

Engineering Technology Industry Council

Meeting held on December 12, 2001

In Attendance:

| | |
|-------------------|------------------|
| Adams, Ron | OSU |
| Anderson, Morgan | Intel |
| Armour, Norm | LSI Logic |
| Barrett, Phil | OGI |
| Bernstine, Dan | PSU |
| Britten, Debbie | OUS |
| Broeg, Bob | WOU |
| Corrigan, Tom | OCATE |
| Cox, Joe | OUS |
| Craven, Jim | AeA |
| Cresswell, Joyce | Saturday Academy |
| DeYoung, Bruce | OSU |
| Douglas, Sarah | UO |
| Dow, Martha Anne | OIT |
| Driscoll, Mike | PSU |
| Dryden, Bob | OUS |
| Geason, Ron | OUS |
| Graf, Joe | SOU |
| Hackleman, David | Hewlett-Packard |
| Hurt, Jack | Tektronix |
| Johnson, Dave | UO |
| Johnson, Jim | |
| Kerans, Grattan | OUS |
| Larson, Dawn | OGI |
| Lietke, Gary | OUS |
| McKinley, Amy | OIT |
| Rhines, Wally | Mentor Graphics |
| Rise, Jim | Xerox |
| Rung, Skip | |
| Schafer, Bruce | OUS |
| Scott, Vicki | OMSE |
| Thompson, Ed | OGI |
| Toth, Kal | OMSE |
| VanLuvanee, Don | ESI, Inc. |
| Vines, Diane | OUS |
| Zinser, Elisabeth | SOU |

Wally Rhines, Council Chair, opened the meeting with a review of the agenda.

Martha Ann Dow shared the results of the Pre-college Proposal Review Committee evaluations. The Committee recommended the Council stretch the available budgeted dollars by funding

proposals at somewhat less than their requested amounts thereby funding the top eight proposals instead of the six. She showed funding at the full \$400,000 and also with a 15% reduction (\$340,000). The Council accepted the Committee's recommendation in principal but tabled action pending budget discussions later in the meeting

Ron Geason asked for a motion to approve the revised draft of the Council bylaws. The motion was approved. Ron distributed a draft policy for tracking private matching. He explained that this proposal was in response to the internal auditors' request to clarify how private matching was tracked. The principle that Ron recommended was that we gather information in a way that an auditor can easily verify it. Multi-year grants or gifts should be accrued consistently with institution accounting policies. There was discussion regarding what should be within the bounds of a private match. The Council recommended that the wages earned by interns be included and that we should consider whether in-kind donations can be included. Ron agreed to work on these issues and bring back his findings. Ron mentioned that financial scorecard information so far was looking good and on the way to satisfying the audit requirements.

Jim Johnson spoke about our existing ETIC strategies. Jim mentioned that when we developed the Top Tier and 2X plans we were not planning on a reduction in funds and he feels that we now need to go back and adjust our priorities. He stated that in the past we have kept Top Tier and 2X separate and perhaps we will need to reconsider this approach. In addition to agreeing on a strategy we also need to figure out how to voice it. Wally asked Jim if there was anything from the previous strategy that needed to be addressed. Jim responded by saying that as we move forward we need to support both goals (Top Tier and 2X) and have a consensus. There were differing opinions on the perceived quality of our graduates. It was mentioned that many hiring managers were polled and that in-state hires were doing just as well as out of state. Jim Rise of Xerox mentioned that he had to fight to keep OSU and PSU on their recruiting list. Morgan Anderson of Intel stated that Intel does not currently plan on holding any recruiting events at Oregon schools.

Joe Cox and Grattan Kerans spoke about the current state budget deficit and the recent hearings. The deficit may be over \$900M and is not expected to "pop up". Joe mentioned that enrollment is higher than ever before but state support is dropping. If Oregon's campuses were private a likely response to the current situation would be a tuition increase but the legislature would not find this acceptable in our case. Joe feels that the state needs to address these tuition issues. Grattan stated that 6 or 7 University Presidents were present at the hearings in Salem and that the priorities presented were deferred maintenance and protecting enrollment. Programs are challenged at 5.5 to 6% reductions and damaged at the 10% reduction level. The Governor's budget document is due the week of January 8th and there is to be a one-day session the first week of February to have the plan adopted.

Sarah Douglas (UO), Martha Anne Dow (OIT) and Ron Adams (OSU) presented their Top Tier Plans.

Mike Driscoll (PSU), Joe Graf (OIT), Ed Thompson (OGI), Ron Adams (OSU) and Sarah Douglas (UO) presented their "Scorecards".

The above presentations are available at
<http://www.oregonetic.org/Indicators.htm>

To facilitate discussion of the Council's strategy, Wally asked questions about our current Top Tier / 2X strategies, including the trade offs between focusing on quality vs. increasing the total number of Oregon engineering graduates. Joe Cox pointed out the Top Tier concept was not necessarily popular among legislators from rural Oregon, including those in leadership positions. Norm Armour of LSI Logic said he felt we should go 30% 2X and 70% Top Tier. He felt that quality would bring in more money. His company needs engineers with advanced degrees. Don VanLuvanee had reservations about this approach. Ed Thompson felt we should focus on limited areas where we want to be known as "world class." Jim Johnson felt that we have a workable plan that moves us forward very well in both quantity and quality. Jim feels that high technology companies, which generates 22% of Oregon's GNP, need to be heard in Salem. Grattan said that those outside the high technology industry may take the perspective that their industries are "in the red" in the current budget while engineering is "in the black." Joe Cox stated that we may not be able to change the bottom-line dollars but there could be powerful symbolism in reallocating the 2X and Top Tier amounts as a reaction to current events. Jim urges that we not accept \$17M as the final answer and that everyone do their part and send letters to Salem. Grattan was asked to provide the industry members with the names and addresses of key legislative contacts.

The Council discussed the process of preparing a plan for the 03-05 Biennium. They concluded that a subcommittee should be formed to begin the planning process. This committee should report its status to the Council at each meeting with a goal of preparing a plan for Council approval at its March 2002 meeting. Wally Rhines will chair the committee. Those who volunteered for the committee included Martha Anne Dow, Ray Guenther, David Hackleman, Jim Johnson, Jim Rise, and Skip Rung. The committee's meetings will be open to all Council members (voting and non-voting).

The Council discussed how to best deal with the likely budget cuts, particularly the proposal that the ETIC 2X budget be cut by 15%. After a good deal of discussion, the Council concluded the following:

- Half of the \$400K Pre-College RFP budget and half of the \$1M Research RFP budget should be held back at least until the full impact of budget reductions are known.
- Martha Anne Dow was given authority to revise the proposed Pre-College allocation to fit \$200,000 and proceed with grant awards.
- Faculty hiring funded by other parts of the 2X budget should go forward.