

- Line 3 of the financial table is titled "Existing programs" and footnoted as "Programs started with ETIC funds through June 2007." This is to clarify that "programs" doesn't typically mean entire programs. Rather, it means subprograms including faculty and staff hired with ETIC funds. In other words, line 3 should give the dollars required in the 2007-2009 biennium (a) to support faculty and staff hired in previous biennia that are not yet fully funded from other sources; and (b) to continue initiatives started with ETIC funds that have not yet self supporting or supported by general campus funds.

In contrast, line 4 should include your request for new faculty and staff hires, new equipment purchase, etc. Please check the analysis behind the numbers you submitted for these lines items and make any adjustments.

EOU

No change.

OGI/OHSU

No changes to lines 3 & 4. Changed line 13 (New staff) from 6.0 to 0.0 FTE. "The funds requested will be insufficient to hire 4 new faculty and 6 new staff."

OIT

Sent revised proposal showing revision to proposed public investment and forecasted private support:

2	Proposed State Investment (\$M)	
3	Existing programs	\$ 1.05
4	New programs	\$ 0.35
5	Subtotal	\$ 1.40
6	Expected private support (\$M)	\$ 1.40

Both the proposed public investment and the forecasted private support were previously \$1.28M.

OSU

No changes to lines 3 & 4. Corrected lines 5 & 6 to show that \$50M in Private Support is forecasted, providing a 1-to-1 match for the requested public support.

PSU

Sent revised proposal. Requested public investment remains \$12M but allocation to Existing and New programs adjusted with footnote shown below:

2	Proposed State investment (\$M)	
3	Existing programs	\$ 11
4	New programs	\$ 1
5	Subtotal	\$ 12
6	Expected private support (\$M)	\$ 24

Existing programs include 1 FTE in CS faculty and 2 FTE in Materials Engineering faculty that were not supported by ETIC in FY03-05 but are existing faculty in FY05-07.

SOU

Sent revised budget. The total requested public investment remains \$0.53M but the split between existing and new programs was adjusted:

2	Proposed State investment (\$M)	
3	Existing programs	\$0.368
4	New Programs	\$0.162
5	Subtotal	\$0.530
6	Expected private support (\$1M)	\$0.265

UO

No change.

WOU

No change.

2. **Please provide the following forecast for the 2009-2011 Biennium (the biennium following the one described in your proposal).**
 - a. **Continuing cost of supporting ETIC investments funded prior to July 2007.**
 - b. **Continuing cost of supporting ETIC investments proposed as "New Programs" in line 4 of your proposal.**

	a.	b.
EOU	0.091M	0.182M
OGI/OHSU	0.3M	0.8M
OIT	0.5M	0.6M
OSU	9.19M	40.81M
PSU	10.0M	1.1M
SOU	0.254M	0.162M
UO	0.0M	0.744M
WOU	0.0M	0.0M

3. **ETIC investments are often focused on expanding campuses' capacity for delivering engineering education and for performing research. The OUS funding model provides "cell dollars" proportional to the number of student credit hours. In addition, campuses receive tuition proportional to student credit hours. Given that the faculty hired with ETIC funds allow your campus to teach more credit hours, to what extent do the associated cell dollars and tuition dollars cover the cost of the faculty salaries and benefits initially funded by ETIC in future biennia?**

EOU

In the 2003-2005 biennium, EOU received \$4151 per student for Level 2 Upper-division enrollments (*Oregon University System 2004-2005 Budget Report, Funding by Institution*, page 28). Assuming an increase of 15 students (approximately 25%), this would bring in **\$62,265** per year in additional “cell dollars”. Note that only a proportion of this amount would be available to cover faculty salaries. If these new students took an average of 15 credits each term, the additional tuition revenue (at \$97 per credit) would total **\$65,475** per year. Again, not all of this could be applied to salaries.

OGI/OHSU

Because OHSU/OGI is not formally a member of the OUS, OGI does not receive state “cell dollars” or state funds proportional to student credit hours. Therefore state “cell dollars and tuition dollars” cover no part of faculty salaries and benefits hired with the ETIC allocation received. However, OGI faculty do receive a small share of the OGI tuition associated with OGI students (paid mostly by research grants awarded to the faculty). This tuition-related income covers approximately 5% of faculty salaries.

OIT

We have not received tuition beyond enrollment set for 2002-03. Any additional credit hours due to enrollment growth beyond the target year do not receive state support. The impact on additional student credit hours which are a result of ETIC support for new faculty may cover more costs in the future if OUS and the legislature fully fund the revenue model. Also, the faculty salaries will be a major policy package in OUS this legislative session as they are lower than the peers, considerably in some cases. One of the major difficulties for us is attracting qualified faculty at lower salaries. ETIC funds have allowed us to progress.

OSU

In the years between 1999 and 2005, engineering enrollment has increased by 28 and 32 percent for undergraduate and graduate students, respectively. Over the same period, the OUS model and the OSU funding model have increased support (including tuition dollars) for the College of Engineering by 12 percent. Adjusted for inflation, state support for the College was declined by 2.6 percent. Although State support of higher education in future biennia is unknown, recent trends suggest that it would be imprudent to rely on increased enrollment and the funding model to cover the cost of ETIC faculty.

PSU

The relationship between increasing SCH attributable to an ETIC faculty member and an increase in resources to cover that faculty member's cost is indirect at best. The current OUS funding model does not reflect funding for growth which impacts the ability of an institution to allocate state appropriations to specific faculty costs. In addition, the model allocates funding only at the institutional level. Funding changes in the model do not currently flow to the college, department, or individual faculty members. Fees related to self-support programs or revenue earned through general revenue sharing are available to offset faculty costs but such revenues are not generally sufficient to cover all faculty salary and benefit costs.

SOU

The RAM model that distributes the "cell dollars" has never been fully funded and, even if the combination of cell dollars and tuition would cover the costs of instruction, other campus costs of doing business may not be covered, especially at the smaller campuses. Thus, enrollment increases related to ETIC investments will not necessarily translate directly into more funds available on campus to support ETIC positions. Having said that, our estimated reduction in ETIC investments needed to cover ETIC positions at SOU starting in 2010-11, are related to RAM dollars and tuition increasing enough for the SOU base budget to absorb the costs of those positions. All the above assumes that enrollment numbers in ETIC and other programs both at SOU and throughout the system increase and that State support for higher education improves.

UO

CIS: faculty hired with ETIC support prior to July 2007 are supported by education and general funds. None are currently supported by ETIC funding. Externally funded research grants contribute to faculty salary, for example, through support of summer salaries. MSI: The MSI graduate internship program receives 80% of the direct tuition dollars from its students to support and grow the program. Some of these funds are used to cover a portion of the faculty salaries associated with the classes taught. Any "cell dollars" that come to campus from our student credit hours go directly to the administration and are dispersed centrally to academic units supporting personnel costs and infrastructure.

WOU

In the current ETIC allocation and in the proposed budget for 2007-2009 the majority of the ETIC funds relate to faculty support. It is the tuition and cell dollars accumulated which let WOU provide future support of the personnel.

- 4. Likewise, faculty hired using ETIC funds typically receive external funding for their research. To what extent do these research funds defray the cost of faculty and other expenses originally funded by ETIC? Is there an opportunity to increase the proportion of these expenses that are supported by external research funding?**

EOU

Eastern is primary primarily a teaching and not a research institution. All of the funds requested would go to cover equipment, salaries and new programs. Consequently, although we are working on initiatives to increase the amount of research funding, this would not be substitutable for the monies requested for instructional purposes.

OGI/OHSU

Most faculty hired with ETIC funds are junior faculty who begin without extramural research grants. Therefore, research funds are not expected to defray faculty salaries during their first two years. OHSU/OGI faculty are expected within 4-5 years to obtain research funding to cover at least 60% of their salary and benefits, the remainder coming from institutional support for teaching and service. OHSU/OGI expects to request from ETIC \$200K/faculty for years 3 & 4 as they make the critical transition from startup funding to financial independence.

OIT

Research funds do not defray the cost of faculty at our institutions. At this time, because we are not primarily a research institution, the external research funding is not a way to support the faculty.

OSU

The College's mission is supported by the research enterprise in a variety of ways. When viewed from the financial perspective, research provides support for graduate students through tuition and stipends, overhead return to the College, faculty salary buyout and equipment purchases. The most direct impact on ETIC-related expense comes about through the salary buyout and graduate student support although each area supports the ETIC mission. During the current biennium, graduate student support and faculty salary buyout (academic year only) from research amounted to approximately \$6.5M and \$3.8M, respectively. These data are not tracked separately for ETIC and non-ETIC funded faculty, however ETIC-funded faculty presently comprise approximately one-third of the 100 faculty in the College. This suggests that approximately \$1.3M is used to defray ETIC faculty salary expense (1/3 of \$3.8M). These funds are typically used to support instructors that cover courses normally delivered by these faculty, and to support graduate student.

PSU

In theory, faculty members funded initially through ETIC can cover their costs through sponsored project funding that specifically covers their 9-month salaries and benefits. This, however, is not the typical pattern. In most cases, new faculty receive external funding for graduate students, equipment, travel and summer support. Funding to support regular 9-month salaries is not generally available until a faculty member has a strong research portfolio and is part of a center or institute in which such support is expected.

SOU

Although many faculty members at SOU run incredibly successful, funded research programs, they do not have a certain percentage of their time regularly assigned to research activities. Therefore, most of the salary support in our grants to our faculty is for summer research, when the faculty members have more time to devote to the project. And, if grants do cover a portion of a faculty member's salary during the academic year, the coverage is usually 0.25 or less and the department in question must use some or all of the salary savings to cover the classes that individual is not teaching. Therefore, an opportunity for grant funds to replace ETIC funds does exist, but it would be small and irregular.

UO

CIS: all our ETIC hires have been awarded competitive federal and private research grants (for instance, the five-year NSF career award), which give them funds comparable with their start-up funds (provided by ETIC) to support research projects, graduate students, summer salaries, travel to conferences, and equipment. With strategic hiring proposed for 07-09, we expect to have the critical mass needed to be more successful in larger external grant competitions in areas such as security and bioinformatics. MSI: a 9-month UO faculty salary comes from the university in return for teaching a standard load, service and research. External funding can be used by faculty to provide "summer salary" for the remaining three month's salary. Additionally, it can be used to support graduate students, undergraduate students doing research, post-doctoral fellows and laboratory technicians. ETIC support has been used to cover initial faculty salary, laboratory set up

costs, laboratory renovations associated with a faculty hire, equipment purchases, and the costs of research staff. After the initial start-up investment, a faculty member is expected to cover all expenses except their 9-month salary using external research funding. The average amount of external funding per faculty member in MSI exceeds \$300,000/year.

WOU

WOU has not been in a position to receive research dollars to supplement faculty positions but in the proposal for 2007-2009 it may occur. In that case those funds would provide incentive for WOU to retain and support the faculty positions and projects initiated by ETIC.