

**Engineering Technology Industry Council**  
Meeting held September 23, 2005 at Mentor Graphics

Voting Members Present:

Dave Brown (by phone)	Tektronix
Michelle Girts	CH2M Hill
Gary Kaleta	Gunderson/OMI
Nick Konidaris	ESI
Kathy Miller (by phone)	Hewlett Packard
Wally Rhines	Mentor Graphics
Mike Rohwer (by phone)	phTech
Dave Timmins (by phone)	Eastman Kodak
Jim Troisi	IBM
Craig Zemke	JELD-WEN
Fred Ziari	IRZ Technologies

Non-Voting Members Present:

Ron Adams	OSU
Jim Craven	AeA
Martha Anne Dow	OIT
Bob Dryden	PSU
Rich Linton	UO
Bruce Schafer	OUS
John Tortorici	SAO

Other Attendees:

Rajiv Arya	OIT
Tim Brower	OIT
Cynthia Brown	PSU
Joyce Cresswell	Saturday Academy
Ron Geason	PSU
Joe Graf	SOU
Dave Johnson	UO
Jim Lundy	OSU
John Miller	EOU
Andrzej Proskurowski	UO
Roger Rennekamp	OSU Extension/4H
Bill Roberts	OHSU/OGI
Kal Toth	PSU
Kristy Vachon	UO
Jan Van Santan	OHSU/OGI
Michele Vitali	OUS
Michal Young	UO

Michelle Girts, ETIC Chair, opened the meeting by asking for approval of the minutes of the meeting on July 22, 2005. A motion was made, seconded and unanimously approved to accept the minutes.

Michelle announced that there would be a bill signing ceremony Monday at ESI to recognize the creation of the new Oregon Innovation Council. SB838 (Oregon Innovation Council; Commercialization Fund) and SB853 (University Venture Development Funds) were both endorsed by ETIC and passed in the legislative session. As part of the formation of the Oregon Innovation Council, Norm Armour has been invited to be appointed as a member of that council. The council will be set up with an advisory committee and will be similar in structure to OCKED. Moving forward, there will be a number of ways for ETIC to work with OIC. Michelle thanked everyone that was involved.

**Update on 05-07 Recommendation**

Michelle Girts updated the council on the final 05-07 budget. ETIC programs will receive \$21.029 million for the 2005-2007 biennium, which is the \$20.658 million approved by the legislature plus \$371,000 in fund balances from prior biennia. Bruce Schafer presented the following spreadsheet for review by the council:

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Engineering & Technology Industry Council (ETIC)								
8/25/2005	2003-2005 Biennium	2005-2007 GRB	Estimated Allocation 2005-2007 Biennium			Estimated Allocation Fiscal Year 2006		
	Actual Allocation \$M	ETIC Feb. 2005 Recom- mendation for \$21.7M in GRB	Prorating \$20.658 in final OUS Budget based on ETIC allocation of GRB \$M	Fund Balances (OFL) allocated pro-rata vs ETIC Recom- mendation \$M	Subtotals \$M	General Funds \$	Fund Balance (OFL) \$	Subtotals \$
EOU	0.25	0.350	0.333	0.008	0.339	168,595	2,994	169,589
OHSU/OGI	2.80	2.600	2.475	0.044	2.520	1,237,562	22,242	1,259,804
OIT	1.08	1.040	0.990	0.018	1.008	495,025	8,897	503,922
OSU	9.92	9.870	9.398	0.169	9.565	4,897,977	84,435	4,782,412
PSU	4.96	5.130	4.884	0.088	4.971	2,441,808	43,885	2,485,691
SOU	0.54	0.530	0.505	0.009	0.514	252,272	4,534	256,806
UO	1.80	1.050	1.000	0.018	1.018	499,785	8,982	508,767
WOU	0.25	0.250	0.238	0.004	0.242	118,996	2,139	121,135
<b>Subtotal / Average</b>	<b>21.40</b>	<b>20.820</b>	<b>19.820</b>	<b>0.356</b>	<b>20.176</b>	<b>9,910,018</b>	<b>178,108</b>	<b>10,088,127</b>
<b>Other investments</b>								
<b>Planning</b>	-	0.080	0.078	0.001	0.078	38,079	684	38,763
<b>Pre-college RFP</b>	-	0.800	0.762	0.014	0.775	380,788	6,844	387,632
<b>Total</b>	<b>21.40</b>	<b>21.700</b>	<b>20.658</b>	<b>0.371</b>	<b>21.029</b>	<b>10,328,886</b>	<b>185,636</b>	<b>10,514,522</b>
<b>OUS Campuses</b>	<b>18.800</b>	<b>18.220</b>	<b>17.345</b>	<b>0.312</b>	<b>17.657</b>	<b>8,672,456</b>	<b>155,866</b>	<b>8,828,322</b>
<b>Other</b>	<b>2.600</b>	<b>3.480</b>	<b>3.313</b>	<b>0.060</b>	<b>3.372</b>	<b>1,656,430</b>	<b>29,770</b>	<b>1,686,200</b>
<b>Total</b>	<b>21.400</b>	<b>21.700</b>	<b>20.658</b>	<b>0.371</b>	<b>21.029</b>	<b>10,328,886</b>	<b>185,636</b>	<b>10,514,522</b>

The column labeled “General Funds” was recently approved by the State Board of Higher Education and represents the first fiscal year of the biennium.

They explained that early on in the process we realized it would be unlikely for us to receive funding for our New Initiative and Capital proposals. Even the ETIC allocation covering the Core proposals in Governor’s Recommended Budget of \$21.7M was trimmed to \$20.658M. Due to the timing of the August meeting of the State Board of Higher Education, we needed to provide a firm fiscal year allocation for their approval. So for the first year, a prorated allocation was approved.

Our choices for the second fiscal year are to:

1. Prorate based on previous allocations to the core proposals.
2. Consider changes to the second year based on opportunities that the universities and industry see now.
3. Consider creating a new proposal process.

Michelle asked for comments from the council. Consensus was that a 3.5% decrease in total available funds did not seem to justify a significant new review of allocations. In addition, a major review could result in an allocation that is different than what was presented to the Legislature during the 2005 session.

Rich Linton stated that during the Spring 2004 ETIC proposal process, UO put considerable emphasis on new initiative proposals and deliberately reduced their core proposal so they could seed the new initiatives. They took seriously the ETIC mission of using ETIC funds to seed new opportunities rather than provide sustainability, thinking that this was a great way to leverage ETIC funds. As a result of this decision, and the fact that the new initiative proposals were not funded, UO is taking a significant cut from their previous biennium allocation. He asked to what extent we could re-open the process for the 06-07 fiscal year.

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Dave Johnson elaborated on two of the programs that were in UO's new initiative proposal. The programs were collaborative projects with industrial importance. MSI has successfully competed nationally for two innovative NSF-funded projects: IGERT (Integrated Graduate Education and Research Training) and GK-12 (Graduate K-12 Partnerships). These two programs have brought in over \$4,500,000 in federal funding. The GK-12 teacher training program has received strong industry support from Intel and PacifiCorp. As an added benefit, it places scientists and engineers in front of young students in the classroom and creates a lasting effect.

Michelle noted that it will continue to be an ongoing challenge when dealing with state budgets. Wally Rhines recognized UO for following the basic philosophy of a zero-based budget and noted it was unfortunate that this seemed to result in a reduction in their allocation. Nick Konidaris agreed and noted that since budget reductions may continue over time, a zero-based budget approach becomes all the more important. Michelle agreed that we will need to consider alternative ways of addressing this situation.

Ron Adams noted that we have a precollege RFP budget of \$0.775 million. There was discussion on whether UO could use a piece of the pre-college RFP for their program. (UO's original GK-12 request was \$400,000.) Bruce clarified that the Pre-College RFP funds are separate from the pre-college allocations included in the host university allocations. Wally asked if we have an obligation to entertain precollege RFPs this biennium. Bruce reminded the council that ETIC has two reasons to be concerned with the pre-college aspect, both of which were sold to the legislature.

- Investing in the pipeline supporting ETIC's 2X Strategy.
- The State Board of Higher Education's interest in working with community colleges.

Wally made a motion, which was seconded and unanimously approved, that we should treat the UO GK-12 proposal as a proposal under the ETIC Pre-college RFP with preferential advantage in the spirit of which it was proposed. It was decided that IGERT, the other piece of the UO new initiative proposal, would be examined in a separate session of the voting members.

The allocation of \$10,328,886 of General Funds for the fiscal year ending June 2006 was confirmed. The question of allocating the Fund Balances was tabled.

### **Discussion of 2005-2009 Research Areas**

A list of ideas for areas for industry/university research collaboration submitted at and after the July 22<sup>nd</sup> ETIC meeting was distributed and is posted at <http://www.oregonetic.org/meetings/ResearchTopicsRevD.pdf>. Ron Adams suggested we look for intersections between these areas and the areas where Oregon's universities are competitive in terms of securing grants and attracting top graduates. Rich Linton suggested we may have an opportunity to dovetail with the work of the Oregon Cluster Network. Due to time constraints, this agenda item was postponed until the November meeting.

### **Project Lead-the-Way**

Tim Brower, Director of Project Lead the Way – Oregon, gave a presentation to the council. It can be viewed at [http://www.oregonetic.org/meetings/092305\\_PLTW.pdf](http://www.oregonetic.org/meetings/092305_PLTW.pdf). He provided an overview of the program, as well as ways that ETIC can help. This would include identification of a state leader role as well as a possible source for scholarships to train high school teachers, equipment grants, and establishment of technology magnet sites.

### **Scorecard Reports**

#### **EOU:**

John Miller presented EOU's final biennium progress report. The scorecard is located at <http://www.oregonetic.org/scorecards/03-05/EOU2005-0630.pdf>.

#### **OGI/OHSU:**

Bill Roberts presented OGI's final biennium progress report. The scorecard is located at <http://www.oregonetic.org/scorecards/03-05/OGI2005-0630.pdf>.

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### **OIT:**

Martha Anne Dow presented OIT's final biennium progress report. The scorecard is located at <http://www.oregonetic.org/scorecards/03-05/OIT2005-0630.pdf>.

### **OSU:**

Ron Adams presented OSU's final biennium progress report. The scorecard is located at <http://www.oregonetic.org/scorecards/03-05/OSU2005-0630.pdf>.

### **Report on Pre-Engineering Summit**

This agenda item was postponed until the next meeting.

There being no further business, the meeting was adjourned.