees present voting aye, the motion passed unanimously.**

**4.6 Approve Resolution Authorizing the Sale of an Undivided Interest in Real Property and Improvements, Referred to as the Harmony Campus, to Clackamas Community College**

**Trustee Minty Morris seconded the Finance and Facilities Committee's motion to approve a Resolution authorizing the sale of an undivided interest in real property and improvements, referred to as the Harmony Campus, to Clackamas Community College.**

Discussion regarding specifics of sale and strategy to expend the funds.

**With all Trustees present voting aye, the motion passed unanimously.**

**At 5:30pm Trustee Johnston moved to adjourn the meeting until July 10, 2015 at 8am. Trustee Minty Morris seconded the motion. With all Trustees present voting aye, the motion passed unanimously.**

## July 10, 2015

### Trustees Present:

Lisa Graham, Chair	Melissa Ceron	Dana Henry
Steve Sliwa, Vice-Chair	Fred Ziari	Christopher Maples
Kelley Minty Morris (8:10am)	Dan Peterson	Jessica Gomez
Jeremy Brown	Kathleen Hill	Paul Stewart
	Gary Johnston	

### University Staff and Faculty Present:

Mateo Aboy, Assoc. Provost, VP for Research  
Brad Burda, Provost, VP for Academic Affairs  
Lita Colligan, Assoc. VP for Strategic Partnerships and Government Relations  
Erin Foley, VP for Student Affairs and Dean of Students  
Sandra Fox, Board Secretary  
Jamie Kennel, Paramedic Education Program Director  
Michelle Meyer, Acting VP of Finance and Administration and Director of Business Affairs  
Brittany Miles, Industry Outreach and Governmental Relations Manager  
Di Saunders, Assoc. VP for Communications and Public Affairs  
Maureen Sevigny, Distance Education Program Manager  
Wangping Sun, Associate Professor Manufacturing Engineering  
Mehmet Vurkac, Assistant Professor Electrical Engineering/Renewable Energy

### Others in Attendance:

Jenee Hilliard, Legal Counsel, Miller Nash  
Tim Nesbitt, HECC Chair  
Rafael Santiago, Oregon Tech Alumni Association President  
Kim Thatcher, Senator

## 5. Call to Order/Roll/Declaration of a Quorum

**Chair Graham** called the meeting to order at 8:00am. The secretary called roll and a quorum was declared.

## 6. Discussion Items

### 6.1 Q&A with Higher Education Coordinating Commission

**HECC Chair Tim Nesbitt** congratulated Trustees on their appointments and stated that the HECC is pleased with the new structure of individual governing boards. Affordability and access to higher education are not enough; HECC and the universities need to make sure that students are graduating and receiving degrees, and Oregon Tech is doing this well. He discussed the change in funding distribution, change in ETIC funding/formula, importance of text book affordability, reducing costs to students, new community college program incentives and the tasks of HECC including evaluation of universities (approximately one to 1.5 years from now for Oregon Tech), approving university missions for coordination, and approving significant key program changes. HECC is working on a new 5 year plan and encourages Board member involvement. He stated a new outcome-based funding model is in the works which should reflect the investment in STEM studies and student success. Discussion regarding the importance of informal

guidance to obtain student success, making sure the university provides every incentive and all of the support to students and to focus on resident students.

When asked if there are any parts of the state that are underserved that Oregon Tech should focus on, **Chair Nesbitt** stated that Oregon Tech is well positioned in Wilsonville and Klamath Falls (metro and rural). He recommended connecting to high school students especially in eastern Oregon; suggested reaching students in the 3<sup>rd</sup> and 4<sup>th</sup> year of high school, easing the transition from high school to college, and offering college credit courses in high school. **Vice Chair Sliwa** stated that 40% of Oregon Tech students are non-traditional and do not meet the standard model of an incoming high school graduate, the university also serves industry employees, and offers nationally recognized degrees. He asked that HECC keep in mind, when modifying funding formulas, the non-traditional areas that Oregon Tech serves. **Trustee Brown** recognized the amount of work that HECC has dedicated (product and time), and how he appreciates recognition of the role that Oregon Tech plays state wide and the programs which are not duplicated throughout the state. Placement rate of students is high at Oregon Tech but programs are technical and expensive. He asked HECC to consider these facts when reviewing the funding model. **Chair Nesbitt** acknowledged the need to review costs of programs and they plan on addressing this in 2017-18.

**Trustee Stewart** asked if there were any disruptive innovations which could change the university's traditional business model. **Chair Nesbitt** replied: on-line learning, mentoring students one-on-one on a regular basis, high schools which have added a 5<sup>th</sup> year, potential K-14 system, recognizing the difference of cost of living and the cost of education, and bumping up against all old structures (e.g., Pell grant funding). There was also a discussion regarding geographic access to higher education.

**Senator Thatcher** stated that she considers Oregon Tech the most important institution in the state as we produce the graduates who are prepared to enter the workforce. She asked that the Board keep her and other legislators up to date on anything that they can do to assist the university in graduating successful students.

## Break 8:55am-9:15am

### 6.2 Strategic Plan Overview

**President Maples** walked Trustees through a PowerPoint (on record) and led a strategic discussion, including the university's strengths, weaknesses, opportunities and challenges moving forward; a review of national and state trends in higher education, including student movement within and across campuses, state funding over time, college costs and debt, meeting the needs of Oregon's changing demographics in the student population, and retention and time-to-degree issues. Oregon Tech's strengths include its growing reputation for student return on investment; unique niche as a polytechnic university; student- and teaching-centric applied approaches to learning; diverse and talented Board of Trustees; diverse locations and styles of course delivery, including rural Klamath Falls, urban Wilsonville, online and hybrid delivery and extension centers in Salem, La Grande and at Boeing; focus on partnerships with other colleges, including dual enrollment and college credits in high school; and community connections in Klamath Falls.

**President Maples** noted that there may be more opportunities in areas such as faculty research that engages students and attracts outside grants; options for faculty tracts outside of the focus on teaching; and for creating new prospects for students who do not qualify for limited-enrollment majors such as medical imaging. Oregon Tech has the opportunity to turn around student support staff reductions that occurred over the past several years made to balance declining budgets. Finding new ways to support the high percentage of low-income and first-generation students is critical, as well as being able to support their success holistically once they get on campus. A large percentage of costs are outside of the university's control, such as tuition levels, capital bonding, and faculty and staff compensation; and overall there is too much reliance on state support.

Key areas of Oregon Tech's 2020 Strategic Action Plan include student success; faculty and staff success; economic and workforce connections; student access and diversity; and university financial success.

Discussion regarding a potential niche offering a higher cost, lower term (time to get degree) program, providing students industry experience beyond internships, while in school (it is difficult to hire students with no experience even if they have a degree), the need to get accrediting committees to approve of some of these ideas, the need to focus on being outcome based, provide financial literacy to students, incentivize students to apply for funding, and share information with Alumni to assist in accomplishing goals. Discussion regarding adjunct faculty costs and benefits, faculty work load/expectations, research in terms of innovation, who we market to and the type of institution we market.

**Finance and Administration will put together a one page set of metrics regarding the budget, available at board retreat.**

#### **Break 11:30am-11:45am**

Discussion regarding the meaning of being a polytechnic university, naming/renaming/repositioning, and university focus; aspirational peers, proposed program directions, accelerated/dual credit strategies. Extensive conversation on tuition and enrollment management policies. **President Maples and Executive Staff will address the need to establish tuition and enrollment management policies at the management retreat and follow up with Chair Graham and Vice Chair Sliwa.** Need to focus on increasing revenue aside from state revenue; also look at acquiring larger percentage of state funding.

#### **Lunch 12:50pm-2:15pm Associate Provost/VP Aboy gave an update on the Wilsonville Campus.**

Discussion regarding the existing and future strategic plans, the roles of the University and Board, how to include stakeholders, and how it would relate to the budget. **President Maples and Executive Staff will outline a process for updating the strategic plan and present it at the Board Retreat, and the Board will provide guidance.** Four priorities of Finance Committee are to: increase revenues, reduce expenses, move Oregon Tech in a positive direction, and catch the university up on backlog of projects.

Discussion regarding Delegation of Authority. **Executive Staff will bring a proposal for investing/spending the Harmony Sale funds for Board Endorsement.**

Regarding the outcome of the Board retreat, Chair Graham asked that Trustees provide ideas that are important to board that they would like explored and then to prioritize them. A member asked what the Faculty Senate think as a group would make the biggest impact for the students and how important it is to hear from them.

**Send out draft retreat plan to Trustees over the summer for comment.**

Request to hold Board Committee meetings simultaneously.

**7. Roundtable**

None

**8. Public Comment**

**Rafael Santiago, President of the Alumni Association** stated the Association is re-establishing and re-inventing itself and would like to maintain a relationship with the Board.

**Associate Provost Aboy** stated President Maples executed the purchase agreement for the Harmony campus; Clackamas Community College Board will meet on July 22; and Oregon Tech should receive \$4.2M by July 30.

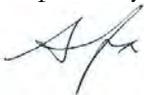
**Vice Chair Sliwa moved to commend Executive Staff at Oregon Tech for handling the transition from a shared governing body to an independent Board. Trustee Minty Morris seconded the motion. With all Trustees present voting aye the motion passed unanimously.**

**President Maples** thanked **Trustee Henry** for her contribution to the Board and extended appreciation for her willingness to serve and contributing to the successful transition.

**9. Adjournment**

**With no further business proposed Trustee Johnston moved to adjourn the meeting. Trustee Henry seconded the motion. With all Trustees present voting aye, the meeting was adjourned at 3:07p.m.**

Respectfully submitted,



Sandra Fox  
Board Secretary



**Retreat**  
**Oregon Tech Board of Trustees**  
**Running Y Ranch & Resort, Mahogany Room**  
**5500 Highway 140, Klamath Falls, Oregon**  
**September 10-11, 2015**  
**1pm - 5pm and 8:30am - 3pm**

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**Board of Trustees**  
**Draft Minutes**

**Thursday September 10, 2015**

**Trustees Present:**

Lisa Graham, Chair  
Steve Sliwa, Vice-Chair  
Melissa Ceron  
Jessica Gomez

Kathleen Hill  
Gary Johnston  
Christopher Maples  
Kelley Minty Morris

Dan Peterson  
Steve Sliwa  
Paul Stewart  
Fred Ziari

**University Staff and Faculty Present:**

Brad Burda, Provost, VP for Academic Affairs  
Erin Foley, VP for Student Affairs and Dean of Students  
Sandra Fox, Board Secretary  
Laura McKinney, VP of Wilsonville  
Michelle Meyer, Interim VP of Finance and Administration and Director of Business Affairs  
Tracy Ricketts, Associate VP of Development and Alumni Relations  
Paul Rowan, Associate VP for Information Technology Services  
Di Saunders, Assoc. VP for Communications and Public Affairs

**Others in Attendance:**

Dee Thompson, President of the Oregon Tech Foundation Board

**1. Call to Order/Roll/Declaration of a Quorum**

**Chair Graham** called the meeting to order at 1:00pm. The secretary called roll and a quorum was declared.

**2. Financial Strategies and Tactics**

**Vice Chair Sliwa** stated that the Board would benefit from a snapshot of where the university is financially, a discussion of where we want to go, and strategies and tactics of how we can get there. One of the jobs of the Board is to make sure the university is fiscally sound; the new environment is requiring the university to not rely on state funding. Executive staff was asked to look at four priorities related to growth: 1. investments that can be made to increase revenue, 2. investments that can be made to reduce expenses, 3. the kind of investments that can be made to support the university's strategic initiatives, and 4. how it can be ensured that there are funds to address the backlog of projects. No critical decisions need to be made today but **executive staff will take the Trustees' comments into consideration and come back with a dashboard.**

**Interim VP Meyer** gave an overview of the budget, explaining the Education and General Fund. The Finance Division proposes to run reports every four months to reflect the calendar of the university and the availability of accurate data. Student enrollment growth is, on average, 3%. Approximately \$1.4 million will roll forward from FY14-15; \$400,000 is estimated to not be spent in FY15-16. Reserves have typically been held at a department program level; there is not a true Reserve Account. Salaries and the funding of PERS are the most significant changes in the future year budget. It is necessary to identify levers to adjust to address future costs. **Interim VP Meyer will look at another report breaking down the information by delivery source (Klamath Falls, Wilsonville, etc.). Executive Staff should report back in October on the revenue from the sale of property in Milwaukie, Oregon.** Discussion regarding looking at best and worst case (conservative) scenarios, health care costs, deferred maintenance, enrollment management and the need for accurate data from institutional research, and programs that are growing. **Request for staff to look at the budget without any state funding.** Consensus that the university must move forward with what it thinks is best for the university in spite of perceived “no’s” it might run into; and the need to remind the state in the future that the funding Oregon Tech received this year did not make the university whole. Items that are not included in the budget scenario are potential legislatively mandated items that are not funded, and unknown debt issuance costs.

**Break** (2:20-2:35pm)

**Chair Graham** acknowledged a letter from faculty member Nathan Mead.

**Interim VP Meyer** stated she researched the data currently available, what can be calculated based on that data, what the results of the calculations are, what the transition period looks like, how long the transition period might be, what the industry standards are, and what the targets/goals should be. She walked the Board through four financial metrics and two facility metrics, expressed in ratios, that will be reviewed on a periodic basis: 1. Debt Burden ratio: industry standard upper threshold is 7%, OT is at 4.8% as of June 30, 2014; this is a healthy figure and shows OT has capacity for additional debt; a note was made that it is necessary to keep the Foundation funds identified; 2. Primary Reserve ratio: industry standard lower threshold is 0.4x, OT is at 0.42x as of June 30, 2014; this shows that OT can carry 40% of 12 months of costs; no recommendation other than to monitor and compare; 3. Viability ratio: OT is at 0.54 with a goal of 0.7-0.85 during the transition period; 4. Return on Net Position: industry standard threshold is 3%-4% real rate of return, OT is at 0.6% for FY 2014 but there was an anomaly with a library asset - normalizing the data brings OT to 2.5%, the goal is to be at 3%-4%; **there are other ratios that staff can track and will propose at the October meeting.** Facility metrics include: 1. Physical Asset ratio: OT is at 0.82 as of June 30, 2014; the goal is 0.9 during the transition period of 4 years; a lower number shows an underinvestment in campus facilities; 2. Facility Investment: industry standard is 10 years for research and 15 years for undergraduate; OT is at 15.51 years; the goal is to decrease to 12-13 years; this shows the average age of the facilities; lower numbers are better. Additional facility ratios to track include Facilities Burden ratio, Deferred Maintenance ratio, and Classroom Space Utilization.

**Additional items suggested to track include: 1. the percentage of budget in KF and in Wilsonville being spent on instruction; 2. tuition discounting percentage; 3. breakdown of student population by location and Pell eligibility; and 4. the straight operating margins (profit and loss).**

Discussion regarding ways to encourage industry associated with the University to locate in Klamath Falls. Suggestion to look into enterprise zones and creative partnerships with local governments; invite a local representative to discuss enterprise zones and opportunities at the October meeting.

**Trustee Minty Morris** exited the meeting at 3:30pm.

### 3. Higher Education Opportunities

**President Maples** mentioned Oregon Tech's recent rankings in *US News and World Report* and follow up articles in various newspapers. **AVP Saunders** summarized the rankings: Oregon Tech is tied at #1 as the top public western regional college; is the #5 regional western college; received the highest peer assessment score in the regional college market; is ranked #46 in the country as the best undergraduate engineering program; and is ranked #18 among public universities for best undergraduate engineering program. **AVP Saunders** requested Board members submit ideas for commentary pieces to her. She stated **the Marketing group is looking to revamp key messages, monikers and tag-lines and will bring those to the Board in October.** Discussion of where press releases are sent; **request to expand the number of media sites to which we send items;** engineering and health focused magazines and Oregon newspapers were also suggested. This expanded marketing method could help raise funds and assist recruitment.

#### a. Oregon Tech's Footprint

**President Maples** identified the four focus areas of Oregon Tech: the Klamath Falls campus, Wilsonville campus, on-line courses, and extension programs; and the strengths of each. The goal is to grow in a way to remain nimble. Discussion regarding growth opportunities to provide students to obtain additional skills, and the opportunity to partner with OHSU and Sky Lake Medical Center to provide highly educated workers additional skills.

#### b. Trends in Higher Education and the Impact on Oregon Tech and c. New Areas to Consider

**President Maples** walked through a PowerPoint presentation (on record). He stated access to a university is no longer the biggest issue facing universities, completion is now the challenge. Some of the hurdles addressing this challenge include the types of students the university has: almost 68% Pell eligible students (financial aid runs out after 6 years), 50% first time family member going to college, and many 5th year undergraduates. There is a need to focus on when the students borrow money during the year and during their time at OT, and what can be done to assist the students to encourage graduation. The university ranks in the top 5 universities of students who have debt, but the same students' starting salaries are \$59K/year; the average student at Oregon Tech has \$30K of debt; 73% of students have debt. OT is still a great investment and the discussion needs to be changed from the amount of debt incurred to focusing on the ROI for the student. OT has a low graduation rate which could correlate to the amount of Pell eligible students and the fact that the student body is non-traditional. Discussion regarding the possibility of offering an in-house loan program for students and what the university currently offers students as far

as assistance. Discussion regarding creating intensive degree programs and a mix of on-line and extension courses; could be used to be address three issues: students who did not complete their degree and left, students who are on the verge of leaving, and industry professionals who want to get another degree in an efficient manner. Discussion regarding the difference between students who cannot finish because of finances and those who have difficulties in the basic courses because of poor college preparation; need to focus on reasons for undergraduates not graduating.

**President Maples** walked board members through university metrics (handout on record) comparing 2008-09 through 2014-15, and stated that the university will advertise soon for a VP of Enrollment Management. He identified national concerns public universities are addressing, including a decline in state financial support, hitting a tuition ceiling - the point when students turn away, and the need for student services to assist students in graduating. Despite the economic downturn, having a bachelor's degree is the only degree which is associated with an overall increase in the average income. There is a trend to invest money to make money and then to focus on reducing expenses.

**Chair Graham** stated that there is a need to review the President's contract. She reminded the Trustees that most University Presidents have a 3-5 year contract and asked that Trustees think about anything they might want to address in a new contract with President Maples as his existing contract is only for one year.

**At 5:00pm Trustee Johnston moved to adjourn the meeting until September 11, 2015 at 8:30am. Trustee Sliwa seconded. With all Trustees present voting aye, the motion passed unanimously.**

## Friday September 11, 2015

### Trustees Present

Lisa Graham, Chair

Steve Sliwa, Vice-Chair

Melissa Ceron

Jessica Gomez

Kathleen Hill

Gary Johnston

Christopher Maples

Kelley Minty Morris

Dan Peterson

Steve Sliwa

Paul Stewart

Fred Ziari

### University Staff and Faculty Present:

Brad Burda, Provost, VP for Academic Affairs

Erin Foley, VP for Student Affairs and Dean of Students

Sandra Fox, Board Secretary

Laura McKinney, VP of Wilsonville

Michelle Meyer, Interim VP of Finance and Administration and Director of Business Affairs

Tracy Ricketts, Associate VP of Development and Alumni Relations

Paul Rowan, Associate VP for Information Technology Services

Di Saunders, Assoc. VP for Communications and Public Affairs

### Others in Attendance:

Doug Whitsett, Senator District 28

Gail Whitsett, Representative District 56

#### 4. Call to Order/Roll/Declaration of a Quorum

**Chair Graham** called the meeting to order at 8:30am. The secretary called roll and a quorum was declared.

**VP Saunders** relayed that the local newspaper, *The Herald and News*, covered the editorial board meeting held yesterday, on the front page. She also stated the OT team won \$10,000 and came in first place in the Clean Tech Challenge sponsored by Wells Fargo; the winning group designed and built an anaerobic digester with a water distillation system that can process waste, reduce methane emissions, produce clean water, and improve sanitary conditions.

#### 5. Possible Directions & Prioritization

**President Maples** addressed the quadrants the University focuses on: the Klamath Falls campus, Wilsonville campus, online, and extension. He stated there is a need to look at how to increase one or all of the quadrants. Discussion about options, ways the university can grow and things that can be done to increase revenue and decrease costs. **Laura McKinney** was introduced as the VP of Wilsonville. She gave a status update on previous funding associated with ETIC (no longer active) and potential funding through the Oregon Talent Council; funds are for program development, usually in high demand fields. She encouraged board members to take strong policy stances to protect this funding source; and to help identify industry matching funds. OTC falls under the State Employment Agency as it addresses industry growth. Suggestion that all university boards work with the OTC to grow the fund.

**Chair Graham** asked board members to identify strategic ideas for each of the four quadrants, opportunities for the university, and then narrow the list down to a few key areas for executive staff and the president to address and return to the board with. Board members brainstormed on ideas. Discussion regarding how to reduce the amount of time students must spend to obtain a degree or how to condense the time; and the number of badges and certificates offered. The importance of the relationship between the faculty and the Board was stressed.

#### Break (10:45am-11:10am)

**Senator Whitsett** and **Representative Whitsett** joined the Board meeting. **Representative Whitsett** stated she would like to see a reallocation of funds from the pre-birth - pre-kindergarten section to higher education because the return on investment is timelier. She acknowledged that the dissolution of the Chancellor's office has created additional steps and processes with less funding. Concern that the HECC could be a political ploy to control universities and what they teach. The state government understands how special Oregon Tech is. **Senator Whitsett** believes that the focus in higher education needs to be on completion and the future of higher education is in the coordination with the business community hiring graduates. He does not feel that there will be additional monies for higher education because of the PERS federal ruling and the recently negotiated SEIU (union) contract.

**Trustee Ziari** outlined three things that clients look at: price, premium, and prestige. Discussion regarding how OT is perceived in each of the categories.

**Trustee Minty Morris** exited the meeting at noon.

**Trustee Hill** exited the meeting at 12:15pm

**Lunch (12:15pm-1:10pm)**

**Trustee Gomez** exited the meeting at 1:10pm.

Suggestion to add a Foundation Report to the standard board agenda.

**Executive staff will review the ideas identified by the Trustees and bring the proposals back to the board with any common themes identified and with suggested prioritization of the ideas. The budget implications will also need to be evaluated. The intent is to create one page of experiments and initiatives addressing the quadrants in the next 2-3 years.**

Executive staff summarized what they took away from the executive staff retreat held in August. There was a focus on the ability to work with the Board and the new opportunities the governance structure offers.

**Request for metrics to be available at each board meeting and to address the overarching initiatives and where the University stands on those initiatives.**

**Request for an Executive Session to be scheduled for October per ORS 192.660(2)(a) and (i).**

**Trustee Stewart** exited the meeting at 2:15pm.

**6. How to Redirect Efforts to Free Up More Resources for New Directions** *President Maples*

No discussion.

**7. Roundtable**

**President Maples** stated **Bill Goloski** and **Jill Mason**, potential board members, are scheduled to go before the Senate Rules Committee for a recommendation to the Full Senate on September 28, 2015. Discussion regarding ideas for an on-boarding system for new Trustees.

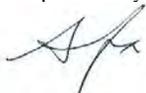
**8. Public Comment**

None

**9. Adjournment**

**At 2:40pm Trustee Johnston moved to adjourn the meeting Trustee Sliwa seconded. With all Trustees present voting aye, the motion passed unanimously.**

Respectfully submitted,



Sandra Fox  
Board Secretary

# **Consent**

## **Agenda Item No. 3.3**

### **Adopt Policy on Recommending Candidates for At-Large Board Positions**

#### **Background**

Oregon Revised Statute 352.076(2)(a) states that Oregon Tech Trustees are appointed by the Governor and confirmed by the state Senate. The Board of Trustees has the ability to recommend candidates for the Governor's consideration.

Staff proposes the Board adopt a Board policy for at-large member positions and allow the President to adopt a University policy for the faculty, staff, and student positions. The University policy is drafted to mirror the Board Policy with the addition of the President consulting with the Executive Staff team prior to making a recommendation to the Board Chair.

Both policies outline the desired make-up of the Board and characteristics of the members.

#### **Committee Recommendation**

The Executive Committee, at its October 8, 2015 meeting, will hold a public meeting, discuss the proposal and make a recommendation to the Board.

#### **Attachments**

- Proposed Board Policy on Recommending Candidates for At-Large Board Positions

**DRAFT**  
**Board Policy on Recommending Candidates for At-Large Board Positions**  
**Board of Trustees of Oregon Institute of Technology**

**1.0 Goal**

Under ORS 352.076(2)(a), Oregon Tech Trustees are appointed by the Governor and confirmed by the Oregon Senate. It is a goal of the Board of Trustees to recommend, for the Governor's consideration, at-large candidates who meet the individual characteristics desired for the Board and complement the needs of the Board as a whole.

**2.0 Purpose**

The purpose of this policy is to guide the Board's efforts in identifying potential candidates to recommend to the Governor for at-large Board positions.

**3.0 Board Composition**

3.1 The Board should be composed of members who have:

- 3.1.1 A commitment to public higher education;
- 3.1.2 A record of interest or involvement in public or community service;
- 3.1.3 Knowledge of complex organizations or academic institutions;
- 3.1.4 Demonstrated collaborative leadership;
- 3.1.5 A willingness and availability for constructive engagement;
- 3.1.6 A commitment to open-minded, non-partisan decision making; and
- 3.1.7 A record of integrity, good judgment, and civic virtue.

3.2 There should be a balance of perspectives, backgrounds, experience and skills among the members of the Board. These could include, but are not limited to:

- 3.2.1 Gender, ethnicity, age, geographic location, and other expressions of diversity;
- 3.2.2 Experience that will benefit the Board and the university;
- 3.2.3 Personal and professional skills;
- 3.2.4 Unique skills and competencies;
- 3.2.5 Complementary skills and perspectives;
- 3.2.6 A broad range of professional fields; and
- 3.2.7 Alumni relation or institutional memory.

**4.0 Process**

The process for identifying, vetting, and recommending potential candidates will include the following:

4.1 Conduct Needs Assessment

When a vacancy on the Board is anticipated or occurs, the Board Secretary in consultation with the President and Board Chair, will conduct a needs assessment analyzing the present Board membership against the composition identified in Section 3 of this policy. In conducting the needs assessment, the Board Secretary, in consultation with the President and Board Chair, will consider the results of the most recent self-assessments conducted by the Board.

4.2 Vet Potential Candidates

Based on the needs assessment, the President will identify potential candidates. To assist the President, the Board Secretary will maintain a list of individuals submitted by sources such as Trustees, the President, senior administrators, alumni, and others. The President will vet potential candidates in consultation with the Board Officers. Vetting may include a discussion with potential candidates about their interest, readiness for nomination, fit with the desired characteristics and the responsibilities of trusteeship which include but are not limited to:

- 4.2.1 Commitment of time and talent; attendance at and participation in board and committee meetings;
- 4.2.2 Ability to maintain a university-wide perspective on issues and concerns;
- 4.2.3 Promotion of the university mission through advocacy and oversight of policy;
- 4.2.4 Active involvement in the life of the university;
- 4.2.5 Service as an ambassador for the university; and
- 4.2.6 Use of personal and professional skills and contacts in attracting public support of the university in the form of funding as well as recognition of university achievements and contributions to the public good.

In addition, the impact of any conflicts of interest (or potential conflicts of interest) will be evaluated. Candidates who will be recommended to the Executive Committee will be asked to complete an application packet including the Governor's Executive Appointment Interest Form and Background Information Form, a short biography, a resume, and a statement of interest.

4.3 Present Recommendations

The President will present one complete application packet per vacant position, of a potential candidate who is willing to serve and who satisfies the needs identified by the needs assessment, to the Executive Committee. If the Executive Committee concurs with the President's recommendation(s), the Chair, through the Board Secretary, will submit the name(s) of potential candidates on behalf of the Board of Trustees to the Governor for consideration. If the Committee does not concur with the President's recommendation(s), it may direct the President to provide additional or alternative recommendations. The Board Secretary will notify the applicant that their information was forwarded to the Governor for appointment consideration.

## **ACTION**

### **Agenda Item No. 4.1**

## **Approval of a Resolution Acknowledging Institutional Responsibilities Under the Program Participation Agreement Related to Title IV Financial Assistance Programs**

### Summary

Oregon Institute of Technology became an independent public body governed by its Board of Trustees on July 1, 2015. The U.S. Department of Education requires acknowledgement of the institution's continued responsibilities under its Program Participation Agreement anytime there is a change in governance.

### Background

Oregon Institute of Technology is a participant in student financial assistance programs authorized by Title IV of the Higher Education Act of 1965, as amended. When a participating public institution experiences a change in governance, the U.S. Department of Education requires that the new governing authority acknowledge the institution's continued responsibilities under its Program Participation Agreement (PPA). In a PPA, a university agrees to comply with all laws, regulations and policies governing Title IV financial assistance. The PPA reiterates institutional responsibilities regarding various matters under federal law, such as drug and alcohol abuse, campus public safety, student privacy, and reporting of institutional information. The PPA also states the general terms and conditions for participation in Title IV financial assistance programs.

Oregon Institute of Technology's current PPA with the U.S. Department of Education, is effective until September 30, 2018.

The Finance and Facilities Committee held a public meeting on October 8, 2015 and made a recommendation to the Board

### Staff Recommendation

Move to approve the Resolution acknowledging institutional responsibilities under the Program Participation Agreement related to Title IV financial assistance programs.

### Attachments

- Proposed Resolution with Program Participation Agreement

**RESOLUTION NO. 15-\_\_\_**

**BOARD OF TRUSTEES OF OREGON INSTITUTE OF TECHNOLOGY**

**A RESOLUTION ACKNOWLEDGING INSTITUTIONAL RESPONSIBILITIES UNDER PROGRAM PARTICIPATION AGREEMENT RELATED TO TITLE IV FINANCIAL ASSISTANCE PROGRAMS**

**WHEREAS**, the Oregon Institute of Technology is a participant in student financial assistance programs authorized by Title IV of the Higher Education Act of 1965, as amended; and

**WHEREAS**, when a participating public institution experiences a change in governance, the U.S. Department of Education requires that the new governing authority acknowledge the institution's continued responsibilities under its Program Participation Agreement; and

**WHEREAS**, the Oregon Institute of Technology's current Program Participation Agreement with the U.S. Department of Education, attached as Exhibit A, was effective until September 30, 2018; and

**WHEREAS**, effective July 1, 2015, Oregon Institute of Technology became an independent public body governed by its Board of Trustees;

**Now, therefore**, the Board of Trustees resolves as follows:

**Section 1**

The Board of Trustees acknowledges Oregon Institute of Technology's continued responsibilities under the Program Participation Agreement attached as Exhibit A.

**Section 2**

This Resolution shall take effect immediately upon approval by the Board.

Moved by \_\_\_\_\_

Seconded by \_\_\_\_\_

Trustee	Yes	No
Jeremy Brown		
Melissa Ceron		
Jessica Gomez		
Lisa Graham		
Kathleen Hill		
Gary Johnston		
Kelley Minty Morris		
Celia Núñez		
Dan Peterson		
Steve Sliwa		
Paul Stewart		
Fred Ziari		

Approved and dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
 Lisa Graham  
 Board Chair

ATTEST:

\_\_\_\_\_  
 Sandra Fox  
 Board Secretary

I, \_\_\_\_\_, Secretary of the Board, do hereby certify that the foregoing is a true and correct copy of a Resolution duly adopted by the Oregon Institute of Technology Board of Trustees at the meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, and thereafter approved and signed by the Chair and attested by the Secretary of the Board.

\_\_\_\_\_  
 Secretary of the Board

**EXHIBIT A  
PROGRAM PARTICIPATION AGREEMENT**

PPA, OPE ID: 00321100, PPA Expiration Date: 09/30/2018



FEDERAL STUDENT AID START HERE. GO FURTHER.™

**UNITED STATES DEPARTMENT OF EDUCATION**

**FEDERAL STUDENT AID  
SCHOOL ELIGIBILITY CHANNEL**

**PROGRAM PARTICIPATION AGREEMENT**

Effective Date of Approval: The date on which this Agreement is signed on behalf of the Secretary of Education  
Approval Expiration Date: **September 30, 2018**  
Reapplication Date: **June 30, 2018**

Name of Institution: **Oregon Institute of Technology**  
Address of Institution: **3201 Campus Drive  
Klamath Falls, OR 97601-8801**

OPE ID Number: **00321100**

DUNS Number: **055968499**

Taxpayer Identification Number (TIN): **936001786**

**The execution of this Agreement by the Institution and the Secretary is a prerequisite to the Institution's initial or continued participation in any Title IV, HEA Program.**

The postsecondary educational institution listed above, referred to hereafter as the "Institution," and the United States Secretary of Education, referred to hereafter as the "Secretary," agree that the Institution may participate in those student financial assistance programs authorized by Title IV of the Higher Education Act of 1965, as amended (Title IV, HEA Programs) indicated under this Agreement and further agrees that such participation is subject to the terms and conditions set forth in this Agreement. As used in this Agreement, the term "Department" refers to the U.S. Department of Education.

**SCOPE OF COVERAGE**

This Agreement applies to all locations of the Institution as stated on the most current ELIGIBILITY AND CERTIFICATION APPROVAL REPORT issued by the Department. This

PPA OPE ID: 00321100. PPA Expiration Date: 09/30/2018

Agreement covers the Institution's eligibility to participate in each of the following listed Title IV, HEA programs, and incorporates by reference the regulations cited.

- **FEDERAL PELL GRANT PROGRAM**, 20 U.S.C. §§ 1070a *et seq.*, 34 C.F.R. Part 690.
- **FEDERAL FAMILY EDUCATION LOAN PROGRAM**, 20 U.S.C. §§ 1071 *et seq.*, 34 C.F.R. Part 682.
- **FEDERAL DIRECT STUDENT LOAN PROGRAM**, 20 U.S.C. §§ 1087a *et seq.*; 34 C.F.R. Part 685.
- **FEDERAL PERKINS LOAN PROGRAM**, 20 U.S.C. §§ 1087aa *et seq.*; 34 C.F.R. Part 674.
- **FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM**, 20 U.S.C. §§ 1070b *et seq.*; 34 C.F.R. Part 676.
- **FEDERAL WORK-STUDY PROGRAM**, 42 U.S.C. §§ 2751 *et seq.*; 34 C.F.R. Part 675.
- **ACADEMIC COMPETITIVENESS GRANT AND NATIONAL SCIENCE AND MATHEMATICS ACCESS TO RETAIN TALENT GRANT PROGRAMS**, 20 U.S.C. §§ 1070a-1 *et seq.*; 34 C.F.R. Part 691.
- **TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION GRANT PROGRAM**, 20 U.S.C. §§ 1070g *et seq.*; 34 C.F.R. Part 686.
- **IRAQ AND AFGHANISTAN SERVICE GRANT**, 20 U.S.C. §§ 1070d *et seq.*

## GENERAL TERMS AND CONDITIONS

1. The Institution understands and agrees that it is subject to and will comply with the program statutes and implementing regulations for institutional eligibility as set forth in 34 C.F.R. Part 600 and for each Title IV, HEA program in which it participates, as well as the general provisions set forth in Part F and Part G of Title IV of the HEA, and the Student Assistance General Provisions regulations set forth in 34 C.F.R. Part 668.  
*The recitation of any portion of the statute or regulations in this Agreement does not limit the Institution's obligation to comply with other applicable statutes and regulations.*
2.
  - a. The Institution certifies that on the date it signs this Agreement, it has a drug abuse prevention program in operation that it has determined is accessible to any officer, employee, or student at the Institution.
  - b. The Institution certifies that on the date it signs this Agreement, it is in compliance with the disclosure requirements of Section 485(f) of the HEA (Campus Security Policy and Campus Crime Statistics).
3. The Institution agrees to comply with --
  - a. Title VI of the Civil Rights Act of 1964, as amended, and the implementing regulations, 34 C.F.R. Parts 100 and 101 (barring discrimination on the basis of race, color or national origin);
  - b. Title IX of the Education Amendments of 1972 and the implementing regulations, 34

2/17

PPA OPE ID: 00321100, PPA Expiration Date: 09/30/2018

- c. C.F.R. Part 106 (barring discrimination on the basis of sex);
  - c. The Family Educational Rights and Privacy Act of 1974 and the implementing regulations, 34 C.F.R. Part 99;
  - d. Section 504 of the Rehabilitation Act of 1973 and the implementing regulations, 34 C.F.R. Part 104 (barring discrimination on the basis of physical handicap); and
  - e. The Age Discrimination Act of 1975 and the implementing regulations, 34 C.F.R. Part 110.
  - f. The Standards for Safeguarding Customer Information, 16 C.F.R. Part 314, issued by the Federal Trade Commission (FTC), as required by the Gramm-Leach-Bliley (GLB) Act, P.L. 106-102. These Standards are intended to ensure the security and confidentiality of customer records and information. The Secretary considers any breach to the security of student records and information as a demonstration of a potential lack of administrative capability as stated in 34 C.F.R. 668.16(c). Institutions are strongly encouraged to inform its students and the Department of any such breaches.
4. The Institution acknowledges that 34 C.F.R. Parts 602 and 667 require accrediting agencies, State regulatory bodies, and the Secretary to share information about institutions. The Institution agrees that the Secretary, any accrediting agency recognized by the Secretary, and any State regulatory body may share or report information to one another about the Institution without limitation.
  5. The Institution acknowledges that the HEA prohibits the Secretary from recognizing the accreditation of any institution of higher education unless that institution agrees to submit any dispute involving the final denial, withdrawal, or termination of accreditation to initial arbitration prior to any other legal action.

**SELECTED PROVISIONS FROM  
GENERAL PROVISIONS REGULATIONS, 34 C.F.R. PART 668.14**

An institution's program participation agreement applies to each branch campus and other location of the institution that meets the applicable requirements of this part unless otherwise specified by the Secretary.

- (b) By entering into a program participation agreement, an institution agrees that--
- (1) It will comply with all statutory provisions of or applicable to Title IV of the HEA, all applicable regulatory provisions prescribed under that statutory authority, and all applicable special arrangements, agreements, and limitations entered into under the authority of statutes applicable to Title IV of the HEA, including the requirement that the institution will use funds it receives under any Title IV, HEA program and any interest or other earnings thereon, solely for the purposes specified in and in accordance with that program;
  - (2) As a fiduciary responsible for administering Federal funds, if the institution is permitted to request funds under a Title IV, HEA program advance payment method, the institution will time its requests for funds under the program to meet the institution's immediate Title IV, HEA program needs;
  - (3) It will not request from or charge any student a fee for processing or handling any application, form, or data required to determine a student's eligibility for, and amount of, Title IV, HEA program assistance;
  - (4) It will establish and maintain such administrative and fiscal procedures and records as may be necessary to ensure proper and efficient administration of funds received from the Secretary

PPA OPE ID: 00321100, PPA Expiration Date: 09/30/2018

or from students under the Title IV, HEA programs, together with assurances that the institution will provide, upon request and in a timely manner, information relating to the administrative capability and financial responsibility of the institution to--

- (i) The Secretary;
  - (ii) A guaranty agency, as defined in 34 CFR part 682, that guarantees loans made under the Federal Stafford Loan and Federal PLUS programs for attendance at the institution or any of the institution's branch campuses or other locations;
  - (iii) The nationally recognized accrediting agency that accredits or preaccredits the institution or any of the institution's branch campuses, other locations, or educational programs;
  - (iv) The State agency that legally authorizes the institution and any branch campus or other location of the institution to provide postsecondary education; and
  - (v) In the case of a public postsecondary vocational educational institution that is approved by a State agency recognized for the approval of public postsecondary vocational education, that State agency;
- (5) It will comply with the provisions of § 668.15 relating to factors of financial responsibility;
- (6) It will comply with the provisions of § 668.16 relating to standards of administrative capability;
- (7) It will submit reports to the Secretary and, in the case of an institution participating in the Federal Stafford Loan, Federal PLUS, or the Federal Perkins Loan Program, to holders of loans made to the institution's students under that program at such times and containing such information as the Secretary may reasonably require to carry out the purpose of the Title IV, HEA programs;
- (8) It will not provide any statement to any student or certification to any lender in the case of an FFEL Program loan, or origination record to the Secretary in the case of a Direct Loan Program loan that qualifies the student or parent for a loan or loans in excess of the amount that the student or parent is eligible to borrow in accordance with sections 425(a), 428(a)(2), 428(b)(1)(A) and (B), 428B, 428H and 455(a) of the HEA;
- (9) It will comply with the requirements of Subpart D of this part concerning institutional and financial assistance information for students and prospective students;
- (10) In the case of an institution that advertises job placement rates as a means of attracting students to enroll in the institution, it will make available to prospective students, at or before the time that those students apply for enrollment--
- (i) The most recent available data concerning employment statistics, graduation statistics, and any other information necessary to substantiate the truthfulness of the advertisements; and
  - (ii) Relevant State licensing requirements of the State in which the institution is located for any job for which an educational program offered by the institution is designed to prepare those prospective students;
- (11) In the case of an institution participating in the FFEL Program, the institution will inform all eligible borrowers, as defined in 34 CFR part 682, enrolled in the institution about the availability and eligibility of those borrowers for State grant assistance from the State in which the institution is located, and will inform borrowers from another State of the source for further information concerning State grant assistance from that State;
- (12) It will provide the certifications described in paragraph (c) of this section;
- (13) In the case of an institution whose students receive financial assistance pursuant to section 484(d) of the HEA, the institution will make available to those students a program proven successful in assisting students in obtaining the recognized equivalent of a high school diploma;
- (14) It will not deny any form of Federal financial aid to any eligible student solely on the grounds that the student is participating in a program of study abroad approved for credit by the

4/17

PPA\_OPE ID: 00321100, PPA Expiration Date: 09/30/2018

institution;

(15) (i) Except as provided under paragraph (b)(15)(ii) of this section, the institution will use a default management plan approved by the Secretary with regard to its administration of the FFEL or Direct Loan programs, or both for at least the first two years of its participation in those programs, if the institution --

(A) Is participating in the FFEL or Direct Loan programs for the first time; or

(B) Is an institution that has undergone a change of ownership that results in a change in control and is participating in the FFEL or Direct Loan programs.

(ii) The institution does not have to use an approved default management plan if --

(A) The institution, including its main campus and any branch campus, does not have a cohort default rate in excess of 10 percent; and

(B) The owner of the institution does not own and has not owned any other institution that had a cohort default rate in excess of 10 percent while that owner owned the institution.

(16) For a proprietary institution, the institution will derive at least 10 percent of its revenues for each fiscal year from sources other than Title IV, HEA program funds, as provided in § 668.28(a) and (b), or be subject to sanctions described in § 668.28(c);

(17) The Secretary, guaranty agencies and lenders as defined in 34 CFR part 682, nationally recognized accrediting agencies, the Secretary of Veterans Affairs, State agencies recognized under 34 CFR part 603 for the approval of public postsecondary vocational education, and State agencies that legally authorize institutions and branch campuses or other locations of institutions to provide postsecondary education, have the authority to share with each other any information pertaining to the institution's eligibility for or participation in the Title IV, HEA programs or any information on fraud and abuse;

(18) It will not knowingly --

(i) Employ in a capacity that involves the administration of the Title IV, HEA programs or the receipt of funds under those programs, an individual who has been convicted of, or has pled *nolo contendere* or guilty to, a crime involving the acquisition, use, or expenditure of Federal, State, or local government funds, or has been administratively or judicially determined to have committed fraud or any other material violation of law involving Federal, State, or local government funds;

(ii) Contract with an institution or third-party servicer that has been terminated under section 432 of the HEA for a reason involving the acquisition, use, or expenditure of Federal, State, or local government funds, or that has been administratively or judicially determined to have committed fraud or any other material violation of law involving Federal, State, or local government funds; or

(iii) Contract with or employ any individual, agency, or organization that has been, or whose officers or employees have been--

(A) Convicted of, or pled *nolo contendere* or guilty to, a crime involving the acquisition, use, or expenditure of Federal, State, or local government funds; or

(B) Administratively or judicially determined to have committed fraud or any other material violation of law involving Federal, State, or local government funds;

(19) It will complete, in a timely manner and to the satisfaction of the Secretary, surveys conducted as a part of the Integrated Postsecondary Education Data System (IPEDS) or any other Federal collection effort, as designated by the Secretary, regarding data on postsecondary institutions;

(20) In the case of an institution that is co-educational and has an intercollegiate athletic program, it will comply with the provisions of § 668.48;

(21) It will not impose any penalty, including, but not limited to, the assessment of late fees, the

5/17

PPA OPE ID: 00321100, PPA Expiration Date: 09/30/2018

denial of access to classes, libraries, or other institutional facilities, or the requirement that the student borrow additional funds for which interest or other charges are assessed, on any student because of the student's inability to meet his or her financial obligations to the institution as a result of the delayed disbursement of the proceeds of a Title IV, HEA program loan due to compliance with statutory and regulatory requirements of or applicable to the Title IV, HEA programs, or delays attributable to the institution;

(22)(i) It will not provide any commission, bonus, or other incentive payment based in any part, directly or indirectly, upon success in securing enrollments or the award of financial aid, to any person or entity who is engaged in any student recruitment or admission activity, or in making decisions regarding the award of title IV, HEA program funds.

(A) The restrictions in paragraph (b)(22) of this section do not apply to the recruitment of foreign students residing in foreign countries who are not eligible to receive Federal student assistance.

(B) For the purpose of paragraph (b)(22) of this section, an employee who receives multiple adjustments to compensation in a calendar year and is engaged in any student enrollment or admission activity or in making decisions regarding the award of title IV, HEA program funds is considered to have received such adjustments based upon success in securing enrollments or the award of financial aid if those adjustments create compensation that is based in any part, directly or indirectly, upon success in securing enrollments or the award of financial aid.

(ii) Notwithstanding paragraph (b)(22)(i) of this section, eligible institutions, organizations that are contractors to eligible institutions, and other entities may make--

(A) Merit-based adjustments to employee compensation provided that such adjustments are not based in any part, directly or indirectly, upon success in securing enrollments or the award of financial aid; and

(B) Profit-sharing payments so long as such payments are not provided to any person or entity engaged in student recruitment or admission activity or in making decisions regarding the award of title IV, HEA program funds.

(iii) As used in paragraph (b)(22) of this section,

(A) *Commission, bonus, or other incentive payment* means a sum of money or something of value, other than a fixed salary or wages, paid to or given to a person or an entity for services rendered.

(B) *Securing enrollments or the award of financial aid* means activities that a person or entity engages in at any point in time through completion of an educational program for the purpose of the admission or matriculation of students for any period of time or the award of financial aid to students.

(1) These activities include contact in any form with a prospective student, such as, but not limited to--contact through preadmission or advising activities, scheduling an appointment to visit the enrollment office or any other office of the institution, attendance at such an appointment, or involvement in a prospective student's signing of an enrollment agreement or financial aid application.

(2) These activities do not include making a payment to a third party for the provision of student contact information for prospective students provided that such payment is not based on--

(i) Any additional conduct or action by the third party or the prospective students, such as participation in preadmission or advising activities, scheduling an appointment to visit the enrollment office or any other office of the institution or attendance at such an appointment, or the signing, or being involved in the signing, of a prospective student's enrollment agreement or financial aid application; or

(ii) The number of students (calculated at any point in time of an educational program) who

017

PPA OPE ID: 00321100, PPA Expiration Date: 09/30/2018

apply for enrollment, are awarded financial aid, or are enrolled for any period of time, including through completion of an educational program.

(C) *Entity or person engaged in any student recruitment or admission activity or in making decisions about the award of financial aid* means--

(1) With respect to an entity engaged in any student recruitment or admission activity or in making decisions about the award of financial aid, any institution or organization that undertakes the recruiting or the admitting of students or that makes decisions about and awards title IV, HEA program funds; and

(2) With respect to a person engaged in any student recruitment or admission activity or in making decisions about the award of financial aid, any employee who undertakes recruiting or admitting of students or who makes decisions about and awards title IV, HEA program funds, and any higher level employee with responsibility for recruitment or admission of students, or making decisions about awarding title IV, HEA program funds.

(D) *Enrollment* means the admission or matriculation of a student into an eligible institution.

(23) It will meet the requirements established pursuant to Part H of Title IV of the HEA by the Secretary and nationally recognized accrediting agencies;

(24) It will comply with the requirements of § 668.22;

(25) It is liable for all--

(i) Improperly spent or unspent funds received under the Title IV, HEA programs, including any funds administered by a third-party servicer; and

(ii) Returns any title IV, HEA program funds that the institution or its servicer may be required to make;

(26) If the stated objectives of an educational program of the institution are to prepare a student for gainful employment in a recognized occupation, the institution will--

(i) Demonstrate a reasonable relationship between the length of the program and entry level requirements for the recognized occupation for which the program prepares the student. The Secretary considers the relationship to be reasonable if the number of clock hours provided in the program does not exceed by more than 50 percent the minimum number of clock hours required for training in the recognized occupation for which the program prepares the student, as established by the State in which the program is offered, if the State has established such a requirement, or as established by any Federal agency; and

(ii) Establish the need for the training for the student to obtain employment in the recognized occupation for which the program prepares the student.

(27) In the case of an institution participating in a Title IV, HEA loan program, the institution --

(i) Will develop, publish, administer, and enforce a code of conduct with respect to loans made, insured or guaranteed under the Title IV, HEA loan programs in accordance with 34 CFR 601.21; and

(ii) Must inform its officers, employees, and agents with responsibilities with respect to loans made, insured or guaranteed under the Title IV, HEA loan programs annually of the provisions of the code required under paragraph (b)(27) of this section;

(28) For any year in which the institution has a preferred lender arrangement (as defined in 34 CFR 601.2(b)), it will at least annually compile, maintain, and make available for students attending the institution, and the families of such students, a list in print or other medium, of the specific lenders for loans made, insured, or guaranteed under Title IV, of the HEA or private education loans that the institution recommends, promotes, or endorses in accordance with such preferred lender arrangement. In making such a list, the institution must comply with the requirements in 34 CFR 682.212(h) and 34 CFR 601.10;

(29) (i) It will, upon the request of an enrolled or admitted student who is an applicant for a

7/17

PPA OPE ID: 00321100. PPA Expiration Date: 09/30/2018

private education loan (as defined in 34 CFR part 601.2(b)), provide to the applicant the self-certification form required under 34 CFR 601.11(d) and the information required to complete the form, to the extent the institution possesses such information, including --

(A) The applicant's cost of attendance at the institution, as determined by the institution under part F of Title IV, of the HEA;

(B) The applicant's estimated financial assistance, including amounts of financial assistance used to replace the expected family contribution as determined by the institution in accordance with Title IV, for students who have completed the Free Application for Federal Student Aid; and

(C) The difference between the amounts under paragraphs (b)(29)(i)(A) and (29)(i)(B) of this section, as applicable.

(ii) It will, upon the request of the applicant, discuss with the applicant the availability of Federal, State, and institutional student financial aid;

(30) The institution --

(i) Has developed and implemented written plans to effectively combat the unauthorized distribution of copyrighted material by users of the institution's network, without unduly interfering with educational and research use of the network, that include --

(A) The use of one or more technology-based deterrents;

(B) Mechanisms for educating and informing its community about appropriate versus inappropriate use of copyrighted material, including that described in § 668.43(a)(10);

(C) Procedures for handling unauthorized distribution of copyrighted material, including disciplinary procedures; and

(D) Procedures for periodically reviewing the effectiveness of the plans to combat the unauthorized distribution of copyrighted materials by users of the institution's network using relevant assessment criteria. No particular technology measures are favored or required for inclusion in an institution's plans, and each institution retains the authority to determine what its particular plans for compliance with paragraph (b)(30) of this section will be, including those that prohibit content monitoring; and

(ii) Will, in consultation with the chief technology officer or other designated officer of the institution--

(A) Periodically review the legal alternatives for downloading or otherwise acquiring copyrighted material;

(B) Make available the results of the review in paragraph (b)(30)(ii)(A) of this section to its students through a Web site or other means; and

(C) To the extent practicable, offer legal alternatives for downloading or otherwise acquiring copyrighted material, as determined by the institution; and

(31) The institution will submit a teach-out plan to its accrediting agency in compliance with 34 CFR 602.24(c), and the standards of the institution's accrediting agency upon the occurrence of any of the following events:

(i) The Secretary initiates the limitation, suspension, or termination of the participation of an institution in any Title IV, HEA program under 34 CFR 600.41 or subpart G of this part or initiates an emergency action under § 668.83.

(ii) The institution's accrediting agency acts to withdraw, terminate, or suspend the accreditation or preaccreditation of the institution.

(iii) The institution's State licensing or authorizing agency revokes the institution's license or legal authorization to provide an educational program.

8/17

PPA OPE ID: 00321100. PPA Expiration Date: 09/30/2018

- (iv) The institution intends to close a location that provides 100 percent of at least one program.
- (v) The institution otherwise intends to cease operations.
- (c) In order to participate in any Title IV, HEA program (other than the LEAP and NEISP programs), the institution must certify that it--
  - (1) Has in operation a drug abuse prevention program that the institution has determined to be accessible to any officer, employee, or student at the institution; and
  - (2)(i) Has established a campus security policy in accordance with section 485(f) of the HEA; and
  - (ii) Has complied with the disclosure requirements of § 668.47 as required by section 485(f) of the HEA.
- (d)(1) The institution, if located in a State to which section 4(b) of the National Voter Registration Act (42 U.S.C. 1973gg-2(b)) does not apply, will make a good faith effort to distribute a mail voter registration form, requested and received from the State, to each student enrolled in a degree or certificate program and physically in attendance at the institution, and to make those forms widely available to students at the institution.
- (2) The institution must request the forms from the State 120 days prior to the deadline for registering to vote within the State. If an institution has not received a sufficient quantity of forms to fulfill this section from the State within 60 days prior to the deadline for registering to vote in the State, the institution is not liable for not meeting the requirements of this section during that election year.
- (3) This paragraph applies to elections as defined in Section 301(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(1)), and includes the election for Governor or other chief executive within such State.
- (e)(1) A program participation agreement becomes effective on the date that the Secretary signs the agreement.
- (2) A new program participation agreement supersedes any prior program participation agreement between the Secretary and the institution.
- (f)(1) Except as provided in paragraphs (g) and (h) of this section, the Secretary terminates a program participation agreement through the proceedings in subpart G of this part.
- (2) An institution may terminate a program participation agreement.
- (3) If the Secretary or the institution terminates a program participation agreement under paragraph (f) of this section, the Secretary establishes the termination date.
- (g) An institution's program participation agreement automatically expires on the date that--
  - (1) The institution changes ownership that results in a change in control as determined by the Secretary under 34 CFR part 600; or
  - (2) The institution's participation ends under the provisions of § 668.26(a)(1), (2), (4), or (7).
- (h) An institution's program participation agreement no longer applies to or covers a location of the institution as of the date on which that location ceases to be a part of the participating institution.

**WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM**

If an institution participates in the William D. Ford Federal Direct Loan (Direct Loan) Program, the institution and its representatives shall comply with the statute, guidelines, and regulations governing the Title IV, Part D, William D. Ford Federal Direct Loan Program as required by 20 U.S.C. §§ 1087a *et seq.* (Part C) and 34 C.F.R. Part 685.

The institution will:

1. Provide for the establishment and maintenance of a Direct Loan Program at the Institution that will:

Identify eligible students who seek student financial assistance in accordance with Section 484 of the Higher Education Act of 1965, as amended (the HEA).

Estimate the need of students as required under Title IV, Part F of the HEA.

Provide a certification statement of eligibility for students to receive loans that will not exceed the annual or aggregate limits, except the Institution may exercise its authority, under exceptional circumstances identified by the Secretary, to refuse to certify a statement that permits a student to receive a loan, or certify a loan amount that is less than the student's determination of need, if the reason for such action is documented and provided in written form to a student.

Establish a schedule for disbursement of loan proceeds to meet the requirements of Section 428G of the HEA.

Provide timely and accurate information to the Secretary concerning 1) the status of borrowers while students are in attendance, any new information pertaining to the status of student borrowers of which the Institution becomes aware after the student leaves the Institution, and 2) the utilization of Federal funds under Title IV, Part D of the HEA at such times and in such manner as prescribed by the Secretary.

2. Comply with requirements established by the Secretary relating to student loan information with respect to the Direct Loan Program.
3. Provide that students at the Institution and their parents (with respect to such students) will be eligible to participate in the programs under Title IV, Part B of the HEA, Federal Family Education Loan programs, at the discretion of the Secretary for the period during which such Institution participates in the Direct Loan Program, except that a student or parent may not receive loans under both Title IV, Part B and Part D of the HEA for the same period of enrollment.
4. Provide for the implementation of a quality assurance system, as established by the Secretary and developed in consultation with Institutions of higher education, to ensure that the Institution is complying with program requirements and meeting program objectives.
5. Provide that the Institution will not charge any fees of any kind, regardless of how they are described, to student or parent borrowers for loan application, or origination activities (if applicable), or the provision and processing of any information necessary for a student or parent to receive a loan under Title IV, Part D of the HEA.
6. Provide that the Institution will originate loans to eligible students and parents in accordance with the requirements of Title IV, Part D of the HEA and use funds advanced to it solely for that purpose (Option 2 only).

PPA OPE ID: 00321100, PPA Expiration Date: 09/30/2018

7. Provide that the note or evidence of obligation of the loan shall be the property of the Secretary (Options 2 and 1 only).
8. Comply with other provisions as the Secretary determines are necessary to protect the interest of the United States and to promote the purposes of Title IV, Part D of the HEA.
9. Accept responsibility and financial liability stemming from its failure to perform its functions under this Program Participation Agreement.

**CERTIFICATIONS REQUIRED FROM INSTITUTIONS**

The Institution should refer to the regulations cited below. Signature on this Agreement provides for compliance with the certification requirements under 34 C.F.R. Part 82, "New Restrictions on Lobbying," 34 C.F.R. Part 84, "Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)," 34 C.F.R. Part 85, "Governmentwide Debarment and Suspension (Nonprocurement)," and 34 C.F.R. Part 86, "Drug and Alcohol Abuse Prevention." Breach of any of these certifications constitutes a breach of this Agreement.

**PART 1 CERTIFICATION REGARDING LOBBYING; DRUG-FREE WORKPLACE; DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS; AND DRUG AND ALCOHOL ABUSE PREVENTION**

*1. Lobbying*

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 34 C.F.R. Part 82, for persons entering into a Federal contract, grant or cooperative agreement over \$100,000, as defined at 34 C.F.R. Part 82, Sections 82.105, and 82.110, the undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The Institution shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

*2a. Drug-Free Workplace (Grantees Other Than Individuals)*

11/17

As required by the Drug-Free Workplace Act of 1988, and implemented at 34 C.F.R. Part 84, Subpart B, for grantees, as defined at 34 C.F.R. Part 84, Sections 84.200 through 84.230 -

The Institution certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a drug-free workplace statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an on-going drug-free awareness program to inform employees about-
  - (1) The dangers of drug abuse in the workplace;
  - (2) The Institution's policy of maintaining a drug-free workplace;
  - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will -
  - (1) Abide by the terms of the statement, and
  - (2) Notify the employer in writing if he or she is convicted for a violation of a criminal drug statute occurring in the workplace no more than five calendar days after such conviction;
- (e) Notifying the agency, in writing, within 10 calendar days after receiving notice under this subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Director, Grants and Contracts Service, U.S. Department of Education, 400 Maryland Avenue, S.W., Washington, DC 20202. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted -
  - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1972, as amended; or
  - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

### ***2b. Drug-Free Workplace (Grantees Who Are Individuals)***

As required by the Drug-Free Workplace Act of 1988, and implemented at 34 C.F.R. Part 84, Subpart C, for recipients who are individuals, as defined at 34 C.F.R. Part 84, Section 84.300 -

1. As a condition of the grant, the Institution certifies that it will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity related to the award; and
2. If any officer or owner of the Institution is convicted of a criminal drug offense resulting

PPA OPE ID: 00321100, PPA Expiration Date: 09/30/2018

from a violation occurring during the conduct of any award activity, the Institution will report the conviction, in writing, within 10 calendar days of the conviction, to: Director, Grants and Contracts Service, U.S. Department of Education, 400 Maryland Avenue, S.W., Washington, DC 20202. Notice shall include the identification number(s) of each affected grant.

### ***3. Debarment, Suspension, and Other Responsibility Matters***

As required by Executive Order 12549, Debarment and Suspension, and implemented at 34 C.F.R. Part 85, for prospective participants in primary covered transactions as defined at 34 C.F.R. Part 85, Sections 85.105 and 85.110, the Institution certifies that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement or transaction; violation of Federal or State antitrust statutes; commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice; or commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects their present responsibility.
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default.

### ***4. Drug and Alcohol Abuse Prevention***

As required by the Drug-Free Schools and Communities Act Amendments of 1989, which added section 1213 to the Higher Education Act, and implemented at 34 C.F.R. Part 86, the undersigned Institution certifies that it has adopted and implemented a drug prevention program for its students and employees that, at a minimum, includes--

- I. The annual distribution in writing to each employee, and to each student who is taking one or more classes for any kind of academic credit except for continuing education units, regardless of the length of the student's program of study, of:
  - Standards of conduct that clearly prohibit, at a minimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on its property or as part of any of its activities
  - A description of the applicable legal sanctions under local, State or Federal law for the unlawful possession or distribution of illicit drugs and alcohol.
  - A description of the health risks associated with the use of illicit drugs and the abuse of alcohol.
  - A description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to employees or students.
  - A clear statement that the Institution will impose disciplinary sanctions on students and employees (consistent with local, State and Federal law), and a description of those sanctions, up to and including expulsion or termination of employment and referral for

13/17

PPA OPE ID: 00321100, PPA Expiration Date: 09/30/2018

prosecution, for violation of the standards of conduct. A disciplinary sanction may include the completion of an appropriate rehabilitation program.

2. A biennial review by the Institution of its program to:

- Determine its effectiveness and implement changes to the program if they are needed.
- Ensure that its disciplinary sanctions are consistently enforced.

**PART 2 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION -- LOWER TIER COVERED TRANSACTIONS**

The Institution is to obtain the signatures of Lower Tier Contractors on reproduced copies of the certification below, and retain the signed certification(s) in the Institution's files.

<b>CERTIFICATION BY LOWER TIER CONTRACTOR</b> <b>(Before Completing Certification, Read Instructions for This Part 3, below)</b>	
(1) The prospective lower tier participant certifies by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal Department or Agency.	
(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.	
Name of Lower Tier Organization	PR/Award Number or Project Name
Name of Authorized Representative	Title of Authorized Representative
Signature of Authorized Representative	Date

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or

PPA OPE ID: 00321100. PPA Expiration Date: 09/30/2018

voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion--Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

**NOTE:** A completed copy of the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions" form must be retained by the Institution. The original blank certification must be returned with the PPA.

16/17

PPA\_OPE ID: 00321100. PPA Expiration Date: 09/30/2018

**IN WITNESS WHEREOF**

the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

Signature of Institution's  
Chief Executive Officer: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_  
\_\_\_\_\_

For the Secretary: \_\_\_\_\_ Date: \_\_\_\_\_  
U.S. Department of Education

# **Action**

## **Agenda Item No. 4.2**

### **Approve Resolution Adopting Fiscal Year 2015-16 Budget**

#### **Summary**

Oregon Tech has completed its budget development process.

#### **Background**

First, a base budget was developed assuming flat enrollment and a consistent student mix (resident/non-resident), additional revenue generated by the tuition increase authorized by the State Board of Higher Education in June, and the level of state appropriation to public universities proposed in the budget framework of the Co-Chairs of the Joint Ways and Means Committee of the Legislative Assembly. Base expenditure budgets were set at a level matching this anticipated level of overall base funds. Each division was assigned a base budget equal to its adjusted 2014- 15 budget. It is expected that each division will pay for all increased costs, both known and unknown, including salary increases (bargained or otherwise), fringe cost increases, and all other inflationary costs.

Second, the enrollment management process forecasted approximately 3.0% overall enrollment growth. This process included the colleges and administration. The additional revenue anticipated from planned growth and authorized tuition increase is \$2.2 million. Of this additional revenue, \$400 thousand is committed to additional student remissions to support students and to generate the increased enrollment, with the remaining amount going towards the cost of serving the additional enrollment (such as hiring of faculty and other growth-related costs).

Third, a strategic investment pool of \$3.8 million was created. These funds come from the sale of university assets no longer needed for on-going operations. This amount has been committed by the President's executive committee for critical and strategic initiatives and investments.

#### **Recommendation**

The Finance and Facilities Committee, at its October 8, 2015 meeting, will hold a public meeting, discuss the proposal and make a recommendation to the Board.

#### **Attachments**

Proposed Resolution Adopting the FY 2015-16 Budget

**RESOLUTION NO. 15-\_\_\_**

**BOARD OF TRUSTEES OF OREGON INSTITUTE OF TECHNOLOGY**

**A RESOLUTION ADOPTING THE FISCAL YEAR 2015-16 BUDGET**

**WHEREAS**, Oregon Tech's All Funds Budget includes revenues and expenses in five fund types:

1. Educational and General (E&G) – Oregon Tech's core operations. E&G includes funds from tuition, state appropriations (general funds), and fees.
2. Designated Operations – Fees charged for external activities, non-credit programs, workshops, community service programs, conferences and related activities
3. Service Departments – Departments that provide a service internal to the university, which includes telecommunications and copying.
4. Auxiliary Enterprises – University services that generally do not received state support, including Housing, Student Activities, Athletics, Health Services, and Parking.
5. Restricted Funds – Funds that can only be used for a designated purpose, such as gifts, grants, contracts, and student financial aid.

; and

**WHEREAS**, the guiding principal for the fiscal year 2015-16 budget planning was to develop a realistic budget; and

**WHEREAS**, fiscal year 2015-16 revenue and expenditure budgets were developed in three phases;

1. A base budget was developed assuming flat enrollment and a consistent student mix (resident/non-resident), additional revenue generated by the tuition increase authorized by the State Board of Higher Education in June, and the level of state appropriation to public universities proposed in the budget framework of the Co-Chairs of the Joint Ways and Means Committee of the Legislative Assembly. Base expenditure budgets were set at a level matching this anticipated level of overall base funds. Each division was assigned a base budget of equal to its adjusted 2014-15 budget. It is expected that each division will pay for all increased costs, both known and unknown, including salary increases (bargained or otherwise), fringe cost increases, and all other inflationary costs.
2. The enrollment management process forecasted approximately 3.0% overall enrollment growth. This process included the colleges and administration. The additional revenue anticipated from planned growth is \$2.2million. Of this additional revenue, \$400 thousand is committed to additional student remissions to support students and to generate the increased enrollment, with the remaining amount going towards the cost of serving the additional enrollment (such as hiring of faculty and other growth-related costs).
3. A strategic investment pool of \$3.8 million was created. These funds come from the sale of university assets no longer needed for on-going operations. This amount has been

committed by the President's executive committee for critical and strategic initiatives and investments.  
; and

**WHEREAS**, it is possible that additional funds may come to Oregon Tech through the final outcomes based funding model from the Higher Education Coordinating Commission, and if those funds are provided Oregon Tech will prioritize allocation of these for student success;

**Now, therefore**, the Board of Trustees resolves as follows:

**Section 1**

The University All Funds budget for the 2015-16 fiscal year be approved as follows:

1. The charts below summarize the All Fund Budget for the University.

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**Oregon Tech E&G Projection - Fiscal Year 2016 Budget compared to Fiscal Year 2015 Actual (Unaudited)**

	Actuals (Unaudited) 2014-15	Forecast Budget 2015-16	% Inc Over Prior Yr
<b>Revenues</b>			
State General Fund	\$ 20,187,769	\$ 22,475,951	11.3%
Shared Services Carve Out (estimated)		1,521,622	
Engineering and Technology Industry Council (ETIC)	539,532	958,007	
Tuition and Fees	28,582,335	31,429,630	
Tuition Remissions	(3,074,294)	(3,698,761)	
Other Revenue	506,179	423,612	
<b>Total Revenues</b>	<b>\$ 46,741,521</b>	<b>\$ 53,110,061</b>	<b>13.6%</b>
<b>Expenditures</b>			
<b>Personnel Costs</b>			
Teaching Faculty Salaries/Stipends	\$ 11,300,075	\$ 12,643,672	
Teaching Faculty Adjunct/Overloads	3,493,472	3,417,939	
Administrative Salaries	4,795,257	6,414,362	
Classified Salaries	4,387,241	5,064,894	
Student & Grad Assistant Pay	699,269	703,044	
Benefits:			
Retirement	4,041,402	4,726,993	
Health	4,965,132	6,173,753	
Other	2,283,592	2,391,587	
Temporary Salary & OPE Savings		(1,532,900)	
<b>Total Personnel Costs</b>	<b>\$ 35,965,440</b>	<b>\$ 40,003,344</b>	<b>11.2%</b>
<b>Other Costs</b>			
Supplies and Services	\$ 2,766,852	\$ 3,278,417	
Athletic and Shaw Library Support	1,039,798	1,094,611	
Utilities	1,182,324	1,106,480	
Contractual and Other Commitments	2,957,795	4,744,563	
Travel and Training	816,484	546,814	
Capital Outlay	500,236	829,183	
One Time Commitments		1,061,171	
<b>Total Other Costs</b>	<b>\$ 9,263,489</b>	<b>\$ 12,661,239</b>	
<b>Total Personnel and Other Costs</b>	<b>\$ 45,228,929</b>	<b>\$ 52,664,583</b>	<b>16.4%</b>
Debt Service	\$ 1,652,718	\$ 1,612,362	
<b>Operating Income</b>	<b>\$ (140,126)</b>	<b>\$ (1,166,884)</b>	
<b>Nonoperating Revenue (Expense)</b>			
Sale of Harmony (estimated net proceeds)		\$ 3,900,000	
Reserve Proceeds from Sale of Harmony		(3,826,346)	
Interest Income	289,216	289,216	
<b>Total Nonoperating Revenue (Expense)</b>	<b>\$ 289,216</b>	<b>\$ 362,870</b>	<b>25.5%</b>
Change In Fund Balance (Revenue less Expenditures)	\$ 149,089	\$ (804,015)	
Additions to Fund Balance (Debt Service % Other)	558,447		
Beginning Fund Balance (Prior Year Ending Balance)	8,686,782	9,394,318	
Ending Fund Balance	\$ 9,394,318	\$ 8,590,304	-8.6%
<b>Ending Fund Balance % to Revenue</b>	<b>20.1%</b>	<b>16.2%</b>	

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**Section 2**

Some of the amounts in this resolution may change in the final adopted budget for fiscal year 2015-16, based on changed needs or circumstances. The President is authorized to make adjustments to the budget presented here as long as those amounts do not materially change the overall budget.

**Section 3**

This Resolution shall take effect immediately upon approval by the Board.

Moved by \_\_\_\_\_

Seconded by \_\_\_\_\_

Trustee	Yes	No
Jeremy Brown		
Melissa Ceron		
Bill Goloski		
Jessica Gomez		
Lisa Graham		
Kathleen Hill		
Gary Johnston		
Jill Mason	absent	
Kelley Minty Morris		
Celia Núñez		
Dan Peterson		
Steve Sliwa		
Paul Stewart		
Fred Ziari		

Approved and dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
 Lisa Graham  
 Board Chair

ATTEST:

\_\_\_\_\_  
Sandra Fox  
Board Secretary

I, \_\_\_\_\_, Secretary of the Board, do hereby certify that the foregoing is a true and correct copy of a Resolution duly adopted by the Oregon Institute of Technology Board of Trustees at the meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, and thereafter approved and signed by the Chair and attested by the Secretary of the Board.

\_\_\_\_\_  
Secretary of the Board

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