From: salem_update-bounces@lists.oregonstate.edu on behalf of Mills, Jock
To: CAS DeanStaff; CAS Unit Leaders; Salem Update Listserv
Subject: [Salem Update] Education Subcommittee passes OUS budget
Date: Wednesday, June 06, 2007 12:40:37 PM
Attachments: OUS_Operbudget_6-06-07_v2.doc
EdSubcommitteeBudget_FactSheet_6-07.doc
ATT2756906.txt

I am attaching two documents from the Oregon University System and a link to an article in today's Oregonian that outline the elements contained in the higher education budget approved yesterday by the Education Subcommittee of the Joint Ways and Means Committee.

In sum -- from the "holes" identified in last week's report: ETIC received $15 million of the $17 million recommended in the Governor's budget. The Statewide Public Service Programs received $5 million of the $5.5 million in the Governor's budget, and the Institute for Natural Resources received $450K of the $500K called for in the Governor's budget. (The cut to the statewides is moderated by approximately $1 million in salary money being made available to those programs over the next biennium.)

Over the last couple of days, the legislature increased funding to support faculty salaries and enrollment. While the Governor's budget called for $14.6 million to support enrollment growth, the legislature provided $20.6 million. The committee also increased the Governor's target for supporting faculty salaries from $8 million to $10 million. Both of these increases will be distributed among all of the OUS campuses.

All of the members who supported the budget agreed that it was not enough. From the Oregonian article:

> "This budget continues to seriously and significantly underfund the university system, and I am hopeful we will be able to find some more money to fill in some of the holes," said Rep. Phil Barnhart, D-Eugene. "I don't want anybody to believe this is an adequate budget. It is not."

The OUS documents go into significant detail regarding the items in the budget.

Whether additional funding is forthcoming in a so-called Christmas tree bill, is still to be determined. It is safe to assume that, not wanting to gamble for more in a Christmas tree bill, the members of the subcommittee worked as hard as they could to get as much as they could into the budget they approved yesterday. Whether more may be available hangs on many other funding priorities, including human services and public safety.

One source of additional funding is tuition interest. Legislators continue to seek to devote the interest generated by tuition to higher education, rather than to the state general fund. In the give and take that enabled passage of the budget yesterday, the subcommittee was provided an opportunity to conduct hearings on HB 2198 that

would transfer the interest to OUS. The subcommittee also adopted a budget note that requires a report on the issue before the legislature convenes next year in a special February session.

The most significant issue remaining to be resolved is the amount of capital funding to be provided for deferred maintenance and new construction. We anticipate legislative leaders will name a special subcommittee on capital to consider the state's broad array of capital needs.

If you have a specific question regarding an item in the operating budget, let me know and I will try to address it.

Oregonian article: http://www.oregonlive.com/news/oregonian/index.ssf?/base/news/11811021227410.xml&coll=7

<<OUS_Operbudget_6-06-07_v2.doc>> <<EdSubcommitteeBudget_FactSheet_6-07.doc>>

Jock

~~~~~~~~~~~~~~~~~~~~~

Jock Mills
Director, Government Relations
Oregon State University
524 Kerr Administration Building
Corvallis, OR 97330
(541) 737-0725
http://oregonstate.edu/
~~~~~~~~~~~~~~~~~~~~~