



OFFICE OF THE BOARD OF TRUSTEES

Public Meeting Notice

October 11, 2019

TO: Southern Oregon University Board of Trustees
FROM: Sabrina Prud'homme, University Board Secretary
RE: Notice of Regular Meeting of the Board of Trustees

The Southern Oregon University Board of Trustees will hold a regular meeting on the date and at the location set forth below.

Topics of the meeting will include reports from the university president, board committees, student leadership and faculty senate. Topics also will include discussion and action on the following items: an update to Strategic Direction VII; ratification of temporary action on online graduate tuition rates and the Jackson-Josephine County Pledge tuition rate; and adoption of the fiscal year 2019-20 budget. The board will review a presentation on amendments to the bylaws of the Associated Students of Southern Oregon University. Other agenda items include updates on accreditation; enrollment and completions; development; the funding model; government relations and legislative issues; and the Southern Oregon Higher Education Consortium. There also will be discussions regarding the 2018-19 board evaluation and anticipating 2030 and the changing nature of higher education.

The meeting will include a review of the president's evaluation, to be held in executive session, pursuant to ORS 192.660(2)(f) and (i). In a public session, the board also will discuss and take action on the president's proposed goals for 2019-2020.

The meeting will occur as follows:

Churchill Hall, Room 107 • 1250 Siskiyou Boulevard • Ashland, Oregon 97520-5015

(541) 552-8055 • governance.sou.edu • trustees@sou.edu

Friday, October 18, 2019

12:00 p.m. to 5:00 p.m. (or until business is concluded)

(Lunch to be provided for the board and selected staff members.)

Hannon Library, DeBoer Board Room, 3rd Floor, Room #303

Visit governance.sou.edu for meeting materials.

Visit sou.edu/video to live-stream the proceedings at the time of the meeting.

The Hannon Library is located at 1290 Ashland Street, on the Ashland campus of Southern Oregon University. **To arrange special accommodations or to sign-up in advance for public comment, please contact Kathy Park at (541) 552-8055 at least 72 hours in advance.**



Board of Trustees
October 18, 2019

Call to Order / Roll / Declaration of a Quorum



Board of Trustees Meeting

Friday, October 18, 2019

12:00 – 5:00 p.m. (or until business concludes)

DeBoer Room, Hannon Library

AGENDA

Persons wishing to participate during the public comment period shall sign up at the meeting.

Please note: times are approximate and items may be taken out of order.

10 min.	1	Call to Order/Roll/Declaration of a Quorum	
	1.1	Welcome and Opening Remarks	Vice Chair Paul Nicholson
	1.2	Roll and Declaration of a Quorum	Sabrina Prud'homme, SOU, Board Secretary
	1.3	Trustee Recognition	Vice Chair Nicholson
	1.4	Agenda Review	Vice Chair Nicholson
	2	Public Comment	
5 min.	3	Consent Agenda	
	3.1	Approval of June 21, 2019 Meeting Minutes	Vice Chair Nicholson
	4	Reports	
35 min.	4.1	President's Report	President Linda Schott
10 min.	4.2	Committee Reports	Vice Chair Nicholson; Trustee Clough; Trustee Santos
5 min.	4.3	Student Leadership Report	Britney Sharp, ASSOU, President
5 min.	4.4	Faculty Senate Report	Andrew Gay, SOU, Faculty Senate Chair
	5	Action, Information and Discussion Items	
15 min.	5.1	Accreditation Update	Dr. Jody Waters, SOU, Associate Provost

Board of Trustees Meeting

Friday, October 18, 2019
12:00 – 5:00 p.m. (or until business concludes)
DeBoer Room, Hannon Library

AGENDA (Continued)

15 min.	5.2	Enrollment Update and Completions Report	Dr. Neil Woolf, SOU, Vice President for Enrollment Management and Student Affairs
10 min.	5.3	Update to Strategic Direction VII (Action)	President Schott
10 min.	5.4	Ratification of Temporary Action: Online Graduate Tuition Rates; Jackson-Josephine County Pledge Tuition Rate (Action)	President Schott; Dr. Susan Walsh, SOU, Provost and Vice President for Academic Affairs
20 min.	5.5	Amendments to Bylaws of the Associated Students of Southern Oregon University, Section 5: Student Fee Committees' Rules and Regulations	President Britney Sharp; Jason Catz, SOU, General Counsel
25 min.	5.6	Adoption of Fiscal Year 2019-20 Budget (Action)	Trustee Clough; President Schott; Greg Perkinson, SOU, Vice President for Finance & Administration
10 min.	5.7	Development Update	Janet Fratella, SOU, Vice President for Development
10 min.	5.8	Funding Model Update	Greg Perkinson; Jason Catz
10 min.	5.9	Government Relations and Legislative Update	Jeanne Stallman, SOU, Associate Vice President for Government Relations and Outreach
10 min.	5.10	Southern Oregon Higher Education Consortium Update	Dr. Neil Woolf; Dr. Susan Walsh
5 min.	5.11	2018-19 Board Evaluation	Vice Chair Nicholson

Board of Trustees Meeting

Friday, October 18, 2019

12:00 – 5:00 p.m. (or until business concludes)

DeBoer Room, Hannon Library

AGENDA (Continued)

20 min.	5.12	Planning for 2030: Considerations for Higher Education	President Schott; Greg Perkinson
45 min.	5.13	Review of President's Evaluation – Executive Session [Pursuant to ORS 192.660(2)(f) and (i)]	Vice Chair Nicholson
20 min.	5.14	President's 2019-2020 Goals (Action)	President Schott
	5.15	Future Meetings	Vice Chair Nicholson
	6	Adjournment	Vice Chair Nicholson

Public Comment

Consent Agenda

**Board of Trustees Meeting
Friday, June 21, 2019**

MINUTES

Call to Order/Roll/Declaration of a Quorum

Board Members:

Lyn Hennion	Present	Deborah Rosenberg	Present
Les AuCoin	Present	Daniel Santos	Present
Jonathon Bullock	Present	Linda Schott (ex officio)	Present
Sheila Clough	Present	Barry Thalden	Present
Shaun Franks	Present	Bill Thorndike	Present
Megan Davis Lightman	Present	Steve Vincent	Present
Paul Nicholson	Present	janelle wilson	Absent
Shanztyn Nhipali	Present		

Chair Lyn Hennion called the meeting to order at 12:00 p.m. in the DeBoer Room of the Hannon Library. The Board Secretary recorded the roll and a quorum was verified.

Other attendees included: Dr. Neil Woolf, Vice President for Enrollment Management and Student Affairs; Greg Perkinson, Vice President for Finance and Administration; Dr. Jody Waters, Associate Provost; Jason Catz, General Counsel; Sabrina Prud'homme, Board Secretary; Ryan Schnobrich, Internal Auditor; Chris Stanek, Institutional Research; Lee Ayers, Undergraduate Studies and HECC; John Lamy, community member; Josh Lovern, Budget Office; Andrew Gay, Faculty Senate; Coach Jessica Pistole and members of SOU's women's softball team; Echo Fields, retired faculty; Cristina Sanz, SOU Foundation; Gordon Carrier, Information Technology; and Kathy Park, Office of the Board Secretary.

Reports

Faculty Senate Report

Taking agenda items out of order, Andrew Gay provided the Faculty Senate report, saying it has been a very busy year. He finished his first year as senate chair and will serve another year. Faculty Senate adjusted the officer election process. They have worked on their bylaws and on curriculum, including the digital cinema major. Based on recommendations from the student evaluation task force, they are transforming the process for student evaluations, making them more equitable and meaningful; this could be a model for faculty evaluations of administrators. Regarding shared governance, Faculty Senate approved a task force to transform general education and diversify curriculum to best serve students.

President's Report

President Schott highlighted the accomplishments of the women's softball team: the team won the NAIA national championship; NAIA named Coach Jessica Pistole, "coach of the year;" the staff was named, "coaching staff of the year;" and Gabby Sandoval was selected as a pitcher for the 2019 Softball All-America Team. Coach Pistole introduced players Mackenzie Evangelisti, Taelor Mayben and Paige Leeper, who highlighted their team values and experiences. President Schott then read a letter of congratulations from Governor Kate Brown.

Consent Agenda

Trustee Rosenberg moved approval of the consent agenda, as presented. Trustee Thalden seconded the motion and it passed unanimously.

Public Comment

There was no public comment.

Reports (Continued)

President's Report (Continued)

President Schott provided an update on the arrival of Suresh Appavoo, the incoming Chief Diversity and Inclusivity Officer. She later mentioned the departure of her executive assistant and the efforts to fill that position.

President Schott reported on the trip she, Tom Fuhrmark, Trustees Franks and Thalden, and select staff members made to Guanajuato. President Schott said there was a lot of excitement surrounding the trip and praised the hospitality of staff from the University of Guanajuato. The trip was intended to build on the existing relationship between the cities and the universities, and benefit students of both universities.

President Schott mentioned some of the work she has planned for the summer, including the AASCU Summer Council of Presidents; Inside Higher Ed conference on the future of public higher education; her plan to work remotely; and thinking about various issues affecting higher education in general and SOU in particular.

Janet Fratella later provided a fundraising update, as included in the meeting materials, saying they are on track to meet the \$3.2 million target by the end of the fiscal year. She mentioned a few generous gifts from donors and the progress of some of the fundraising campaigns. Ms. Fratella praised the trustees for their 100 percent participation in gift-giving. She then mentioned new members of the SOU Foundation Board.

Committee Reports

Academic and Student Affairs Committee – Trustee Santos reported on topics from the committee's meeting, including the dashboard; reasons students leave the university; mentoring programs; updates on certificate and online programs; Dr. Chad Hamill's work at SOU; SOU's Native American Studies program; President Schott's tribal visits; the Veterans Resource Center; and an update on the assessment and accreditation process.

Finance and Administration Committee – Trustee Clough said much of the last meeting's discussion will be replicated in the board's meeting. The agenda consisted of Vice President Perkinson's report on the dashboard, fiscal levers, state funding and tuition support from the HECC; the budget for fiscal year 2020; and an investment update. Trustee Clough summarized the very healthy and lengthy conversation around the budget and the administration's recommendation of a two-phase budget approval process, which is a new concept for SOU. The committee's primary concerns were regarding setting a precedent, meeting statutory requirements, and understanding how this new process affects the traditional budgeting process.

Executive and Audit Committee – Chair Hennion said the board would discuss all the topics covered in the committee’s last meeting.

Student Leadership Report

Alexis Phillips was not available to present a report.

Action, Information, and Discussion Items

Strategic Plan Update

President Schott said work on the strategic plan is ongoing. Chris Stanek summarized the progress made in each strategic direction since January, as included in the detailed meeting materials. He noted Strategic Direction III did not identify priority goals; a lot of effort was not focused on that direction at the beginning but soon will be.

Mr. Stanek then demonstrated the software used to process the data. Responding to Trustee Clough’s inquiry regarding strategic directions that are falling behind, Mr. Stanek said the directions with non-priority goals would be the ones that appear to be behind, but they are not because the decision was made to focus on priority goals. President Schott added that some areas were not prioritized because they already had a lot of work being done in them and work continued to be done (e.g., sustainability). Additionally, each strategic direction has a cabinet member assigned as the owner, who will ensure progress.

Vice Chair Nicholson stressed the need to tell members of the campus community what work has been done on the strategic plan so they can see how the plan impacts the entire organization. President Schott said information has been disseminated through open forums, a progress summary will be included on the strategic planning webpage, and she will highlight concrete examples at appropriate opportunities. Trustee Rosenberg stressed the importance of the strategic plan as a map to guide decisions and actions.

Strategic Enrollment Management Overview

Dr. Neil Woolf mentioned some of the foundational structures of strategic enrollment management, including the strategic growth matrix and market analyses. He reviewed the national high school market for 2019-2032, noting the anticipated decline in high school graduates for Oregon, the room to improve the rate for high school graduates going to college, and the increase in students’ diversity. Discussing cross-application competitors, Dr. Woolf said SOU’s largest competitor is the University of Oregon.

Dr. Woolf then discussed characteristics of SOU students, as included in the meeting materials. They hail primarily from Oregon and California. The number of students with Hispanic heritage is growing. The average age for undergraduate students is 24 and for graduate students it is 45. SOU has more female students (62 percent) than male students (38 percent). Enrollment by academic discipline from 2015 to 2018 is pretty steady by area, except for the somewhat significant declines in physical sciences and math.

Dr. Woolf demonstrated the Burning Glass database, which is a regional analysis of job opportunities that can be used to focus efforts for recruitment, alumni activities, and other functions. The most common qualifications for positions are budgeting and project management; to the extent SOU’s degrees include those areas, it will make the programs more reflective of what is needed and students more marketable.

The most important factor in choosing a college is whether it offers high-quality academic programs that fit a student's interests. Dr. Woolf said SOU is slightly revising its messaging to focus more on the quality of academic programs and less on location and tuition value. He then showed the video marketing the healthcare administration degree program.

Adoption of Fiscal Year 2019-20 Internal Audit Plan (Action)

Ryan Schnobrich said key collaborator positions have been filled. Management is working through a backlog and he will provide assistance as appropriate. Mr. Schnobrich has increased his internal control assessment activities, which he can do without utilizing as many management resources. He highlighted the proposed internal audit plan for the next year, as included in the meeting materials.

Trustee Clough mentioned the conversation from the Executive and Audit Committee meeting, in which the trustees recognized there is limited bandwidth for both the internal auditor and management, and they suggested having the culture of continuous process improvement in the consulting services area as a priority focus. Chair Hennion also mentioned the committee's conversation about the risks of carrying-forward incomplete assurance, audit, and consulting services.

Vice Chair Nicholson moved approval of the Resolution, Adoption of Fiscal Year 2020 Internal Audit Plan, as included in the meeting materials. Trustee Lightman seconded the motion and it passed unanimously.

Amendments to Governing Documents (Action)

Jason Catz highlighted some of the proposed changes, as included in the meeting materials. One change made throughout is the use of the singular they/them/theirs.

Resolution on the Responsibilities of Individual Trustees

Mr. Catz said more emphasis was placed on attendance at meetings. The Executive and Audit Committee recommended that, in the second paragraph of paragraph 3, the words "to allow a participating Trustee to be appointed" be deleted. Mr. Catz said emphasis also was placed on trustees fulfilling their duties but not directing the employees who report to the president; this allows President Schott to prioritize how her staff spend their time.

Trustee Vincent recommended adding "actual and" to the first sentence of paragraph 5 so it would read "should declare actual and potential conflicts."

Responding to Trustee AuCoin's inquiry regarding the best method to obtain information beyond that presented in meetings, Chair Hennion encouraged attendance at committee meetings and reading the minutes. Further information can be requested through President Schott and Sabrina Prud'homme. President Schott stressed the importance of trustees having and understanding the information, and said this procedure permits her staff to handle such requests at the most opportune time and in a way that does not reprioritize their work. Trustee Clough also suggested submitting questions to Ms. Prud'homme prior to meetings so presenters can incorporate the answers into their presentations.

Trustee Lightman moved approval of the Resolution, as amended. Trustee Rosenberg seconded the motion and it passed unanimously.

Board Statement on the Performance of Official Business

Chair Hennion provided a short explanation of the proposed revisions. Mr. Catz noted a missing letter in the addition to paragraph 1.2. Trustee Bullock recommended “but not for any other purpose” be stricken in paragraph 1.2. Trustee Thorndike moved approval of the Board Statement, as amended. Trustee Clough seconded the motion and it passed unanimously.

Board Statement on Evaluation of the University President

Chair Hennion provided a short explanation for the proposed revisions, saying they were intended to simplify the evaluation process. President Schott suggested removing the phrase “and for three to five years” in the section addressing the prospective elements of the president’s self-assessment and in the paragraph on presentation and approval of goals.

Vice Chair Nicholson moved approval of the Board Statement, as amended. Trustee Santos seconded the motion and it passed unanimously.

Board Chair’s Report on Campus Conversations

Taking agenda items out of order, Chair Hennion said she and Vice Chair Nicholson met with 21 individuals to take the temperature of the university and see if the university was going in the right direction. Comments included phrases such as being at a turning point, light at the end of the tunnel, breath of fresh air and liking the idea of the multilayered strategic plan. A summary of the key comments and some concerns were shared with President Schott. Chair Hennion said it was time very well spent. She said there was also a great deal of appreciation for the board.

University President’s Contract Renewal (Action)

Chair Hennion said the proposed contract for President Schott is very similar to the original contract but has been revised to remove provisions that would be applicable only to a first-time contract, such as moving expenses. President Schott has not had a raise or COLA increase in the three years she has been at SOU. Chair Hennion said the salary for the first year of the contract was calculated by applying a COLA-type increase of just under 5 percent for the past couple of years; that figure was about \$275,000. President Schott was reluctant to accept that since SOU just had to raise tuition. President Schott is the lowest paid of all the seven university presidents. Further, she is the only woman, creating a pay equity issue, and SOU wanted to get President Schott on par with the other TRU presidents. The \$275,000 was reduced to \$272,000. The automobile allowance was raised from \$1000 to \$1250 per month making it more equal to the other presidents’ allowances. Referring to the discussion in the Executive and Audit Committee, Chair Hennion said the committee members felt President Schott was worth a lot more. President Schott mentioned the new paragraph on special projects, permitting her to work remotely with the board chair’s prior approval.

Mr. Catz advised the trustees that they are not approving every word of the proposed contract but rather approving the authority to execute a contract with the proposed salary

levels. He said the Executive and Audit Committee requested the addition of language noting the committee's option, during the course of the contract, to conduct a survey of presidents' salaries and if SOU's enrollment is doing very well, further conversations could be held. Chair Hennion said that the Executive and Audit Committee wanted the first sentence of paragraph 5.0 of the contract to be revised as follows: "Dr. Schott's annual base salary ... shall be the following during each year of the contract term, subject to annual review" and as further edited by Mr. Catz. Responding to Trustee Vincent's comment about seeking other forms of compensation, Chair Hennion said Mr. Catz is looking into the idea of a deferred compensation plan, which is not precluded by the contract.

Trustee AuCoin moved approval of the proposed contract, with the addition of the provision providing for an annual review. Trustee Santos seconded the motion and it passed unanimously.

Responding to Trustee Thorndike's reference to the recent situation involving the president at Portland State University and his inquiry regarding outsiders' interpretation of the contract, Mr. Catz said the contract's terms would be fairly interpreted in terms of responsibility to the public good and would fairly permit termination for cause.

Legislative and State Funding Update

Jeanne Stallman provided a legislative update, saying the goals for the legislators this session are affordable housing, student success, cap and trade, and healthcare funding. SOU's goals are the operating budget, capital repair and renewal funds, TRU identity, and institutional governance.

Regarding the operating budget, the goal was an additional \$120 million for the institutions to maintain the current service level; it appears this will come in at \$100 million. The capital repair and renewal funds were set to be voted on in the Ways and Means Committee; the institutions are expecting \$65 million.

The institutions were tracking about 500 bills related to institutional governance, with 85 of high priority. Some were passed (e.g., Student Success Act and PERS reform), others were amended during the approval process to the satisfaction of the institutions (e.g., community colleges offering accelerated baccalaureate degrees and Kaylee's Law) and some were never acted on by the Ways and Means Committee (e.g., establishing a competency-based education pilot and an open educational resources appropriation).

Adoption of Fiscal Year 2019-20 Budget (Action)

Greg Perkinson walked the committee through the meeting materials. He reviewed the sources of SOU's revenue, saying Education & General, Designated Operations and Auxiliary Enterprises are the operating funds and are before the board for approval. The restricted operating funds and non-operating funds are important resources but are not being presented for approval.

Mr. Perkinson explained where SOU's \$1.7 million portion of the additional \$100 million in the PUSF is reflected on the pro forma. The assumptions used in the pro forma for the 2019-2021 biennium include a -0.5 percent decrease in enrollment in both years; a 10

percent tuition increase for resident undergraduates and a 5 percent tuition increase for nonresident undergraduates for 2019-2020; and a 5 percent tuition increase for resident undergraduates for 2020-2021. This results in an ending fund balance of 8.2 percent in 2019-2020 and 10.1 percent in 2020-2021.

Turning to the timeline, Mr. Perkinson reviewed key milestones as presented in the materials. Enrollment numbers will be solid after the fourth week of the fall term. The final budget will be presented for approval in October. The budget presented for approval at this meeting is the expenditure authorization for each of the three operating funds.

As presented in the meeting materials, Mr. Perkinson oriented the board to the layout of the budget compared to the pro forma. Trustee Lightman mentioned the discussions held in the Finance and Administration Committee about approving only the expenditure portion of the budget, with the committee ultimately deciding to defer to the proposal presented by the university's subject matter experts. Trustee Bullock added that K-12 has been using this approach for at least a couple of decades and it is not surprising that universities are using this approach as well. Putting the expenditures in context, Mr. Perkinson said the first quarter of the fiscal year is over the summer and represents 17 percent of spending. He said there would be a discussion in the next Cabinet and Executive Council meeting that spending would only be for mission essential items. Trustee Clough emphasized the proposed resolution includes that restraint and provides limited authorization.

Responding to Trustee AuCoin's inquiry, Mr. Perkinson said 83 percent of the expenditures are for labor and most of the remaining 17 percent includes must-pay bills. The focus will be on reducing the discretionary spending portion. Dr. Woolf detailed the modeling method used to project enrollment. Mr. Perkinson mentioned some of the cost-cutting measures already taken, such as requesting 5 percent cuts in Supplies & Services, keeping some vacant positions open, and not hiring term-by-term faculty members where appropriate.

Responding to Trustee Franks' inquiry, Mr. Perkinson said the approach gives the university authority to spend and permits fine-tuning the projection in a more purposeful way. President Schott stressed the accountability-centered approach being taken with managers to control costs. Trustee Clough clarified that the Finance and Administration Committee's recommendation was to approve a roll-forward concept for this fiscal year only, which would give the board and the university the opportunity to evaluate the new model and consider whether it should be used in future years.

Mr. Perkinson then directed trustees' attention to the charts in the meeting materials on designated and auxiliary operations, and transfers.

Trustee Clough moved approval of the Resolution, Temporary FY2020 Budget and Expenditure Authorization, as included in the meeting materials. Trustee Lightman seconded the motion. For the record, Trustee Vincent said he supports the recommendation and hopes that, as further evidence of their support for the institution, employees are being conservative and showing discretion in their spending. Trustee Santos added that he favors this approach because it will give the board a better look in October. The motion passed unanimously.

Governance Work Group Update

Vice Chair Nicholson reviewed the work plan included in the meeting materials. He also discussed the culture the board has created over the last 5 years and the importance of codifying it. Another issue the work group has discussed is creating a new process for electing board officers; this also will be presented to the board for its consideration.

Board Officer Elections (Action)

Chair Hennion said Ms. Prud'homme sent a notice to trustees letting them know Chair Hennion and Vice Chair Nicholson would be willing to serve another term and also asking if any trustees wished to nominate themselves or others for the positions of chair or vice chair. Ms. Prud'homme said she received no nominations except the ones for the continuation of Chair Hennion and Vice Chair Nicholson.

Trustee Thorndike moved that Chair Lyn Hennion be reelected as chair for 2020 and that Vice Chair Paul Nicholson be reelected as vice chair for 2020. Trustee Clough seconded the motion and it passed unanimously.

Future Meetings

The board retreat will be on September 19-20 and the board's next regularly scheduled meeting will take place on October 18. President Schott mentioned the HECC visit and the accreditation visit, both on October 9, and said some trustees may be asked to participate.

Adjournment

Chair Hennion adjourned the meeting at 4:41 p.m.

President's Report

Committee Reports

- **Executive and Audit**
- **Finance and Administration**
- **Academic and Student Affairs**

Student Leadership Report

Faculty Senate Report

Accreditation Update

Enrollment Update and Completions Report

(Materials Forthcoming)

Update to Strategic Direction VII (Action)

Strategic Direction VII

- SOU will be a catalyst for economic vitality, civic engagement and cultural enrichment through ongoing collaboration with local, state, national, and global partners.

Strategic Direction VII: Proposed NEW Language

- SOU will be a catalyst for economic vitality, civic engagement and cultural enrichment through ongoing collaboration with local, state, **tribal**, national, and global partners.

Ratification of Temporary Action: Online Graduate Tuition Rates; Jackson-Josephine County Pledge Tuition Rate (Action)

Amendments to Bylaws of the Associated Students of Southern Oregon University, Section 5: Student Fee Committees' Rules and Regulations

Blue Highlights= Legal Changes/ Oregon Code

Pink Highlight= Overall SFC Changes to Review

Section 5: Student Fee Committees' Rules and Regulations

5.1 Incidental Fees

5.1.1 Pursuant to Oregon law, the Southern Oregon University (SOU) Board of Trustees (SOU Board) is required to collect mandatory incidental fees (Student Fees) under a process established by the Associated Students of Southern Oregon University (ASSOU) in consultation with the SOU Board.

5.1.2 An incidental fee is assessed quarterly to each student and is used to finance certain auxiliary campus activities including the Student Union operation; educational, cultural, and student government activities; and athletic activities.

5.1.3 This document outlines the policies, procedures, and regulations related to the funding of activities, programs, and services supported by the incidental fee and supersedes all previous guidelines and policy statements.

5.2 Criteria for Student Fee Committees

5.2.1 Student participation in the allocation of student fees is required by Oregon law and by SOU Board policy. The state legislature has delegated responsibility for recommending student fees to the recognized student government of SOU known as the Associated Students of Southern Oregon University (ASSOU). ASSOU has delegated to its Student Fee Budget Committee (SFBC) the responsibility of recommending an amount for the mandatory student incidental fee (SIF) for consideration by and approval of the ASSOU Senate and ASSOU President. The ASSOU President thereafter submits the requested SIF to the University President and the SOU Board.

5.2.2 Pursuant to Oregon law, the mandatory incidental fees, use of the fees or decision to modify an existing fee may only be refused by the SOU Board or the University President under the conditions set forth in ORS 352.105(2). Moreover, pursuant to ORS 352.105(3), the mandatory incidental fees, use of the fees or decision to modify an existing fee may not be refused by the SOU Board or the University President based on considerations regarding the point of view that the funding seeks to advance.

5.2.3 Under no circumstances shall the Student Fee Budget Committee or the Student Fee Allocation Committee, collectively the Student Fee Committees, discriminate on the basis of race, ethnicity, national origin, religion, age, disability, marital status, veteran status, gender, sexual orientation, religious affiliation, or political opinion.

5.2.4 All proposals shall have program outcomes and assessment procedures included.

5.2.5 After any student fee funded program costing more than \$500, an outcome assessment report shall be filled out and kept on file with the chair of the SFBC to be used by Student Fee Allocation Committee (SFAC) in the following budgetary cycle.

Blue Highlights= Legal Changes/ Oregon Code

Pink Highlight= Overall SFC Changes to Review

5.2.6 All proposals shall include overview program reports, which show predicted event outcomes and the differences from achieved outcomes.

5.2.7 Each year, the ASSOU Senate shall review and confirm any additional criteria to the Student Fee criteria used to set program budget levels by ____.

5.2.8 Criteria shall include, but are not limited to, use of the student fee logo, fiscal accountability, and participation.

5.2.9 The University President, or designee, shall approve the SFBC criteria and rules before the start of the winter term for the purpose of ensuring that the process aligns with University processes, requirements, and timelines.

5.2.10 The ASSOU Director of Finance and Administration shall be responsible for ensuring that all committee members have adequate training on matters such as the SOU Student Fees and allocation process, incidental fee history, viewpoint neutrality, Student Fee criteria, Oregon Public Meeting Law, and parliamentary procedure.

5.2.11 The ASSOU Director of Finance and Administration shall contact the Associate Vice President of Budget and Planning, or other similar university designee, to request reports from Banner Finance relevant to the SFBC process.

5.2.12 The Student Fee Budget Committee and the Student Fee Allocation Committee shall elect vice chairs and determine their meeting times for the rest of the term at their first meeting.

5.2.13 The chair of each committee shall be responsible for convening and facilitating meetings, distributing agendas and minutes, and communicating with other bodies.

5.2.14 The vice chair of each committee shall perform the chair's duties when the chair is unable to attend a meeting.

5.2.15 The secretary shall take minutes of each meeting and send the minutes to the chair for distribution.

5.2.16 All meetings of the SFBC and SFAC shall conform to Oregon Public Meetings Law and all other applicable guidelines set forth in the ASSOU Constitution.

5.3 Student Fee Committees

5.3.1 The Student Fee Budget Committee (SFBC) is a recognized standing committee of ASSOU and shall establish guidelines for budget development, set the Student Incidental Fee, hear fee recommendations from the reserve, and emergency requests for the current fiscal year.

Blue Highlights= Legal Changes/ Oregon Code

Pink Highlight= Overall SFC Changes to Review

5.3.2 The Student Fee Allocation Committee (SFAC) is a recognized standing committee of ASSOU and, as such, shall conduct public hearings on budget requests within the guidelines stated in this document, and recommending the yearly budgets for:

- Athletics.
- Operation and maintenance of the Student Union, as well as for all activities that reside in the Student Union (i.e., have office space in the Union).
- Educational and cultural activities that do not reside in the Student Union and all student government activities.

5.4 Membership of the Student Fee Process

5.4.1 Student Fee Budget Committee

Voting membership of the Student Fee Budget Committee (SFBC) shall be comprised of six (6) ASSOU Senate representatives and a minimum of one (1) and a maximum of six (6) at-large SOU student committee members. The ASSOU Director of Finance and Administration will be the thirteenth member of the SFBC and serves as the Chair. The Chair, however, will vote on matters before the committee only in the event their vote is needed to resolve a tie vote.

5.4.1.1 The Administrative Directors shall be responsible for taking minutes at each meeting of the SFBC.

5.4.1.2 If the Administrative Directors are unable to attend a meeting of the committee, the chair shall delegate the duty to another member of the committee.

5.4.1.3 Institutional designees in the University's Student Life and Budget offices shall serve as ex-officio members of the SFBC.

5.4.1.3.1 These staff members should be knowledgeable in both the current Student Fee rules and Oregon Public Meeting Law, and provide guidance to students when necessary. In addition, the University's Office of General Counsel is available to provide legal counsel on compliance with state and federal laws.

5.4.1.3.2 The role of these staff members is to provide unbiased information and context to the student members of the committee, as well as serving as a liaison between the committee and budget authorities.

5.4.1.4 The SFBC shall have an ASSOU executive cabinet officer serve as an ex-officio, non-voting member.

5.4.2 Student Fee Allocation Committee

Blue Highlights= Legal Changes/ Oregon Code

Pink Highlight= Overall SFC Changes to Review

Voting membership of the Student Fee Allocation Committee (SFAC) shall be comprised of six (6) ASSOU Senate representatives and a minimum of one (1) and a maximum of six (6) at-large SOU student committee members. The ASSOU Vice President will be the thirteenth member of the SFAC and serve as the Chair. The Chair, however, will vote on matters before the committee only in the event their vote is needed to resolve a tie vote.

5.4.2.1 An Administrative Director shall be responsible for taking minutes at each meeting of the SFAC.

5.4.2.2 Institutional designees from the Department of Athletics and the Office of Student Life shall serve as ex-officio members of the SFAC.

5.4.2.2.1 The role of these staff members is to provide unbiased information and context to the student members of the committee, as well as serving as a liaison between the committee and budget authorities.

5.4.2.2.2 These staff members should be knowledgeable in both the current Student Fee rules and Oregon Public Meeting Law, and provide guidance to students when necessary. In addition, the University's Office of General Counsel is available to provide legal counsel on compliance with state and federal laws.

5.4.2.3 The SFAC shall have an ASSOU executive cabinet officer serve as an ex-officio, non-voting member.

5.4.3 Information Applicable for all Student Fee Committees

5.4.3.1 The voting members of each of these committees shall not be the President or Vice President of the ASSOU.

5.4.3.2 The members of each of these committees shall be approved by the Committee on Committees (CoC) after receiving the recommendations of ASSOU Heads of Government (HoG).

5.4.3.3 The Student Fee Committees and each subcommittee shall have a member of the judiciary assigned to the committee to provide oversight and guidance on the rules and regulations pertaining to the student fee process. The assigned judiciary shall not be recognized as a voting member, but shall provide knowledge and insight to the matter being discussed.

5.4.3.4 The ASSOU Chief Justice shall be responsible for assigning a member of the judiciary to each subcommittee.

5.4.4 Recruitment and placement of at-large committee members

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5.4.4.1 At-large committee members shall undergo an application process and be chosen by the Committee on Committees in consultation with the ASSOU Director of Finance and Administration.

5.4.4.2 At-large positions shall be widely advertised to the campus community for at least two weeks prior to the application deadline and every effort shall be made to ensure that all segments of the student body have the opportunity to apply.

5.4.4.3 The Committee on Committees shall collect and review applications with the ASSOU Director of Finance and Administration, and will place at-large students based on their demonstration of the following: ability to attend committee meetings and ability to make viewpoint-neutral budget decisions.

5.4.4.3.1 The Committee on Committees shall strive to place at-large members of varying interests and experiences on each subcommittee.

5.5 Student Incidental Fee Recommendation and Budgeting Process

5.5.1 Timeline

On or before _____, the SFBC and SFAC shall meet to determine their respective timelines and meeting schedules for the academic year. The SFBC shall establish one timeline for the determination of the SIF recommendation and the SFAC shall set a second, concurrent timeline for the budget process used to allocate funding to student and university programs supported by the SIF.

5.5.2 Determination of the SIF Recommendation

5.5.2.1 Deadline for Senate Recommendation: Once the SFBC sets the timeline and meeting schedule for the SIF recommendation process, the SFBC shall make all reasonable efforts to deliver the SIF recommendation to the ASSOU Senate by _____.

5.5.2.2 Information Requests: Upon establishing the timeline for the SIF recommendation, the SFBC shall also determine the information it would like to request from SIF-funded programs and the University. This is information the SFBC considers necessary and relevant to the SIF recommendation. This information will also be important to SFAC's budget allocation process. Such information may include, but is not limited to, historical budget information, estimated enrollment projections, the Initial Budget Requests (referenced in paragraph 5.5.3 below), anticipated green tag fees, Student Recreation fees, and other similarly relevant information.

5.5.2.3 Campus Input: Prior to presenting its fee recommendation to the ASSOU Senate, the SFBC shall provide the campus community notice of its proposed SIF recommendation and shall give the campus community an opportunity to provide feedback at a public meeting.

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Comments from persons providing such input shall be recorded in the minutes of the SFBC meeting and made available to the ASSOU Senate and SOU Board for review during later stages of the fee setting process.

5.5.2.4 *ASSOU Senate Action:* Following receipt of the SFBC's SIF recommendation, the ASSOU Senate shall consider the recommendation for approval by majority vote on or before _____. If the Senate rejects the SIF recommendation, the Senate must provide the SFBC a detailed explanation of the reasons it rejected the recommendation. The SFBC is expected to consider this explanation and submit a new recommendation for Senate approval within ___ days. In the event the Senate rejects the second SIF recommendation submitted by the SFBC, the Senate shall have the authority to alter the recommendation directly by majority vote.

5.5.2.5 *ASSOU President Action:* Following the ASSOU Senate's approval of a SIF recommendation, the proposed fee is submitted for approval to the ASSOU President. If the ASSOU President vetoes the SIF recommendation, the ASSOU President shall provide the Senate a written memorandum articulating the reasons for the veto. The ASSOU Senate may either (a) approve a revised SIF recommendation by majority vote or (b) override the President's veto by two-thirds majority vote.

5.5.2.6 *Submission to the SOU Board and University President:* Following approval of a finalized fee recommendation, the ASSOU President shall submit ASSOU's SIF recommendation to the University President for review. The ASSOU President shall submit the final recommendation to the University President on or before March 1 of every year. If the ASSOU President makes no SIF recommendation to the University President on or before March 1, the recommendation to the University President and the Board shall be _____ [flat? 3% increase? 5% increase?]. The Student Recreation Center fee shall be presented each year for SOU Board approval alongside the SIF recommendation, with such appropriate adjustments for inflation that are consistent with the terms of the student referendum by which the Student Recreation Center was approved.

5.5.2.7 *Review by the SOU Board and University President Pursuant to ORS 352.105:* Pursuant to Oregon law, the mandatory incidental fees, use of the fees or decision to modify an existing fee may only be refused by the SOU Board or the University President under the conditions set forth in ORS 352.105(2). Moreover, pursuant to ORS 352.105(3), the mandatory incidental fees, use of the fees or decision to modify an existing fee may not be refused by the SOU Board or the University President based on considerations regarding the point of view that the funding seeks to advance.

5.5.2.7.1 Absent a refusal of the SIF recommendation by the University President on the limited bases allowed by ORS 352.105(2), the University President and the ASSOU President shall submit their recommendation to the SOU Board for final adoption as a joint recommendation (See ORS 352.102(3)).

5.5.2.7.2 In the event the SOU Board refuses the SIF recommendation pursuant to ORS 352.105(2), ASSOU and the SOU Board shall seek to reach an agreement on any such

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dispute involving mandatory incidental fees, if necessary with the aid of mediation, prior to a final decision by the SOU Board.

5.5.2.7.3 If an agreement is not reached, the decision of the SOU Board may be appealed to the Higher Education Coordinating Commission by ASSO within seven days of the SOU Board's final decision. The SOU Board shall submit its response within seven days of the appeal. The Higher Education Coordinating Commission shall render its decision within seven days of its receipt of the SOU Board's response.

5.5.3 The Budgeting Process for SIF-Funded Programs

5.5.3.1 *Initial Budget Requests*: Once the SFAC sets its timeline and meeting schedule for the budget process used to allocate the SIF, all programs seeking allocation of funds from the SIF for the next fiscal year will submit an Initial Budget Request. Such requests shall be submitted no later than December [DATE]. Each program requesting funding shall submit (1) budget documentation resembling the spreadsheet within Millenium FAST, with detailed line items which make up their spending, (2) a narrative explanation to substantiate the basis for the amount requested, and (3) any additional information requested by SFBC and SFAC at the outset of the process.

5.5.3.1.1 Programs are advised to request a budget that is flat or does not exceed more than 5% growth in expenditures from the previous year.

5.5.3.1.2 Any program not currently receiving financial support from the SIF or a group seeking to break away from its current funding source may submit a budget request to the SFAC but should note in its request that it is requesting first-time funding.

5.5.3.1.3 The SFAC will share information collected from the Initial Budget Requests with the SFBC for the purpose of helping the SFBC to assess total anticipated budgetary need associated with fee funded activities and to otherwise assist and inform the SIF fee-setting process.

5.5.3.2 *SFAC Consideration of the Initial Budget Request*: Factors considered by the SFAC in the consideration of Initial Budget Requests include but are not limited to:

5.5.3.2.1 Extent to which a program or activity provides opportunities for students, either by direct participation or by participating as spectators and listeners, to develop new skills, competencies or appreciations not available elsewhere in the University.

5.5.3.2.2 Extent to which there is agreement between the programs' or activities' goals and objectives and those of the overall goals and objectives of the University.

5.5.3.2.3 Extent to which a continuing program or activity fulfilled its stated objectives of previous budget years.

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5.5.3.2.4 Extent to which a program or activity complements or provides an optional laboratory setting for an educational program.

5.5.3.2.5 Extent to which a program or activity is of general interest to the University community.

5.5.3.2.6 Extent to which a program or activity provides an appropriate service not available on campus or in the city as conveniently and/or inexpensively.

5.5.3.2.7 Extent to which alternative funding has been sought (if applicable).

5.5.3.2.8 Extent to which budget requests reflect actual costs incurred in realizing the goals and objectives of a program or activity.

5.5.3.2.9 The past history and performance of the program with regard to the support of the students, mission and values of SOU.

5.5.3.3 *Open Meetings*: The SFAC shall hold open meetings throughout the budget recommendation process. The dates, times, and locations of these meetings shall be publicized broadly across campus (e.g., in The Barometer, paid social media advertising, and/or other broad active advertising methods). Open meetings must start no earlier than 9 am and no later than 8 pm, and are recommended to occur on weekdays as possible.

5.5.3.4 *Live Presentation of Budget Request*: Though programs requesting funds may rely solely on their written submission, the SFAC may, upon request, give each program the opportunity to present their fee request by _____. Similarly, programs may be required, upon request by the SFAC, to attend an SFAC meeting and provide a more detailed presentation in support of their initial budget request. These presentations are to be made in-person by the budget authority for the program, or the designee thereof, at a public SFAC meeting.

5.5.3.5 *Preliminary Budget Determination*: Before submitting the final budget recommendation to the ASSOU Senate, the SFBC will schedule a public deliberation session where all funding allocation requests will be discussed and a preliminary version of the recommended budget determination will be agreed upon.

5.5.3.6 *Opportunity for Programs to Respond*: On or before _____, the SFAC shall inform programs of its preliminary recommended budget determination for the following fiscal year.

5.5.3.6.1 Each program shall have seven calendar days to submit to the SFAC a written request for reconsideration. The request for reconsideration will allow programs to seek modification of the SFAC's preliminary recommended budget determination for their program or service.

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5.5.3.6.2 In the event the SFAC modifies its budget recommendation for a program in such a way that one or more other programs are impacted by the change, the SFAC shall give impacted programs seven days to submit their own request for reconsideration.

5.5.3.6.3 The SFAC shall seek to resolve all requests for reconsideration on or before _____ and deliver its final budget recommendation, approved by majority vote, to the ASSOU Senate on or before May ____.

5.5.3.7 Appeal to ASSOU Senate: If a program believes that the SFAC has not given proper consideration to its fee request, it shall have the right to appeal the SFAC final budget recommendation for its program to the ASSOU Senate. To be eligible for appeal to the ASSOU Senate, the program seeking appellate relief must have exercised its opportunity to submit a timely request for reconsideration to the SFAC pursuant to Section 5.5.3.6.1, above. All appeals must be received by the ASSOU Senate on or before May __. Appeals may be submitted via electronic mail to the Chair of the committee.

5.5.4 ASSOU Senate Approval Process

The ASSOU Senate shall either affirm or reject the final SFAC recommended budget by majority vote. If the ASSOU Senate rejects the SFAC budget recommendation, it may alter the final budget by majority vote so long as the revised budget complies with all legal and ASSOU requirements referenced above.

5.5.5 Approval by ASSOU President

Thereafter, the ASSOU Senate shall submit a final budget to the ASSOU President no later than _____.

5.5.5.1 Within a week of receiving the final budget, the ASSOU President shall either sign or veto the budget recommendation.

5.5.5.2 If the ASSOU President vetoes the Senate's recommendation, the Senate may reconsider the final budget and send the ASSOU President a revised budget, or the Senate may override the Presidential veto with a two-thirds majority vote and send the budget directly to the University President.

5.5.5.3 If approved, the ASSOU President shall send the adopted budget to the University President on or before [MUTUALLY AGREEABLE DATE FOR UNIVERSITY BUDGETING PROCESS] for review consistent with ORS 352.105.

5.5.6 Master Budget Document

Throughout the SFAC process, the ASSOU Director of Finance and Administration will keep a master budget document specifying the recommended fee level for all SIF-funded programs.

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5.5.7 Review by University President

Pursuant to Oregon law, the mandatory incidental fees, use of the fees or decision to modify an existing fee may only be refused by the SOU Board or the University President under the conditions set forth in ORS 352.105(2). Moreover, pursuant to ORS 352.105(3), the mandatory incidental fees, use of the fees or decision to modify an existing fee may not be refused by the SOU Board or the University President based on considerations regarding the point of view that the funding seeks to advance.

In the event the University President and/or SOU Board elects to refuse an allocation by ASSOU pursuant to the limited bases permitted by ORS 352.105(2), ASSOU and the SOU Board shall seek to reach agreement on any such dispute involving the use of mandatory incidental fees, if necessary with the aid of mediation, prior to a final decision by the SOU Board.

If an agreement is not reached, the decision of the SOU Board may be appealed to the Higher Education Coordinating Commission by ASSOU within seven days of the University's final decision. The SOU Board shall submit its response within seven days of the appeal. The Higher Education Coordinating Commission shall render its decision within seven days of its receipt of the SOU Board's response.

5.6 Student Fee Prudent Reserve Fund

5.6.1 Establishment of the Prudent Reserve Fund

The SFBC shall budget annually for a contingency fund. This fund shall be known as the Prudent Reserve Fund.

5.6.2 Funding

The amount of the Prudent Reserve Fund shall be set at 5%-10% of the total mandatory incidental fee budget (not including the Student Recreation Fee) for the next fiscal year and will be funded primarily by the SIF revenue for that fiscal year. Over-realized student fee income shall also be used to fund this reserve. Unused Prudent Reserve Fund dollars shall be carried over from year to year in accordance with SOU policies and procedures or will be allocated to pay University deficits associated with SIF-funded programs.

5.6.3 Purpose of the Prudent Reserve Fund

The Prudent Reserve Fund was established for several reasons important to the ongoing operations of SOU's student fee funded programs, including:

5.6.3.1 To provide for under-realization of income to major budgets.

5.6.3.2 To meet the emergency funding needs of fee-funded programs. ASSOU has delegated to the SFBC the authority to approve Prudent Reserve Fund allocations to programs in emergency situations. The SFBC shall provide notice of such emergency allocations to the ASSOU President and the University President, or their respective designees.

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5.6.3.2.1 An emergency is a situation that requires immediate funding and the normal funding process and timing are not sufficient to aid in the correction of the situation.

5.6.3.2.2 These funds may be used only to address emergency budgetary shortfalls or other compelling prudent fiscal actions. The sum total of all Emergency Fee requests gaining approval may not exceed 10% of the total reserve fund for the year in which the request is made.

5.6.3.2.3 The contingency funds shall not be used to provide funding for programs previously disallowed by the SFBC except to correct errors.

5.6.3.3 To provide for material and unanticipated budgetary funding.

5.6.3.3.1 Any organization or program currently allocated student fee funding may request an additional contingency fund allocation from the SFBC Prudent Reserve Fund.

5.6.3.3.2 All requests for allocations from this fund must be accompanied by a presentation on the circumstances that led to the request, including (1) the reasons the request was not included in the program's original budget request and allocation and (2) the reasons the current budget cannot be used to meet the objectives of the emergency request. This presentation shall be made at a public SFBC meeting, and shall not be decided on until the following meeting. All requests must comply with the SFBC guidelines.

5.6.3.3.3 Following approval by the SFBC, the request will be submitted to the ASSOU President for approval.

5.7 Miscellaneous Provisions

5.7.1 Material Decreases in SIF Funding

In the case where the SFAC deems it necessary or advisable to make substantial decreases in the level of student fee support for any SIF-funded program, the following guidelines shall be observed.

5.7.1.1 Recognition and provision for orderly withdrawal of support must be given, including satisfaction of existing contractual obligations.

5.7.1.2 Prior to the SFAC's discontinuation of SIF-funded programs and services, the committee must provide to the ASSOU President and Senate a recommendation that the program or service be discontinued, articulating the basis for terminating the funding.

5.7.1.3 The ASSOU Senate will consider the matter at an open meeting and will make a final recommendation regarding the proposed discontinuation of the program's or service's funding.

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Thereafter, the SFAC is required to make all reasonable attempts to satisfy the recommendation of the ASSOU Senate.

5.7.1.4 The SFAC shall honor existing contractual agreements in the development of substantial decreases to student fee funded programs.

5.7.2 No Punitive Funding Revocation

The SFAC shall not recommend revocation of funding for a SIF-funded program solely for the purpose of imposing a punitive measure for a program's procedural violation of ASSOU processes, time requirements, Bylaws, or similar rules.

5.7.3 Revisions

At any point, this document, should it not be sufficient to accomplish its goals, may be revised through a two-thirds majority vote of the SFAC followed by approval of the ASSOU President. The SFAC Chair may vote on revisions to these procedures.

5.7.4 Applicable Law and Guidance

All meetings of the SFBC and SFAC shall conform to Oregon Public Meetings Law and all other applicable guidelines set forth in the ASSOU Constitution.

All allocations of student fees must follow state and federal law, University policies and procedures, and the ASSOU Constitution, Bylaws and Rules. In no way shall their collection or use violate the guaranteed rights of any person under the Constitution of the United States or the State of Oregon. In addition, all fee determinations and budgetary determinations shall be expected to honor any legal or contractual commitments related to SIF-funded programs.

5.7.5 Compliance with Bylaws

The process for recommending the SIF to the ASSOU Senate for approval shall at all times adhere to the procedures set forth in ASSOU SFC Bylaws, Section III.

Adoption of Fiscal Year 2019-20 Budget (Action)

Road Map

- Roll-forward Budget Approved in June 2019
- Year-end Results (Periodic Management Report)
- Executive Summary of Proposed Budget
- Assumptions and Cost Reductions
- Pro Forma (as of 10/8/19)
- Proposed Fiscal Year (FY) 20 Budget

Pro Forma as of June 2019

- +\$100M PUSF
- - .5 Enrollment

Education and General (in thousands of dollars)	2017-19 Biennium			2019-21 Biennium	
	2017-18 Actual (000's)	2018-19 Adopted Budget (000's)	2018-19 FORECAST (000's)	2019-20 FORECAST (000's)	2020-21 FORECAST (000's)
Revenue					
State Appropriations: SSCM	20,840	21,150	21,270	22,944	23,880
State Appropriations: ETIC/SELP	433	428	381	381	381
One-time Funding			0		
Total State Funding	21,273	21,578	21,651	23,325	24,261
Tuition	37,759	42,701	37,265	41,573	43,478
Fees	3,244	3,256	3,667	3,954	4,268
Raider Aid	(4,243)	(4,142)	(3,638)	(3,966)	(4,348)
Oth tuition adjustments					
Tuition, net of Raider Aid	36,760	41,814	37,294	41,561	43,398
Misc. Other Revenue	2,811	2,100	2,633	2,243	2,247
Total Revenues	60,844	65,491	61,579	67,129	69,907
Personnel Services					
Faculty	(15,044)	(15,660)	(15,791)	(15,919)	(16,479)
Admin	(8,854)	(9,364)	(9,210)	(9,768)	(9,917)
Classified	(6,436)	(6,665)	(6,508)	(6,624)	(6,725)
Student (& Other)	(1,430)	(1,576)	(1,506)	(1,650)	(1,760)
Labor	(31,763)	(33,265)	(33,016)	(33,961)	(34,881)
Retirement (PERS + ORP)	(6,841)	(7,611)	(7,010)	(8,874)	(9,115)
PEBB	(7,332)	(7,454)	(7,310)	(7,827)	(8,218)
Other	(2,839)	(3,397)	(2,983)	(3,468)	(3,562)
OPE	(17,012)	(18,463)	(17,303)	(20,169)	(20,895)
Net Personnel	(48,775)	(51,728)	(50,319)	(54,130)	(55,777)
Supplies & Services	(9,287)	(10,892)	(11,769)	(11,137)	(9,854)
Adjustments to S&S and/or Labor		0		1,500	
Total Supplies and Services	(9,287)	(10,892)	(11,769)	(9,637)	(9,854)
Total Expenditures	(58,062)	(62,620)	(62,088)	(63,767)	(65,631)
Net from Operations Before Transf	2,782	2,872	(509)	3,362	4,276
Net Transfers	(2,481)	(2,591)	(1,877)	(2,645)	(2,725)
Change in Fund Balance	301	281	(2,386)	717	1,551
Beginning Fund Balance	6,844	7,138	7,145	4,759	5,475
Ending Fund Balance	7,145	7,419	4,759	5,475	7,026
% Operating Revenues	11.7%	11.3%	7.7%	8.2%	10.1%

(in thousands except enrollment)	FY2018 Final Results	FY2019 Approved Budget	% Change	FY2019 Final	Variance from Approved Budget	% Variance from Approved Budget	Notes
EDUCATION & GENERAL							
State General Fund	\$ 21,273	\$ 21,578	1%	\$ 21,651	\$ 73	0%	
Tuition & Resource Fees, net of Remissions	36,760	41,814	14%	37,365	(4,449)	-11%	(1)
Other	2,804	2,100	-25%	3,013	914	44%	(2)
Total Revenues	<u>\$ 60,837</u>	<u>\$ 65,491</u>	8%	<u>\$ 62,030</u>	<u>\$ (3,462)</u>	-5%	
Personnel Services	\$ 48,775	\$ 51,725	6%	\$ 50,345	\$ (1,380)	-3%	
Supplies & Services & Capital Outlay	9,287	10,892	17%	11,732	840	8%	
Total Expenditures	<u>\$ 58,062</u>	<u>\$ 62,617</u>	8%	<u>\$ 62,077</u>	<u>\$ (540)</u>	-1%	
Net from Operations	<u>\$ 2,776</u>	<u>\$ 2,874</u>		<u>\$ (47)</u>	<u>\$ (2,922)</u>		
Net Subsidies (Transfers) In (Out)	(2,481)	(2,591)	4%	(1,739)	852	-33%	(3)
Fund Additions/(Deductions)	-	-		-	0		
Change in Fund Balance	\$ 294	\$ 283		\$ (1,786)	\$ (2,070)		
Beginning Fund Balance	<u>6,844</u>	<u>7,138</u>		<u>7,138</u>	<u>0</u>		
Ending Fund Balance	<u>\$ 7,138</u>	<u>\$ 7,421</u>		<u>\$ 5,352</u>	<u>\$ (2,070)</u>		
Ending FB as a % Operating Revenues	11.7%	11.3%		8.6%			
Ending FB: Reflected as Months of Expenditures	1.5	1.4		1.0			
Student FTE Enrollment	4,441	4,552	2.5%	4,270		-6.2%	

Notes

- (1) Projected enrollment uptick of 2.5% in connection with actual reductions is the result of the variance (4% down Fall Term; 5% down Winter Term, and Spring term down 6.2%, partially offset by Summer 2018 being up 5.1% and Summer 2019 up 1.6%).
Some examples of enrollment mix: Resident UnderGrad student revenue was fairly flat (down only .25%), but Nonresident UnderGrad student revenue down 14.2%, and WUE revenue down 9.7%.
- (2) Insurance reimbursements, and increased investment income.
- (3) One-time transfer back to E&G from building reserves (\$1m).

(in thousands except enrollment)	FY2018 Final Results	FY2019 Approved Budget	% Change	FY2019 Final	Variance from Approved Budget	% Variance from Approved Budget	Notes
AUXILIARY ENTERPRISES (Including North Campus Village)							
Enrollment Fees	\$ 6,664	\$ 6,955	4%	6,310	\$ (644)	-9%	
Sales & Services	14,084	13,462	-4%	12,646	(817)	-6%	
Other	3,500	3,456	-1%	2,525	(930)	-27%	(4)
Total Revenues	\$ 24,248	\$ 23,873	-2%	\$ 21,482	\$ (2,391)	-10%	
Personnel Services	\$ 8,073	\$ 9,007	12%	\$ 7,598	\$ (1,410)	-16%	(5)
Supplies & Services & Capital Outlay	15,417	15,786	2%	14,647	(1,139)	-7%	
Total Expenditures	\$ 23,490	\$ 24,793	6%	\$ 22,244	\$ (2,549)	-10%	
Net from Operations	\$ 758	\$ (920)		\$ (763)	\$ 157		
Net Subsidies (Transfers) In (Out)	1,973	2,197		2,155	\$ (43)	-2%	
Additions/(Deductions) to Unrestricted Net Assets	(787)	-		(1,287)	(1,287)		
Change in Unrestricted Net Assets	\$ 1,944	\$ 1,277		\$ 105	\$ (1,172)		
Beginning Fund Balance Available for Operations	(774)	1,170		1,170	0		
Ending Fund Balance Available for Operations	\$ 1,170	\$ 2,448		\$ 1,275	\$ (1,172)		
Ending FB as a % Operating Revenues	4.8%	10.3%		5.9%			
Ending FB: Reflected as Months of Expenditures	0.6	1.2		0.7			

Notes

(4) Enrollment rates are down by 4% to 6% (Fall through Spring), but the enrollment for WUE and Non-resident student populations are down to a much greater extent. WUE is down 14%, and the Non-Resident Undergrad population is down 20%. These populations are the primary drivers for housing occupancy and dining.

(5) Lower labor costs, partially associated with open positions as well as reduced staffing as a result of lower occupancy.

	FY2018 Final Results	FY2019 Approved Budget	% Change	FY2019 Final	Variance from Approved Budget	% Variance from Approved Budget	Notes
(in thousands except enrollment)							
DESIGNATED OPERATIONS, SERVICE DEPARTMENTS, CLEARING FUNDS							
Enrollment Fees	\$ 886	\$ 1,170	32%	\$ 1,239	\$ 69	6%	
Sales & Services	2,659	2,727	3%	2,531	(196)	-7%	
Other	1,693	1,685	0%	1,603	(82)	-5%	
Total Revenues	<u>\$ 5,239</u>	<u>\$ 5,582</u>	7%	<u>\$ 5,373</u>	<u>\$ (209)</u>	-4%	
Personnel Services	\$ 3,155	\$ 3,487	11%	\$ 3,343	\$ (144)	-4%	
Supplies & Services & Capital Outlay	2,487	2,475	0%	2,441	(34)	-1%	
Total Expenditures	<u>\$ 5,642</u>	<u>\$ 5,961</u>	6%	<u>\$ 5,784</u>	<u>\$ (178)</u>	-3%	
Net from Operations	<u>\$ (403)</u>	<u>\$ (380)</u>		<u>\$ (411)</u>	<u>\$ (31)</u>		
Net Subsidies (Transfers) In (Out)	524	394	-25%	474	81	e	(6)
Additions/(Deductions) to Unrestricted Net Assets	(73)	-		(72)	(72)		
Change in Unrestricted Net Assets	\$ 47	\$ 14		\$ (9)	\$ (23)		
Beginning Fund Balance Available for Operations	<u>1,490</u>	<u>1,537</u>		<u>1,537</u>	<u>0</u>		
Ending Fund Balance Available for Operations	<u>\$ 1,537</u>	<u>\$ 1,551</u>		<u>\$ 1,528</u>	<u>\$ (23)</u>		
Ending FB as a % Operating Revenues	29.3%	27.8%		28.4%			
Ending FB as Months of Expenditures	3.3	3.1		3.2			

Notes

- (6) Increase in subsidies to RVTV, Education Early Childcare Program, International Programs, in addition to additional activity coming from the General Fund to support approved PEAK jobs in this fund group.



Periodic Management Report

Final Results

Fiscal Year Ending June 30, 2019

Budget Forecast

	FY2018 Final Results	FY2019 Approved Budget	% Change	FY2019 Final	Variance from Approved Budget	% Variance from Approved Budget	Notes
(in thousands except enrollment)							
ALL CURRENT UNRESTRICTED FUNDS:							
Beginning Fund Balance Available for Daily Operations	\$ 7,560	\$ 9,845		\$ 9,845	\$ -		
Revenues	90,324	94,946	5%	88,884	(6,062)	-6%	
Expenditures	87,194	93,371	7%	90,105	(3,266)	-3%	
Transfers	16	-		890	890		
GL Additions & Deductions	(860)	-		(1,359)	(1,359)		
Ending Fund Balance Available for Daily Operations	<u>\$ 9,845</u>	<u>\$ 11,420</u>		<u>\$ 8,155</u>	<u>\$ (3,264)</u>		
Ending FB as a % Operating Revenues	10.9%	12.0%		9.2%			
Ending FB as Months of Expenditures	1.4	1.5		1.1			

Summary of Subsidies (Transfers) Between Fund Types

Projections For Fiscal Year 2019

Transaction Description	Education & General	Designated Operations & Service Dpts	Auxiliaries (including N. Campus Village)	Plant, and Other Funds
	Final	Final	Final	Final
	\$ (1,738,814)	\$ 474,453	\$ 2,154,646	\$ (890,285)
Between Fund Types				
Base General Fund Support to Athletics	\$ (1,764,485)	\$ -	\$ 1,764,485	\$ -
Net Athletics Course Revenue after Expenses	\$ (282,463)	\$ -	\$ 282,463	\$ -
Sports Camps Support to Athletics	\$ -	\$ (20,137)	\$ 20,137	\$ -
Support to Athletics Sports Band	\$ (45,459)	\$ -	\$ 45,459	\$ -
General Fund Support to JPR	\$ (292,390)	\$ 292,390	\$ -	\$ -
General Fund Support to RVTV	\$ (136,656)	\$ 136,656	\$ -	\$ -
General Fund PEAK Support to Various	\$ (45,516)	\$ 23,699	\$ 21,817	\$ -
General Fund Support Student Rec Center	\$ (130,000)	\$ -	\$ 130,000	\$ -
Student Fees - Investment in Solar Project	\$ -	\$ -	\$ (104,519)	\$ 104,519
Building Reserves Transfer to General Fund	\$ 1,000,000	\$ -	\$ -	\$ (1,000,000)
Education Department Support for Early Childcare Program	\$ (13,352)	\$ 13,352	\$ -	\$ -
International Programs Endowment Match Transferred to Support Operations	\$ (30,500)	\$ 30,500	\$ -	\$ -
Health Center Building Project (Initial Plans)	\$ -	\$ -	\$ (5,197)	\$ 5,197
Closing Funds to the General Fund	\$ 2,007	\$ (2,007)	\$ -	\$ -

Overview

The Fiscal Year (FY) 20 Proposed Budget is a further development of the “Roll Forward Budget” that was approved in June 2019. State Funding was initially modeled based on the additional \$100M allocated to the public university support fund (PUSF) and was then reduced in a “True-up” exercise conducted by the Higher Education Coordinating Commission (HECC) staff. The current state allocation is \$22.696M.

As a reminder, FY 18 was very healthy (with key indicators above the Board’s goals), which enabled investment. Unfortunately, FY 19 saw declines in revenue based on a nearly 4% decrease in enrollment. The roll-forward budget enabled SOU to execute programs during the summer term and solidify the revenue forecast (as enrollment has firmed up).

Fall enrollment is “mixed” so overall revenue projections are modest and cost reduction measures are being implemented. A 4% cost reduction is planned, and targets have been established for each Vice President. In addition, a process improvement cadre was created and the framework for a Presidential Task Force on Financial Stability.

For situational awareness, here is the updated Pro Forma as of 10/8/19 (**Figure 1**):

	2017-19 Biennium		2019-21 Biennium		2021-23 Biennium	
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Education and General	Actual	Actual	BUDGET	FORECAST	FORECAST	FORECAST
(in thousands of dollars)	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)
Revenue						
State Appropriations: SSCM	20,840	21,270	22,696	23,880	25,509	26,550
State Appropriations: ETIC/SELP	433	381	376	377	376	376
Total State Funding	21,273	21,651	23,072	24,257	25,885	26,926
Tuition	37,759	37,709	40,047	40,128	40,366	40,835
Fees	3,244	3,294	3,547	3,828	4,163	4,552
Raider Aid	(4,243)	(3,638)	(3,600)	(3,612)	(3,633)	(3,675)
Tuition, net of Raider Aid	36,760	37,365	39,994	40,345	40,896	41,711
Misc. Other Revenue	2,804	3,013	2,950	3,016	3,084	3,154
TOTAL REVENUES	60,837	62,030	66,016	67,618	69,866	71,791
Personnel Services						
Faculty	(15,044)	(15,801)	(16,560)	(17,071)	(17,415)	(18,025)
Admin	(8,854)	(9,230)	(10,051)	(10,310)	(10,590)	(10,762)
Classified	(6,436)	(6,484)	(6,824)	(6,884)	(6,965)	(7,033)
Student (& Other)	(1,430)	(1,500)	(1,615)	(1,723)	(1,832)	(1,940)
Salaries Total	(31,763)	(33,014)	(35,050)	(35,988)	(36,802)	(37,759)
Retirement (PERS + ORP)	(6,841)	(7,007)	(9,142)	(9,387)	(9,603)	(9,852)
PEBB	(7,332)	(7,306)	(7,687)	(8,071)	(8,475)	(8,899)
Other	(2,839)	(3,018)	(3,502)	(3,596)	(3,677)	(3,773)
OPE	(17,012)	(17,331)	(20,331)	(21,054)	(21,755)	(22,524)
Net Personnel	(48,775)	(50,345)	(55,381)	(57,041)	(58,557)	(60,283)
Total Supplies and Services	(9,287)	(11,732)	(11,116)	(11,366)	(11,622)	(11,883)
Cost Reductions and Savings			2,380	3,150	3,475	3,750
TOTAL EXPENDITURES	(58,062)	(62,077)	(64,117)	(65,257)	(66,704)	(68,416)
Net from Operations Before Transfers	2,775	(47)	1,899	2,360	3,162	3,375
NET TRANSFERS			(1,971)	(2,050)	(2,784)	(2,866)
Change in Fund Balance	294	(1,786)	(71)	310	378	509
Beginning Fund Balance	6,844	7,138	5,352	5,280	5,590	5,969
Ending Fund Balance	7,138	5,352	5,280	5,590	5,969	6,478
% Operating Revenues	11.7%	8.63%	8.00%	8.27%	8.5%	9.0%

Proposed Budget for Fiscal Year 2020 (FY20)

The three unrestricted operational accounts—Budget Operations, Designated Operations and Auxiliaries Budgets—are presented in **Figures 2 – 4**. Following these three figures, a summary chart is also included (**Figure 5**). In the figures that follow, column one presents the FY 18 actual revenue and expense (as a reference frame). Column two presents the actual revenue and expenses Year-to-Date (YTD). Column three (shaded in gray) presents the revenue picture from the adopted budget and the expenses as adjusted in the year of execution. This is the revenue and expenditure-data the Board will be asked to approve for FY 20. Column four (green) shows our forecast. The funds not discussed are restricted operations (gifts and grants) and non-operating funds.

Look-Ahead to Presenting the Budget for Formal Adoption

The Proposed Budget contains the following key elements of Operations: Revenue, Expenditures, Transfers between operations and Ending Fund Balance. They are briefly detailed here:

Revenues

The primary elements of Revenue for SOU are: 1) Tuition and Fees, 2) State Support and 3) Miscellaneous Other Revenue. Depending on the Operations, Education and General, Designated or Auxiliary, each of these revenue categories plays a greater or lesser percentage of the total revenue for that operational area.

Tuition. Tuition rates increased 10% for undergraduate students and 5% for graduate students. Enrollment is mixed and, overall, down 3%. When calculating tuition revenue, it is the mix of enrollment plus the rate increases that drives tuition revenue.

State Support. The bulk of the State funding SOU receives is allocated from the Public University Support Fund (PUSF) through the Student Success and Completion Model (SSCM). State funding provided by the legislature to the PUSF is based on mission, attendance and graduation of Oregon residents.

Miscellaneous Other Revenue. The primary sub-categories of Miscellaneous Other Revenue are: Gifts and Grants, Investment Revenue, Sales and Service Revenues, Other Revenues and Internal Sales. For Education and General, this category makes up only about 3% of total revenue, but for Auxiliary Operations, it is more than 50% of total revenue, primarily due to Sales Revenue in Housing.

Direct expenditures

SOU's primary direct expenditures are labor and supplies and services, including travel and capital equipment expenditures.

Labor. In E&G Operations, labor makes up just over 80% of total expenditures. It is lower in the other operations categories but still over 50% in each. The primary driver of labor is the cost of benefits that SOU is mandated to provide (e.g., PERS or the Oregon Public Employees Retirement System, increased at close to 25% in FY19 and anticipated to continue at that rate of increase for the next several biennia). The primary cost management tool for labor is managing the efficient utilization of labor resources in the delivery of academic programming as well as required support programs.

Supplies and Services. SOU has been successful in initially reducing and most recently holding ground on rising costs for S&S expenditures, but market-driven increases in utilities and other must-pay bills created rising costs in FY 19. Included in the S&S expenditures is the contract cost of supporting the online MBA (paid to our partner, AP).

Inter Fund Transfers. There are two primary reasons for transferring funds between operations:

Support or subsidization of one program by another such as the Education and General Operations support of:

- Jefferson Public Radio, in recognition of the community service mission of the university;

- Rogue Valley TV and the Student Recreation Center, in recognition of the use of Academic programs in those non-academic spaces that would otherwise require the construction of alternate facilities;
- Athletics, in recognition of the primary recruitment and retention role played by Athletics that directly benefits the Education and General Operations.

Establishment and use of Reserves. Primarily within Auxiliary Operations, programs such as Housing transfer money into separate funds to establish building and equipment replacement reserves. They then transfer money out of those reserves when equipment purchases or significant building repairs occur.

Ending Fund Balance

The industry “Best Practice” for ending fund balance is 40% of all funds combined. This enables institutions to weather fluctuations in enrollment, reductions in state funding and other unforeseen events. It also enables institutions to have the capacity to invest and keep their operations relevant and serve the changing needs of their learners and the communities in which they exist.

The SOU Board of Trustees set an FY19 goal for ending fund balance at 8% of operating revenue in E&G. This goal was achieved. The current forecast for the Education and General ending fund balance for FY 20 is 8% (see [Figure 1](#)).

Definitions and Figures

Definitions: Key elements of this budget

This budget does not cover all elements of SOU; it is focused on budgeting for operations only. Other areas such as Grants, Gifts and Capital Construction will only be executed if funds are received and expenditures are in accordance with budgets established at that time. For SOU, Operations includes the following:

- Education and General Operations (aka Budgeted Operations – see [Figure 2](#))
 - Those operations designed to achieve the primary goals of the university: delivery of academic programs, student support programs and institutional support programs.
 - Primarily supported through Tuition and Fees and State Support.
- Designated Operations (see [Figure 3](#))
 - Those operations that have been designated as a vital service the university provides, but are outside of our primary academic and academic support programs.
 - Ex: Continuing education programs that do not generate academic credits.
 - Must be self-supporting – Education and General Operations ordinarily does not support; i.e., Motor Pool, Print & Copy, etc.
- Auxiliary Operations (see [Figure 4](#))
 - Those operations that support the vitality and experience of our students and are critical to their success at SOU but are outside the primary academic and academic support mission.
 - Primarily supported through Mandatory or Special Fees and Sales.
 - Must be self-supporting – Education and General Operations ordinarily does not support (with the exception of E&G support to Athletics).

Figure 2: Education and General (Budgeted Operations) proposed FY20 Budget

Southern Oregon University				
Budgeted Operations				
	2018 Actuals	FY19 Adopted Budget	2019 Actuals	FY20 Proposed Budget
REVENUES				
Enrollment Fees	36,760,407	41,813,908	37,365,398	39,993,986
Gov't Resources and Allocations	21,330,826	21,530,937	21,650,927	23,072,257
Misc. Other Revenues	2,362,825	2,099,598	3,013,282	2,950,000
REVENUES Total	60,454,058	65,491,310	62,029,607	66,016,243
LABOR				
Unclassified	(23,897,446)	(25,029,203)	(25,030,691)	(26,610,896)
Classified	(6,435,885)	(6,668,760)	(6,483,643)	(6,823,555)
Grad Assist	(130,061)	(174,457)	(174,970)	(194,220)
Student Labor	(1,209,454)	(1,384,474)	(1,265,599)	(1,421,054)
Benefits & OPE	(17,101,915)	(18,509,189)	(17,389,876)	(20,330,889)
LABOR Total	(48,774,761)	(51,766,083)	(50,344,779)	(55,380,614)
SUPPLIES AND SERVICES	(9,295,512)	(10,970,724)	(11,732,089)	(11,115,582)
TRANSFERS				
Transfers In	136,406	130,142	1,180,948	130,142
Transfers Out	(2,598,774)	(2,726,032)	(2,919,762)	(2,101,358)
TRANSFERS Total	(2,462,368)	(2,595,890)	(1,738,814)	(1,971,216)
Total Expenditures	(60,532,641)	(65,332,697)	(63,815,682)	(68,467,412)
Cost Reductions and Savings				2,380,000
FY20 Net Expenditures				(66,087,412)
Total Revenue - Expenses	(78,583)	158,613	(1,786,075)	(71,169)

Note: figures shown for prior years are unaudited and will not align exactly with audited financial statements as they are only through period 12, where SOU's audited financial reports are through period 14. They are shown for comparison to current year and proposed budget year figures

Figure 3: Designated Operations and Service Centers proposed FY20 Budget

Southern Oregon University				
Designated Operations & Service Centers				
	2018 Actuals	FY19 Adopted Budget	2019 Actuals	FY20 Proposed Budget
REVENUES				
Enrollment Fees	886,427	1,169,892	1,239,187	1,240,343
Misc. Other Revenues	4,364,337	4,416,405	4,129,400	4,453,190
REVENUES Total	5,250,764	5,586,297	5,368,587	5,693,533
LABOR				
Unclassified	(1,412,889)	(1,657,922)	(1,579,553)	(1,663,554)
Classified	(432,721)	(452,120)	(428,186)	(432,994)
Student Labor	(166,511)	(169,984)	(194,700)	(183,969)
Benefits & OPE	(1,142,593)	(1,248,398)	(1,140,383)	(1,291,365)
LABOR Total	(3,154,714)	(3,528,424)	(3,342,822)	(3,571,882)
SUPPLIES AND SERVICES	(2,568,329)	(2,505,552)	(2,549,917)	(2,356,345)
TRANSFERS				
Transfers In	707,513	639,287	859,900	640,801
Transfers Out	(263,342)	(220,241)	(353,828)	(226,755)
TRANSFERS Total	444,171	419,046	506,072	414,046
Total Expenditures	(5,278,872)	(5,614,930)	(5,386,667)	(5,514,181)
Total Revenue - Expenses	(28,108)	(28,633)	(18,080)	179,352

Note: figures shown for prior years are unaudited and will not align exactly with audited financial statements as they are only through period 12, where SOU's audited financial reports are through period 14. They are shown for comparison to current year and proposed budget year figures

Figure 4: Auxiliary Operations proposed FY20 Budget

Southern Oregon University				
Auxiliary Operations				
	2018 Actuals	FY19 Adopted Budget	2019 Actuals	FY20 Proposed Budget
REVENUES				
Enrollment Fees	6,664,096	6,954,826	6,310,428	6,791,543
Gov't Resources and Allocations	401,825	401,824	401,826	1,073,846
Misc. Other Revenues	10,083,746	9,395,400	8,481,070	8,803,301
REVENUES Total	17,149,667	16,752,050	15,193,324	16,668,690
LABOR				
Unclassified	(2,663,886)	(3,042,305)	(2,813,608)	(3,152,949)
Classified	(1,471,112)	(1,631,243)	(1,232,595)	(1,245,766)
Grad Assist	(15,991)	(8,379)	(8,385)	0
Student Labor	(1,060,064)	(1,321,264)	(1,069,052)	(1,178,557)
Benefits & OPE	(2,862,243)	(3,056,619)	(2,474,024)	(2,880,527)
LABOR Total	(8,073,296)	(9,059,810)	(7,597,664)	(8,457,799)
SUPPLIES AND SERVICES	(10,018,086)	(9,655,565)	(9,382,590)	(9,422,915)
TRANSFERS				
Transfers In	2,532,503	3,307,561	3,515,254	2,667,331
Transfers Out	(594,248)	(1,110,217)	(1,360,608)	(1,089,661)
TRANSFERS Total	1,938,255	2,197,344	2,154,646	1,577,670
Total Expenditures	(16,153,127)	(16,518,031)	(14,825,608)	(16,303,044)
Total Revenue - Expenses	996,540	234,019	367,716	365,646

Note: figures shown for prior years are unaudited and will not align exactly with audited financial statements as they are only through period 12, where SOU's audited financial reports are through period 14. They are shown for comparison to current year and proposed budget year figures

Figure 5: Summary of Southern Oregon University Operational Budgets

Southern Oregon University Combined Operations				
	2018 Actuals	FY19 Adopted Budget	2019 Actuals	FY20 Proposed Budget
REVENUES				
Enrollment Fees	44,310,930	49,938,626	44,915,013	48,025,872
Gov't Resources and Allocations	21,732,651	21,932,761	22,052,753	24,146,103
Misc. Other Revenues	16,810,908	15,911,403	15,623,752	16,206,491
REVENUES Total	82,854,489	87,782,790	82,591,518	88,378,466
LABOR				
Unclassified	(27,974,221)	(29,729,430)	(29,423,852)	(31,427,399)
Classified	(8,339,718)	(8,752,123)	(8,144,424)	(8,502,315)
Grad Assist	(146,052)	(182,836)	(183,355)	(194,220)
Student Labor	(2,436,029)	(2,875,722)	(2,529,351)	(2,783,580)
Benefits & OPE	(21,106,751)	(22,814,206)	(21,004,283)	(24,502,781)
LABOR Total	(60,002,771)	(64,354,317)	(61,285,265)	(67,410,295)
SUPPLIES AND SERVICES	(21,881,927)	(23,131,841)	(23,664,596)	(22,894,842)
TRANSFERS				
Transfers In	3,376,422	4,076,990	5,556,102	3,438,274
Transfers Out	(3,456,364)	(4,056,490)	(4,634,198)	(3,417,774)
TRANSFERS Total	(79,942)	20,500	921,904	20,500
Total Expenditures	(81,964,640)	(87,465,658)	(84,027,957)	(90,284,637)
Cost Reductons and Savings				2,380,000
FY20 Net Expenditures				(87,904,637)
Total Revenue - Expenses	889,849	317,132	(1,436,439)	473,829

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FY 20 Budget Forecast Variables

<u>Variable</u>	<u>Current Year</u>	<u>Future Years</u>
State Funding	Post True-up (lost \$253K)	
Tuition	+ 10% over last year (resident undergrad)	
Remissions	Per Financial Aid Office estimate of need	
Labor (salary)	Includes negotiated rates in Faculty and Classified labor contracts	
Other Personnel Expenses (benefits)	PERS rate adjusted Sum of all categories up 11%	
Enrollment	Down 3.3%	
Supplies and Services	Reduced from FY19 actuals based on boiler efficiency and natural gas rate locks	

FY 20 Budget Forecast Variables

<u>Variable</u>	<u>Current Year</u>	<u>Future Years</u>
State Funding	Post True-up (lost \$253K)	Based on average biennial increases
Tuition	+ 10% over last year (resident undergrad)	+5%
Remissions	Per Financial Aid Office estimate of need	Based on 9% of tuition
Labor (salary)	Includes negotiated rates in Faculty and Classified labor contracts	Baseline assumption utilizes 2-3% COLA increase
Other Personnel Expenses (benefits)	PERS rate adjusted Sum of all categories up 11%	Future rate increases unknown; conservatively modelled based on history
Enrollment	Down 3.3%	Five-year weighted moving average
Supplies and Services	Reduced from FY19 actuals based on boiler efficiency and natural gas rate locks	Increased based on Consumer Price Index (2.25%)

Cost Reduction Strategy

- Assign cost reduction target to each Vice President = \$2.4M

	Cost Reduction Target
President	\$90K
Provost	\$870K
VPFA (including General Institution)	\$1,290K
VP EMSA	\$200K
<u>VP Development</u>	<u>\$10K</u>
Total	\$2.4M

Note: of the \$2.4M in projected cost reductions, over \$880K is available by keeping vacant positions open

Cost Reduction Strategy

- Establish framework for Presidential Task Force on Financial Sustainability
- Form process improvement cadre; will leverage team to identify cost savings
- Study innovative labor cost reductions

Pro Forma
as of
10/8/19

Education and General

(in thousands of dollars)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	BUDGET	FORECAST	FORECAST	FORECAST
	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)
Revenue						
State Appropriations: SSCM	20,840	21,270	22,696	23,880	25,509	26,550
State Appropriations: ETIC/SELP	433	381	376	377	376	376
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TOTAL REVENUES	60,837	62,030	66,016	67,618	69,866	71,791
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Faculty	(15,044)	(15,801)	(16,560)	(17,071)	(17,415)	(18,025)
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Student (& Other)	(1,430)	(1,500)	(1,615)	(1,723)	(1,832)	(1,940)
Salaries Total	(31,763)	(33,014)	(35,050)	(35,988)	(36,802)	(37,759)
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Other	(2,839)	(3,018)	(3,502)	(3,596)	(3,677)	(3,773)
OPE	(17,012)	(17,331)	(20,331)	(21,054)	(21,755)	(22,524)
Net Personnel	(48,775)	(50,345)	(55,381)	(57,041)	(58,557)	(60,283)
Total Supplies and Services	(9,287)	(11,732)	(11,116)	(11,366)	(11,622)	(11,883)
Cost Reductions and Savings			2,380	3,150	3,475	3,750
TOTAL EXPENDITURES	(58,062)	(62,077)	(64,117)	(65,257)	(66,704)	(68,416)
Net from Operations Before Transfers	2,775	(47)	1,899	2,360	3,162	3,375
NET TRANSFERS			(1,971)	(2,050)	(2,784)	(2,866)
Change in Fund Balance	294	(1,786)	(71)	310	378	509
Beginning Fund Balance	6,844	7,138	5,352	5,280	5,590	5,969
Ending Fund Balance	7,138	5,352	5,280	5,590	5,969	6,478
% Operating Revenues	11.7%	8.63%	8.00%	8.27%	8.5%	9.0%



Southern Oregon University

Combined Operations



	2018 Actuals	FY19 Adopted Budget	2019 Actuals	FY20 Proposed Budget
REVENUES				
Enrollment Fees	44,310,930	49,938,626	44,915,013	48,025,872
Gov't Resources and Allocations	21,732,651	21,932,761	22,052,753	24,146,103
Misc. Other Revenues	16,810,908	15,911,403	15,623,752	16,206,491
REVENUES Total	82,854,489	87,782,790	82,591,518	88,378,466
LABOR				
Unclassified	(27,974,221)	(29,729,430)	(29,423,852)	(31,427,399)
Classified	(8,339,718)	(8,752,123)	(8,144,424)	(8,502,315)
Grad Assist	(146,052)	(182,836)	(183,355)	(194,220)
Student Labor	(2,436,029)	(2,875,722)	(2,529,351)	(2,783,580)
Benefits & OPE	(21,106,751)	(22,814,206)	(21,004,283)	(24,502,781)
LABOR Total	(60,002,771)	(64,354,317)	(61,285,265)	(67,410,295)
SUPPLIES AND SERVICES	(21,881,927)	(23,131,841)	(23,664,596)	(22,894,842)
TRANSFERS				
Transfers In	3,376,422	4,076,990	5,556,102	3,438,274
Transfers Out	(3,456,364)	(4,056,490)	(4,634,198)	(3,417,774)
TRANSFERS Total	(79,942)	20,500	921,904	20,500
Total Expenditures	(81,964,640)	(87,465,658)	(84,027,957)	(90,284,637)
Cost Reductons and Savings				2,380,000
FY20 Net Expenditures				(87,904,637)
Total Revenue - Expenses	889,849	317,132	(1,436,439)	473,829

Southern Oregon University

Budgeted Operations



	2018 Actuals	FY19 Adopted Budget	2019 Actuals	FY20 Proposed Budget
REVENUES				
Enrollment Fees	36,760,407	41,813,908	37,365,398	39,993,986
Gov't Resources and Allocations	21,330,826	21,530,937	21,650,927	23,072,257
Misc. Other Revenues	2,362,825	2,099,598	3,013,282	2,950,000
REVENUES Total	60,454,058	65,491,310	62,029,607	66,016,243
LABOR				
Unclassified	(23,897,446)	(25,029,203)	(25,030,691)	(26,610,896)
Classified	(6,435,885)	(6,668,760)	(6,483,643)	(6,823,555)
Grad Assist	(130,061)	(174,457)	(174,970)	(194,220)
Student Labor	(1,209,454)	(1,384,474)	(1,265,599)	(1,421,054)
Benefits & OPE	(17,101,915)	(18,509,189)	(17,389,876)	(20,330,889)
LABOR Total	(48,774,761)	(51,766,083)	(50,344,779)	(55,380,614)
SUPPLIES AND SERVICES	(9,295,512)	(10,970,724)	(11,732,089)	(11,115,582)
TRANSFERS				
Transfers In	136,406	130,142	1,180,948	130,142
Transfers Out	(2,598,774)	(2,726,032)	(2,919,762)	(2,101,358)
TRANSFERS Total	(2,462,368)	(2,595,890)	(1,738,814)	(1,971,216)
Total Expenditures	(60,532,641)	(65,332,697)	(63,815,682)	(68,467,412)
Cost Reductions and Savings				2,380,000
FY20 Net Expenditures				(66,087,412)
Total Revenue - Expenses	(78,583)	158,613	(1,786,075)	(71,169)

Southern Oregon University

Auxiliary Operations



	2018 Actuals	FY19 Adopted Budget	2019 Actuals	FY20 Proposed Budget
REVENUES				
Enrollment Fees	6,664,096	6,954,826	6,310,428	6,791,543
Gov't Resources and Allocations	401,825	401,824	401,826	1,073,846
Misc. Other Revenues	10,083,746	9,395,400	8,481,070	8,803,301
REVENUES Total	17,149,667	16,752,050	15,193,324	16,668,690
LABOR				
Unclassified	(2,663,886)	(3,042,305)	(2,813,608)	(3,152,949)
Classified	(1,471,112)	(1,631,243)	(1,232,595)	(1,245,766)
Grad Assist	(15,991)	(8,379)	(8,385)	0
Student Labor	(1,060,064)	(1,321,264)	(1,069,052)	(1,178,557)
Benefits & OPE	(2,862,243)	(3,056,619)	(2,474,024)	(2,880,527)
LABOR Total	(8,073,296)	(9,059,810)	(7,597,664)	(8,457,799)
SUPPLIES AND SERVICES	(10,018,086)	(9,655,565)	(9,382,590)	(9,422,915)
TRANSFERS				
Transfers In	2,532,503	3,307,561	3,515,254	2,667,331
Transfers Out	(594,248)	(1,110,217)	(1,360,608)	(1,089,661)
TRANSFERS Total	1,938,255	2,197,344	2,154,646	1,577,670
Total Expenditures	(16,153,127)	(16,518,031)	(14,825,608)	(16,303,044)
Total Revenue - Expenses	996,540	234,019	367,716	365,646

Southern Oregon University

Designated Operations & Service Centers



	2018 Actuals	FY19 Adopted Budget	2019 Actuals	FY20 Proposed Budget
REVENUES				
Enrollment Fees	886,427	1,169,892	1,239,187	1,240,343
Misc. Other Revenues	4,364,337	4,416,405	4,129,400	4,453,190
REVENUES Total	5,250,764	5,586,297	5,368,587	5,693,533
LABOR				
Unclassified	(1,412,889)	(1,657,922)	(1,579,553)	(1,663,554)
Classified	(432,721)	(452,120)	(428,186)	(432,994)
Student Labor	(166,511)	(169,984)	(194,700)	(183,969)
Benefits & OPE	(1,142,593)	(1,248,398)	(1,140,383)	(1,291,365)
LABOR Total	(3,154,714)	(3,528,424)	(3,342,822)	(3,571,882)
SUPPLIES AND SERVICES	(2,568,329)	(2,505,552)	(2,549,917)	(2,356,345)
TRANSFERS				
Transfers In	707,513	639,287	859,900	640,801
Transfers Out	(263,342)	(220,241)	(353,828)	(226,755)
TRANSFERS Total	444,171	419,046	506,072	414,046
Total Expenditures	(5,278,872)	(5,614,930)	(5,386,667)	(5,514,181)
Total Revenue - Expenses	(28,108)	(28,633)	(18,080)	179,352

Summary of Transfers in / out of General Fund



Periodic Management Report

Appendix A

Summary of Subsidies (Transfers) Between Fund Types

Projections For Fiscal Year 2020

Transaction Description	Education & General	Designated Operations & Service Dpts	Auxiliaries (including N. Campus Village)	Plant, and Other Funds
	Final	Final	Final	Final
Between Fund Types	\$ (2,016,732)	\$ 437,745	\$ 1,578,987	\$ -
Base General Fund Support to Athletics	\$ (1,717,839)	\$ -	\$ 1,717,839	\$ -
Adjustment to GF Athletic Base Support Due to Added Lottery Funds Received in Athletics	\$ 672,022	\$ -	\$ (672,022)	\$ -
Net Athletics Course Revenue after Expenses	\$ (325,894)	\$ -	\$ 325,894	\$ -
Sports Camps Support to Athletics	\$ -	\$ -	\$ -	\$ -
Support to Athletics Sports Band	\$ (45,459)	\$ -	\$ 45,459	\$ -
General Fund Support to JPR	\$ (292,390)	\$ 292,390	\$ -	\$ -
General Fund Support to RVTV	\$ (121,656)	\$ 121,656	\$ -	\$ -
General Fund PEAK Support to Various	\$ (45,516)	\$ 23,699	\$ 21,817	\$ -
General Fund Support Student Rec Center	\$ (140,000)	\$ -	\$ 140,000	\$ -

**Southern Oregon University
Board of Trustees**

**RESOLUTION
Adoption of Fiscal Year 2019-20 Budget**

Whereas, ORS 352.102(1) provides that, except as set forth within ORS 352.102, the Board of Trustees may authorize, establish, collect, manage, use in any manner and expend all revenue derived from tuition and mandatory enrollment fees;

Whereas, ORS 352.107(1)(a) provides that the Board of Trustees may acquire, receive, hold, keep, pledge, control, convey, manage, use, lend, expend and invest all moneys, appropriations, gifts, bequests, stock and revenue from any source;

Whereas, ORS 352.107(1)(i) provides that the Board of Trustees may, subject to limitations set forth in that section, spend all available moneys without appropriation or expenditure limitation approval from the Legislative Assembly;

Whereas, ORS 352.107(2) requires, and the Board of Trustees finds, that the budget of the Southern Oregon University is prepared in accordance with generally accepted accounting principles;

Whereas, after detailed review, the Board of Trustees wishes to approve a budget for fiscal year 2019-2020; and

Whereas, the Finance and Administration Committee of the Board of Trustees has referred this matter to the full Board of Trustees, recommending approval;

Now, therefore, be it resolved, the Board of Trustees approves and adopts the Fiscal Year 2019-20 expenditure budget in the sum of \$87,904,637 inclusive of budgeted operations in the sum of \$66,087,412; designated operations in the sum of \$5,514,181; and an auxiliaries budget in the sum of \$16,303,044.

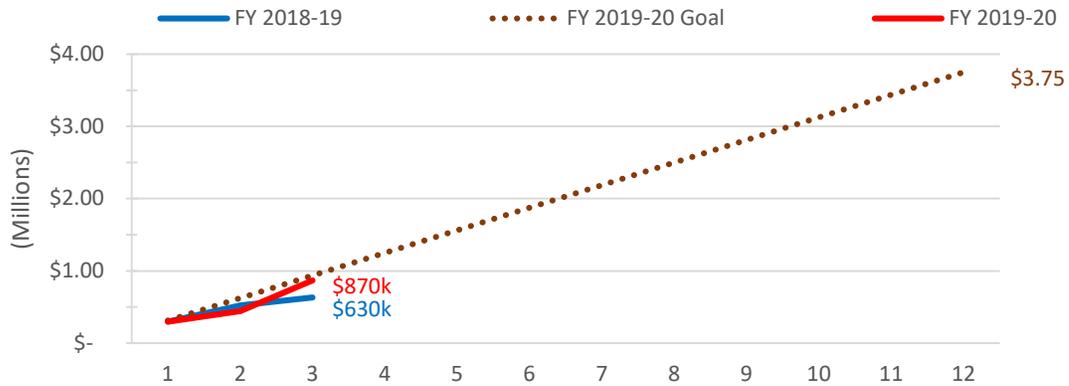
Vote:

Date: October 18, 2019

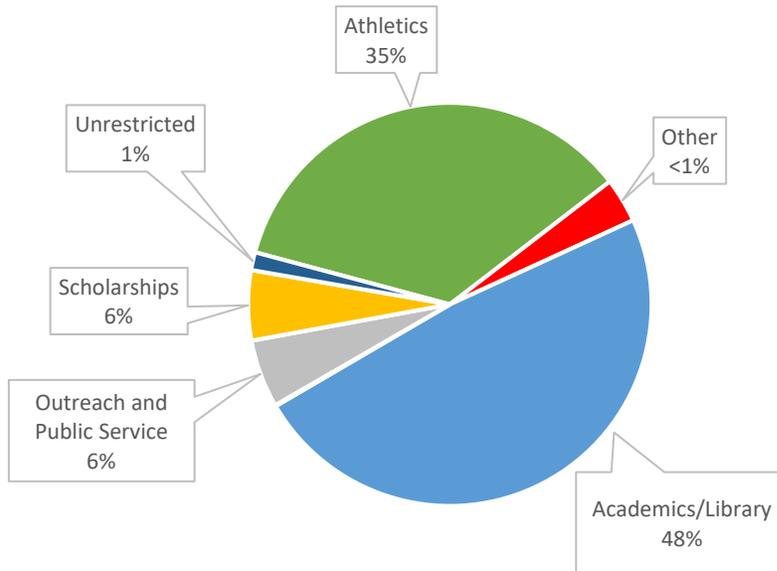
Recorded by the University Board Secretary:

Development Update

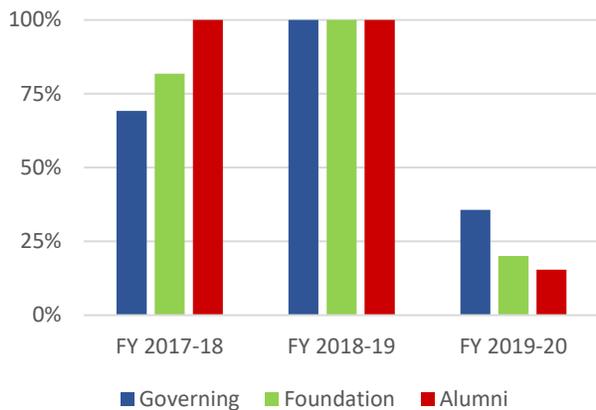
FY 2019-20 YTD Gift Revenue



FY 2019-20 YTD Gifts by Designation



Board Participation (%)



FY 2019-20 YTD Donors by Type



Funding Model Update

Docket Item:

Student Success and Completion Model (SSCM) Review Process Update

Summary:

The SSCM is the HECC-adopted formula that determines how the majority of state funding for public universities (the legislatively approved budget for the Public University Support Fund) is distributed to Oregon's seven public universities.

This docket item serves as an update to the SSCM workgroup process. As we prepare for the workgroup's kickoff meeting in October, we recommend the subcommittee consider the guiding principles for the SSCM as described below. Following that, we list the primary and alternate members of the workgroup, as well as the proposed charge that will guide the workgroup along with an outline of its process.

Docket Item Material:

In accordance with rule, the HECC is committed to reviewing the SSCM during the 2019-2021 biennium. This review is intended to permit the Commission to address any changes in circumstance in the five years since the formula was adopted, as well as any unintended consequences that have occurred due to the implementation of the formula or other lessons learned.

Operating Assumptions

As part of the process, certain operating assumptions are made to establish the environment in which the formula exists. Fundamentally, the formula is designed to allow for the distribution of state funding in support of student access and completion and applies objectively to all public universities without regard to winners and losers. It is not a tool used to govern but rather a tool to marshal resources in the pursuit of the state's higher education goals. The governance of the institutions across all funding sources, including those revenues defined by the SSCM, is left to the independent university boards.

Guiding Principles

With the operating assumptions established, any changes to the funding model should:

1. Reflect the Commission's strategic plan and Equity Lens;
2. Focus on student access and success with an emphasis on underrepresented populations;
3. Encourage educational attainment in high-demand and high-reward disciplines;
4. Recognize and reward distinctions in institutional mission and scope;
5. Use clearly defined, currently available data; and
6. Maintain clarity and simplicity.

The Commission should allow staff to develop and execute an implementation plan if adopted modifications to the SSCM result in material changes to the universities' allocations, beginning in fiscal year 2021.

Potential Workgroup Charge

The workgroup should consider at least six different features of the current SSCM. These areas, listed below, are based on staff discussions with both internal and external stakeholders. The workgroup will ultimately set the agenda at the kickoff meeting in October, and workgroup members will have the opportunity to discuss additional issues as appropriate.

The areas recommended to be considered by the workgroup include:

1. Cost Weights. The cost weights are an artifact of the Oregon University System's (OUS) Resource Allocation Model (RAM), which was the precursor to the Student Success and Completion Model. Those values were derived from the Delaware Cost Study and have not been updated in over two decades. The cost weights are applied to both the outcomes and activities portions of the formula according to the discipline and degree or student level in which they were earned.
 - a. The workgroup shall consider whether the cost weights should be updated.
 - b. The workgroup shall consider developing a cost study to aid in updating the cost weights.
2. Mission Differentiation. Mission differentiation recognizes and rewards distinctions between the seven universities in terms of their institutional mission, research, and size. Mission differentiation is inflated by the lesser of the year-over-year change in the Public University Support Fund or the Consumer Price Index. Funding for mission differentiation is subtracted from the overall PUSF, leaving the remainder to be allocated to outcomes and activities in the formula.
 - a. For small institutions, the workgroup shall consider a flat-funded supplement.
 - b. Other parts of the mission differentiation ("special items") shall be considered for obsolescence.
3. Incentive Stacking. The workgroup shall consider if the incentives within the formula are aligned with state priorities and are appropriate relative to the total outcomes-based funding available. A potential

technical change the workgroup shall consider is how to reliably count all veterans while excluding their dependents, who may be using the Post-9/11 G.I. Bill.

4. Transfer Degrees. Currently, a completion is only counted as a transfer degree if the student who earned the degree transferred from an Oregon community college to a public university. A discount is then applied to that completion's overall weight.
 - a. The workgroup shall consider if the completion funding should be shared by two or more public universities if the student transferred from one public university to another.
 - b. The workgroup shall also consider a discount to the completion at the public university from which the student graduated if the student transferred from another public university.
5. Performance Improvement. The current formula allocates funding according the volume, degree and student level, and program mixture of outcomes and activities at each institution, for each institution relative to each other. A potential alternative would allocate funding based on the year-over-year change on similar or identical measures, within each institution. The workgroup shall consider the merits of this proposal and, if appropriate, how to introduce such a change into the formula.
6. Bilingual Education. A bilingual endorsement earns an area of study bonus, not unlike the way Science, Technology, and Engineering (STEM) or health disciplines do. The Teacher Standards and Practices Commission of Oregon changed licensing requirements, allowing bilingual teachers to go without an endorsement to teach English for Speakers of Other Languages (ESOL). The workgroup shall consider how bilingual designations earned by teachers should be incentivized within the formula.

Workgroup Membership

The membership of the workgroup shall include representation from the institutions, appropriate input from stakeholders, and input from consulting experts as appropriate. The consulting experts will participate to offer guidance and advice. Our intent is to recruit a community leader focused on educational equity. The membership as listed below includes 14 total members.

Universities – one member each as appointed by each university president

Oregon Student Association – one member

Interinstitutional Faculty Senate – one member

Consulting Experts – two members

Oregon Council of Presidents (OCOP) Representative – one member

Business/Workforce Representative – one member

Community Leader – one member

In July, the university presidents were asked to appoint members to the formula advisory workgroup. All presidents responded by appointing members from a wide breadth of institutional stakeholders. The universities appointed both a primary and alternate member to the workgroup with the expectation that the primary member will substantially engage in deliberative decisions of the workgroup. The alternate member will appear in the primary member's absence or to support the primary member's engagement.

Staff have also asked the Interinstitutional Faculty Senate, Oregon Council of Presidents, and consulting experts to engage in the workgroup's deliberations. Below is the workgroup's membership roster, including the alternates.

	<u>Primary</u>	<u>Alternate</u>
Eastern Oregon University	Lara Moore <i>VP, Finance & Admin</i>	LeeAnn Case <i>Budget Director</i>
Oregon Institute of Technology	Brian Fox <i>VP, Finance & Admin</i>	Dr. Erika Veth <i>Assoc VP, Enrollment</i>
Oregon State University	Dr. Sherm Bloomer <i>Budget Director</i>	Jan Lewis <i>Controller</i>
Portland State University	Dr. Kevin Reynolds <i>VP, Finance & Admin</i>	Kevin Neely <i>Director, Govt Relations</i>
Southern Oregon University	Jason Catz <i>General Counsel</i>	Greg Perkinson <i>VP, Finance & Admin</i>
University of Oregon	Jamie Moffitt <i>VP, Finance & Admin</i>	Dr. Brad Shelton <i>Executive Vice Provost, Academic Operations</i>
Western Oregon University	David McDonald <i>Assoc VP, Public Affairs & Strategic Initiatives</i>	Dr. Ana Karaman <i>VP, Finance & Admin</i>
	<u>Primary</u>	<u>Alternate</u>
Council of Presidents	Dana Richardson <i>Executive Director</i>	Sione Filimoehala <i>Budget Director</i>
Interinstitutional Faculty Senate	Dr. William Harbaugh <i>Professor, University of Oregon</i>	
Oregon Student Association	Britney Sharp <i>SOU Student Body President</i>	Fernando Arellano <i>OSU – Cascades</i>

Director, Legislative Affairs

Consulting Expert	Scott Boelscher <i>HCM Strategists</i>
Consulting Expert	Terri Taylor <i>Lumina Foundation</i>
Industry/Workforce Representative	First_Name Last_Name <i>Title</i>
Community Leader	First_Name Last_Name <i>Title</i>

Timeline

We expect the formula advisory workgroup to meet once a month from October 2019 through March 2020. The kick-off meeting in October is tentatively scheduled for Thursday, October 17. The workgroup should expect to provide recommendations to HECC staff by the end of March 2020. HECC staff will then provide recommendations to the commission in April 2020 with the consideration of any potential rule changes in June 2020. Expected implementation would be FY2021.

Potential Items for Future Commission Meetings

Overview of Existing Formula – an overview of the existing components of the formula and how they have affected funding to the universities since inception

Review of Oregon Experience – a review of the impact the revised formula has had on student outcomes and institutional practices; this is work conducted in collaboration with the Office of Research and Data to better understand if the current formula is performing as expected

Review of National Experience – a summary and review of the national research recently conducted on outcomes based formulas with a focus on best practices and recommendations

Institutions’ Panel – inviting a panel composed of university representatives to speak to the impact the transition to outcomes based funding has had on their campus

Industry Representatives Panel – inviting a panel composed of industry and workforce representatives to discuss the formula and the behavioral incentives created for universities through the lens of employers

Staff Recommendation

Discussion only.

Government Relations and Legislative Update

Southern Oregon Higher Education Consortium Update

2018-19 Board Evaluation

**Southern Oregon University
Board of Trustees**

2019 Board Self-Evaluation Summary

This is a summary report of the results from a self-evaluation survey of the performance of the SOU Board of Trustees for the 2018-19 academic year. Completing the survey helps fulfill the board's responsibility for self-evaluation and provides feedback as well as input regarding board operations, performance, and service. The evaluation tool was approved for use by the SOU Board of Trustees and programmed using Qualtrics, an online survey-hosting tool commonly used to administer surveys at SOU.

The evaluation survey included three sections: the board, meetings, and miscellaneous feedback. Twelve of the 15 members of the SOU Board of Trustees responded to the survey, which was administered in September 2019.

Results

Respondents were asked to rate themselves with regard to the fulfillment of expectations for board members as described in the Board's "Resolution on the Responsibilities of Individual Trustees" (i.e., evaluation, fiduciary duties, service, respect, and personal behavior). The majority of respondents rated themselves as being "very effective" or "extremely effective" in each area of responsibility. Four respondents rated themselves as "moderately effective" or "slightly effective" in evaluation. All but one respondent indicated that they participated in the "life of the university," with convocation, Salem/legislator visits, and community events (9) being the most frequently attended. Two trustees indicated [geographical] distance as an occasional barrier to their participation, while three indicated that their primary professional or other personal responsibilities sometimes are a barrier to participation. It was identified that continued communication is/has been helpful to aid participation (reminders, early receipt of calendar information, etc.).

Board members were asked to rate their collective knowledge and experience in 13 areas pertinent to university operations. The range of ratings in each area varied from "slightly knowledgeable" to "extremely knowledgeable," and the highest ratings were in the areas of board-president/CEO relationships and philanthropy. The lowest average ratings were in the areas of research as well as academic affairs. Overall, three respondents rated the board as "extremely effective;" one respondent found the Board to be "moderately effective," and the majority of respondents (8) rated the board as "very effective."

When asked what issues trustees would like to see more board engagement with, or what areas they personally would like to focus on, the following areas were identified.

The Board

- What it takes to be a really effective board
- Continued focus on the strategic plan
- Enrollment/recruitment/retention (3)
- Better understanding of all parts of the institution/ student, faculty, staff issues, priorities, successes, and concerns (2)
- Having more difficult conversations
- Creating equitable pathways to success for our historically and currently underrepresented students/staff/faculty
- Higher education funding/funding model (2)
- Making education more affordable for students
- Alignment of SOU with new regional strategic planning implementation effort (SORED)

Individual Trustees

- Developing competency-based educational opportunities
- Student affairs/better understanding of student success initiatives
- Student mentoring
- Native American student recruitment and retention
- Encouraging the board to utilize the equity lens in our decision-making process and to understand *why* this is an effective tool to use in moving us forward.
- Employment equity across campus
- Supporting efforts to ensure that we are working with the directions identified within the strategic plan.
- Elevating public & national perception of SOU (2)
- Legislative/government affairs
- Higher education funding/Transformation of higher education to become consumer focused and affordable (2)
- Sustainability
- Finance and administration
- Role of SOU in regional collaboration
- Having more difficult conversations in board meetings

Meetings

All respondents indicated that the Board and its committees have “just enough” meetings. Regarding meeting materials, all respondents agreed that the materials provide the appropriate information the Board needs to make decisions. However, several suggestions were made on how to improve the materials and presentations with consideration for staff members’ workload, as well as improvements. These suggestions will be considered and implemented where practicable.

Recommendations

1. Incorporate ways to address the most commonly identified areas in which the board and individuals desire additional engagement/focus (e.g., through agenda items, webinars, white papers, etc.).
2. Increase information to the trustees about the areas they know the least. (More information is needed to implement.)
3. Discuss with trustees additional ways to encourage/overcome individual barriers to participation such as the meeting schedules, attending remotely, or others.

Planning for 2030: Considerations for Higher Education

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**OREGON HIGHER EDUCATION
COORDINATING COMMISSION**

**STRATEGIC CAPITAL
DEVELOPMENT PLAN**

SMITHGROUP | NCHEMS

October 3, 2019



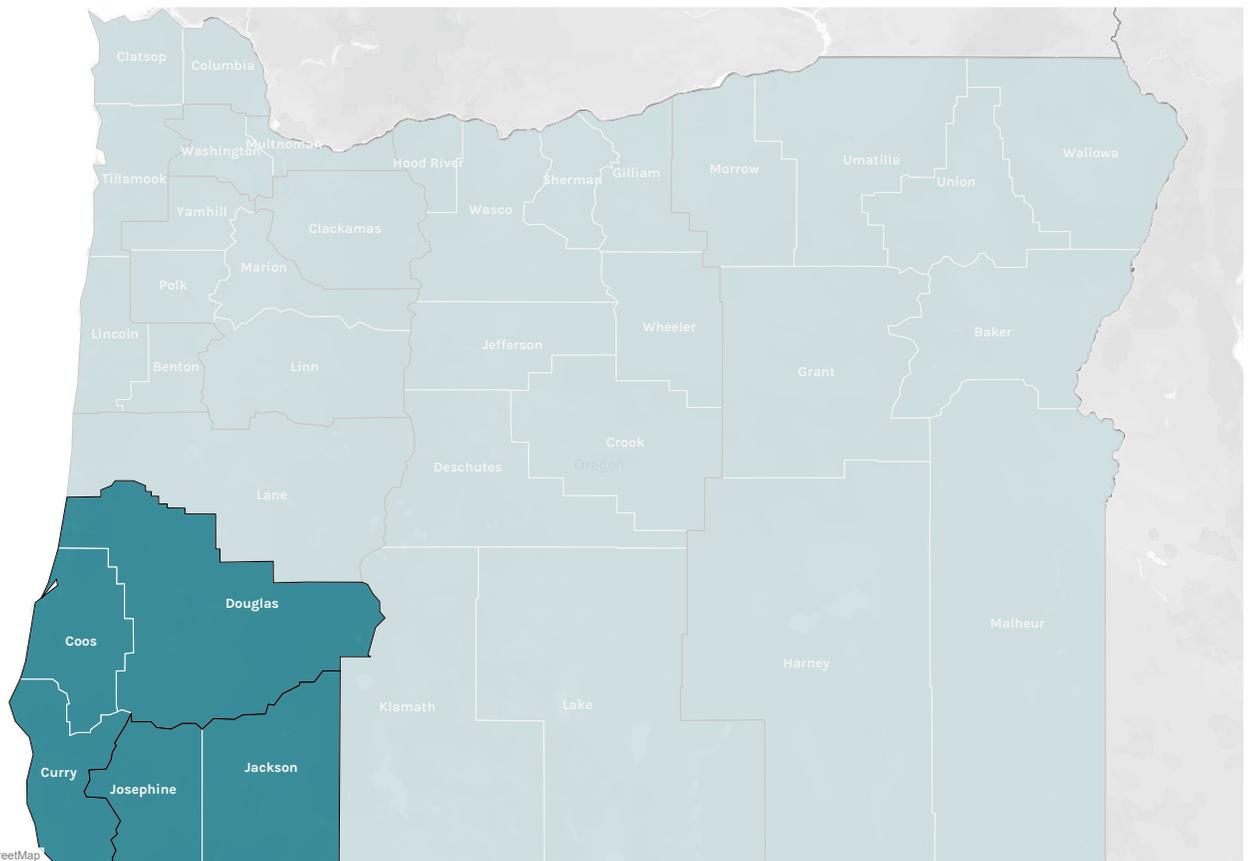
SECTION 7

**SOUTHERN OREGON
UNIVERSITY**

SOUTHERN OREGON UNIVERSITY ENROLLMENT & WORKFORCE DEMAND ANALYSIS

SOU's primary service region (Figure 1) is comprised of the Rogue Workforce Partnership and the Southwestern Oregon Workforce Investment Board areas. These areas are comprised of the following counties: Coos, Curry, Douglas, Jackson, and Josephine.

FIGURE 1. SOUTHERN OREGON UNIVERSITY PRIMARY SERVICE REGION

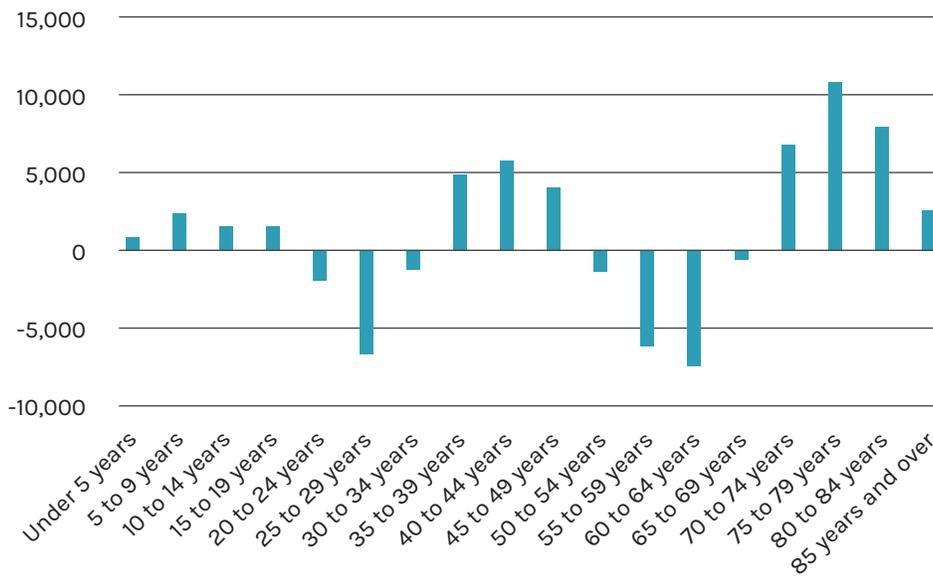


© 2019 Mapbox © OpenStreetMap

POPULATION

Between 2010 and 2018, the population in the counties that comprise the primary service area grew for SOU grew by just 24,527, just about 0.64 percent per year, the second lowest growth rate among institutional service areas across the state¹. As is true elsewhere in Oregon, the population in SOU’s primary service area grew most among the elderly, with increases among middle-age Oregonians between 35 and 45 offsetting declines between 50 and 70 years of age. These counties have seen increases in population among individuals in the first two decades, but have lost population among the traditionally college-aged and young working-age adults (Figure 2).

FIGURE 2. CHANGE BETWEEN 2010–2018 IN SOU PRIMARY SERVICE AREA COUNTIES BY AGE

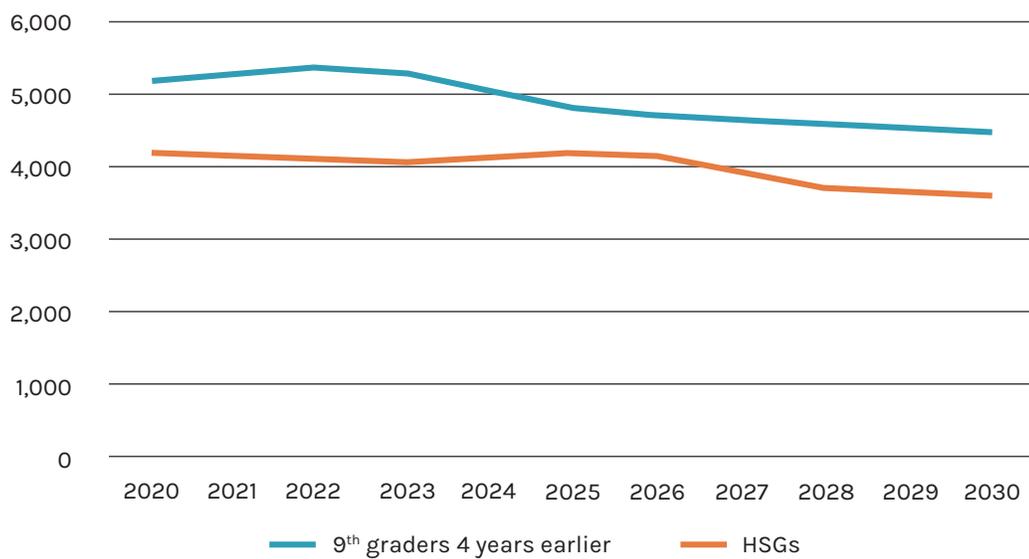


Source: EMSI, 2019.

¹ Portland State University, Population Research Center.

Population growth between 2020 and 2030 is expected to continue for among middle-age individuals between 25-49 with mostly stagnant levels of high-school and college-aged individuals in SOU's service area. Projections indicate a decline in the number of high school graduates between 2020 and 2030 (Figure 3).

FIGURE 3. PROJECTED NINTH GRADERS AND HIGH SCHOOL GRADUATES



Sources: WICHE, NCES CCD, oregonlive.com.

ENROLLMENT PROJECTIONS AND PATTERNS

Unusually for a regional public institution, SOU attracts a majority of its entering undergraduates from out-of-state, with two-thirds of non-residents hailing from California alone in 2016-17.² Among Oregon residents, SOU is heavily dependent on attracting students from Jackson County where its campus is. In fact, SOU gets 55 percent of its students from Jackson County, with Josephine County supplying another 9 percent. Multnomah, Deschutes, and Washington counties each account for about four percent of SOU’s undergraduates. SOU does not commonly attract students from most other parts of Oregon, and numerous counties did not supply SOU with any students at all in the recent past, especially those on the eastern side of the state (Figure 5). Given these population trends and the relative importance of Deschutes County to SOU’s well-being, SOU is particularly vulnerable to the expansion of OSU’s Cascades campus in Bend if it draws students away.

SOU has two dominant sources of transfer students: Rogue Community College located nearby and out-of-state institutions, likely California, which in 2018 actually supplied more transfer students than Rogue and the next six highest volume suppliers of students transferring from Oregon community colleges (Table 1).

TABLE 1. FALL 2018 TRANSFER STUDENT INSTITUTION OF ORIGIN

Community Colleges	
Rogue Community College	468
Southwestern Oregon Community College	56
Klamath Community College	48
Umpqua Community College	41
Portland Community College	38
Lane Community College	37
Linn-Benton Community College	24
Clackamas Community College	23
Chemeketa Community College	20
Central Oregon Community College	18
Mount Hood Community College	10
Other Oregon 4-Year Institutions	
Oregon State University	30
University of Oregon	28
Portland State University	28
Western Oregon University	14
Oregon Institute of Technology	13
Eastern Oregon University	10
Other or Unknown	
Other U.S. college or university	713
Unknown	52
Oregon independent college or university	23
Foreign College or university	33

² NCES IPEDS.

FIGURE 4.

SHARE OF RESIDENT UNDERGRADUATE ENROLLMENT BY COUNTY

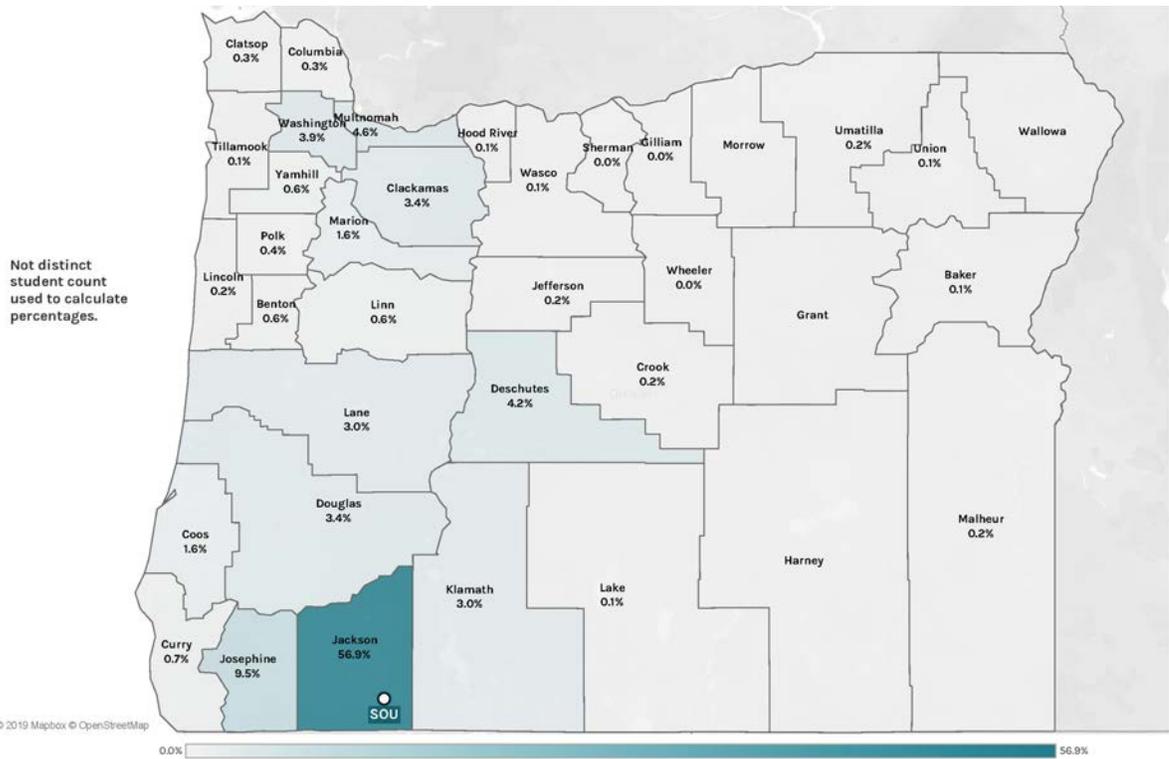
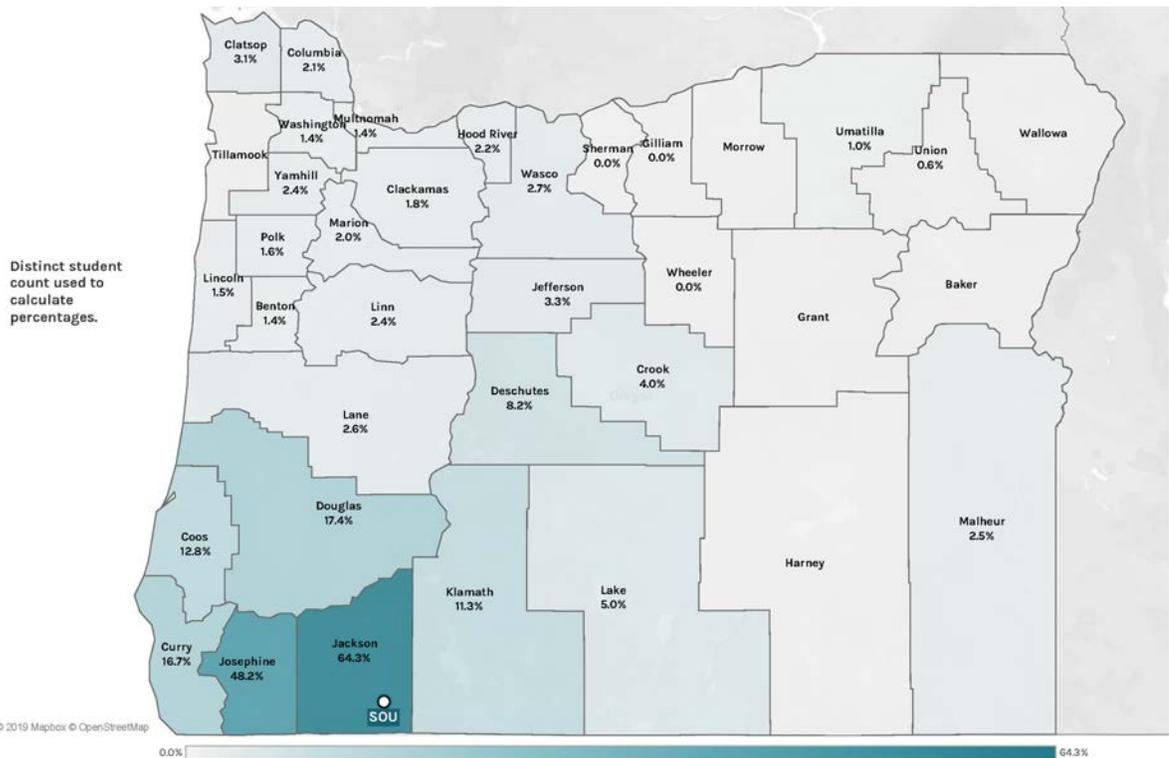


FIGURE 5.

SHARE OF COLLEGE-GOING STUDENTS FROM EACH COUNTY ATTENDING SOU



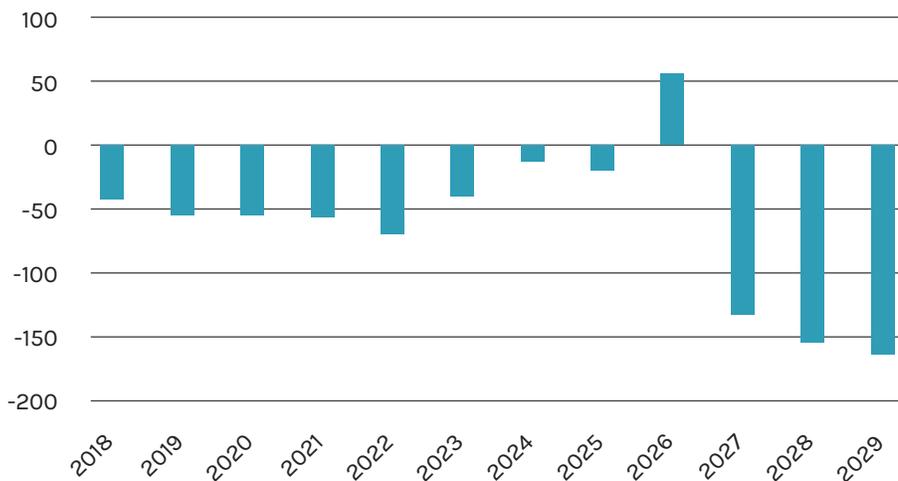
PROJECTING CAPACITY NEEDS DUE TO ENROLLMENT

To assess the likely need for space caused by undergraduate enrollment demand, NCHEMS modeled enrollment projections for each of Oregon’s public four-year institutions based on the following assumptions:

- Ratio of high school graduates to 9th graders³
- College-going rate of recent high school graduates to enrollment at an Oregon public four-year institution⁴
- Participation rate per 100,000 population of 20–49 year olds enrolling for the first-time at an Oregon public four-year institution⁵
- Enrollment of first-time students from out-of-state⁶
- Ratio of transfer students from public two-year to public four-year institutions to the total enrollment of public two-year institutions⁷
- Retention and completion rates⁸ remain steady
- Projected population changes for each institution’s designated service areas⁹
- County-of-origin of undergraduate enrollment¹⁰
- The current proportional mix on on-campus and online students remains constant

This modeling suggests that, barring significant changes in recruitment or retention, SOU will experience constant challenges maintaining enrollment levels over the coming years, with only a single year predicted to be one in which undergraduate FTEs higher than the 2017–18 base year in our model (Figure 6).

FIGURE 6. EXPECTED CHANGE IN FTE BY YEAR, RELATIVE TO 2017



Note: Data shows the difference between the expected FTE in each year (indicated by the fall of each academic year, e.g., “2018” corresponds to the 2018–19 academic year) and the actual FTE level in 2017–18. The results reflect no assumed changes in the most recent data for recruitment and retention.

3 NCES CCD, Western Interstate Commission for Higher Education, *Knocking at the College Door*, knocking.wiche.edu.

4 Enrollment by county (Oregon HECC), high school graduates (oregonlive.com), Residence and Migration (NCES IPEDS).

5 Enrollment by county (HECC), Residence and Migration (NCES IPEDS).

6 Enrollment of non-resident students (HECC), Residence and Migration (NCES IPEDS).

7 Oregon HECC.

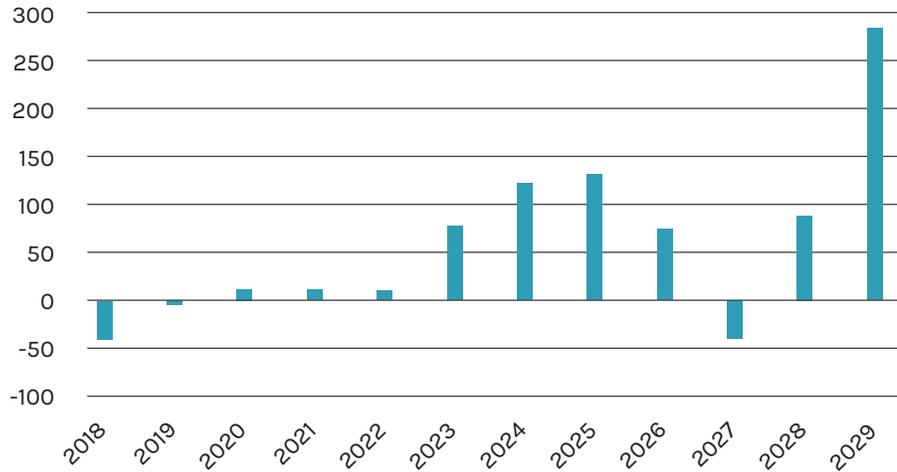
8 NCES IPEDS.

9 Office of Economic Analysis, Oregon Department of Administrative Services.

10 Oregon HECC.

Under optimistic assumptions about SOU successfully improving its recruitment and retention of students, NCHEMS' modeling yields a less bleak picture. For example, boosting each of the key parameters (enrollment of in-state students, out-of-state students, and transfer students, as well as retention rates) by five percent yields a future in which enrollments at SOU are stable, and even rise in 2029-30 academic year (Figure 7).

FIGURE 7. EXPECTED CHANGE IN FTE BY YEAR, RELATIVE TO 2017, ASSUMING A 5% INCREASE IN RECRUITMENT AND RETENTION MEASURES



Note: Data shows the difference between expected FTE in each year (indicated by the fall of each academic year, e.g., "2018" corresponds to the 2018-19 academic year) and the actual FTE level in 2017-18. The results reflect a 5% increase in each of the recruitment measures for different student categories—in-state students, out-of-state students, and transfer students—as well as retention rates from the first- to the second year. No change in the high school graduation rate is assumed.

In order for SOU to achieve its on-campus enrollment target for 2029, under which it would enroll 1,646 additional on-campus FTEs, NCHEMS estimates that it would have to improve its recruitment and retention by about 10 percent across the board.

With enrollment rising at SOU only under very optimistic scenarios, it is clear that SOU has little need for additional physical space. Nevertheless, enrollment patterns make it clear that SOU remains a vital resource for postsecondary access to individuals in some parts of southern Oregon.

ECONOMY AND WORKFORCE NEEDS

The largest industries likely to employ college graduates in the SOU service region are:

- Private educational and health services
- Government
- Professional and business services

Of these, the only one projected to show substantial growth is educational and health services (Figure 1). Leisure and hospitality is a major component of the regional economy. While this industry does not employ large numbers of college graduates, its importance to the region means that it cannot be ignored.

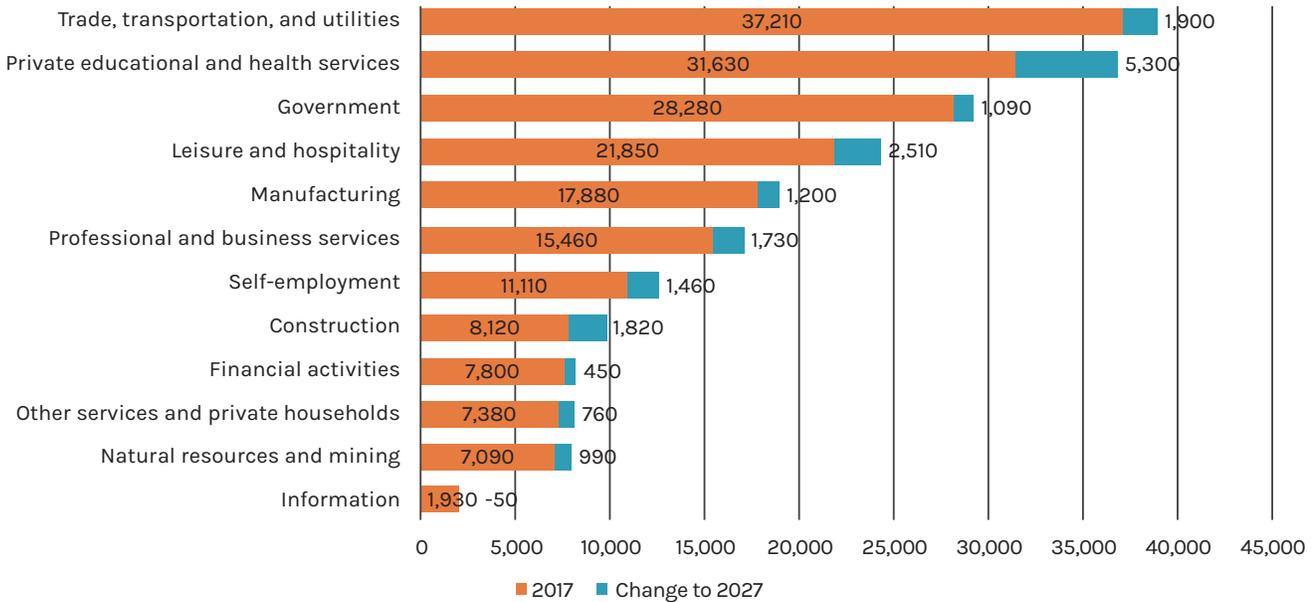
None of the occupations with the largest numbers of annual openings in the SOU service area require large numbers of college graduates. Those occupations that do are well down the list (Figure 2):

- Education
- Management (plus business and financial operations)
- Healthcare practitioners and allied health

Of these, the occupations with the largest projected growth potential are in the health professions. Management occupations are next in order (Figure 3).

Emsi data reinforce these findings, indicating that the largest gaps are in business management and related subfields (Figure 4). In the health professions the greatest needs are for Registered Nurses. Other needs are small in numbers in comparison (Table 1).

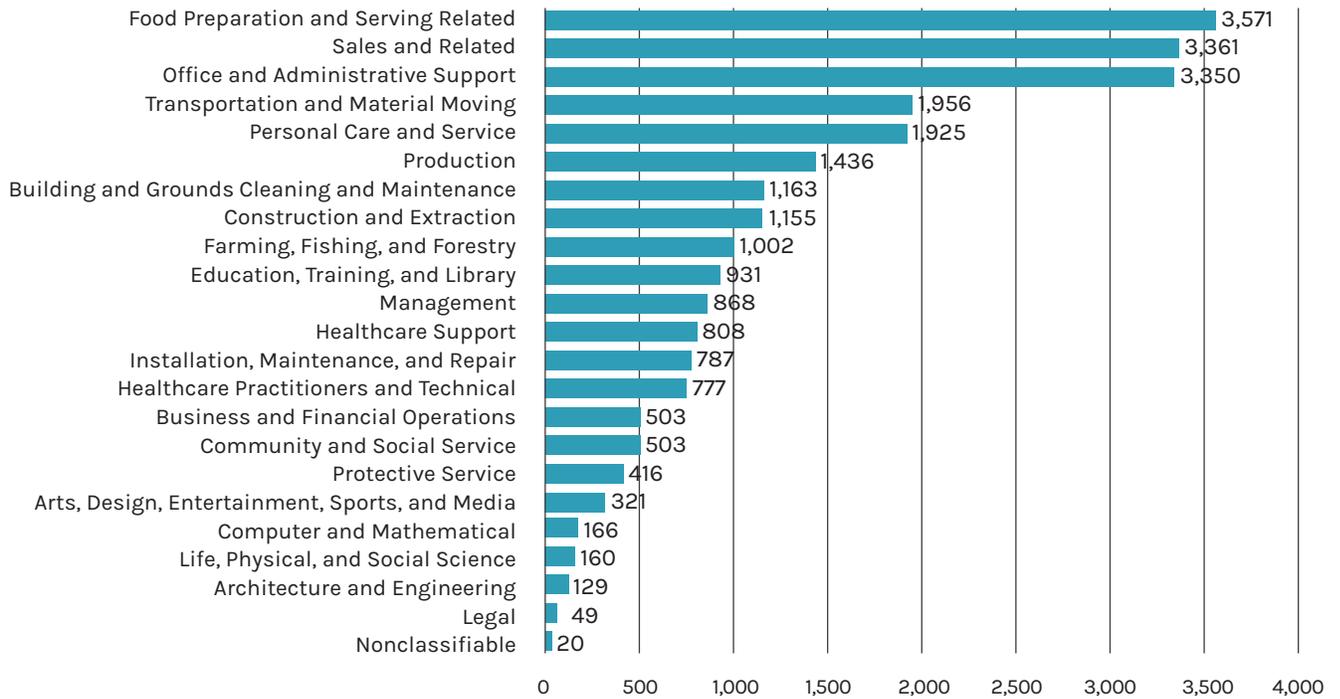
**FIGURE 8. EMPLOYMENT GROWTH BY INDUSTRY, 2017–2027
SOUTHERN OREGON UNIVERSITY SERVICE AREA**



Source: State of Oregon Employment Department, qualityinfo.org.

FIGURE 9.

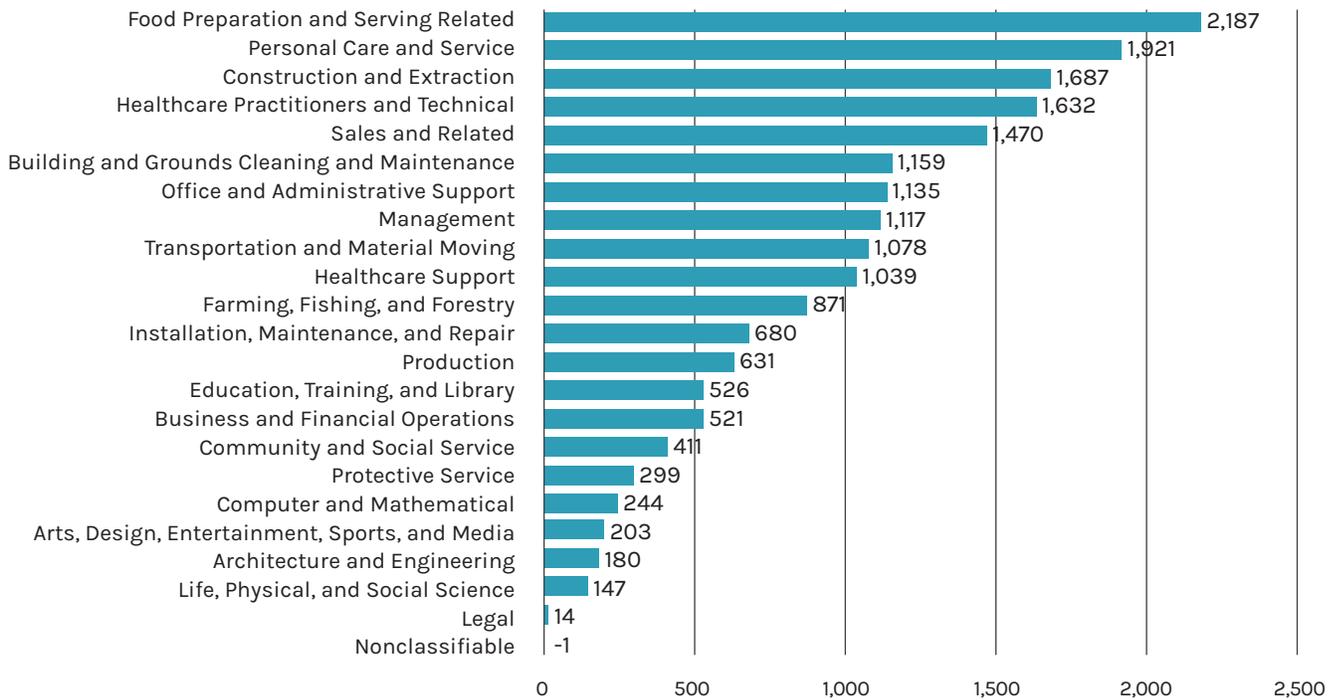
**TOTAL ANNUAL OPENINGS BY OCCUPATION, 2017–2027,
SOUTHERN OREGON UNIVERSITY SERVICE AREA**



Source: State of Oregon Employment Department, qualityinfo.org.

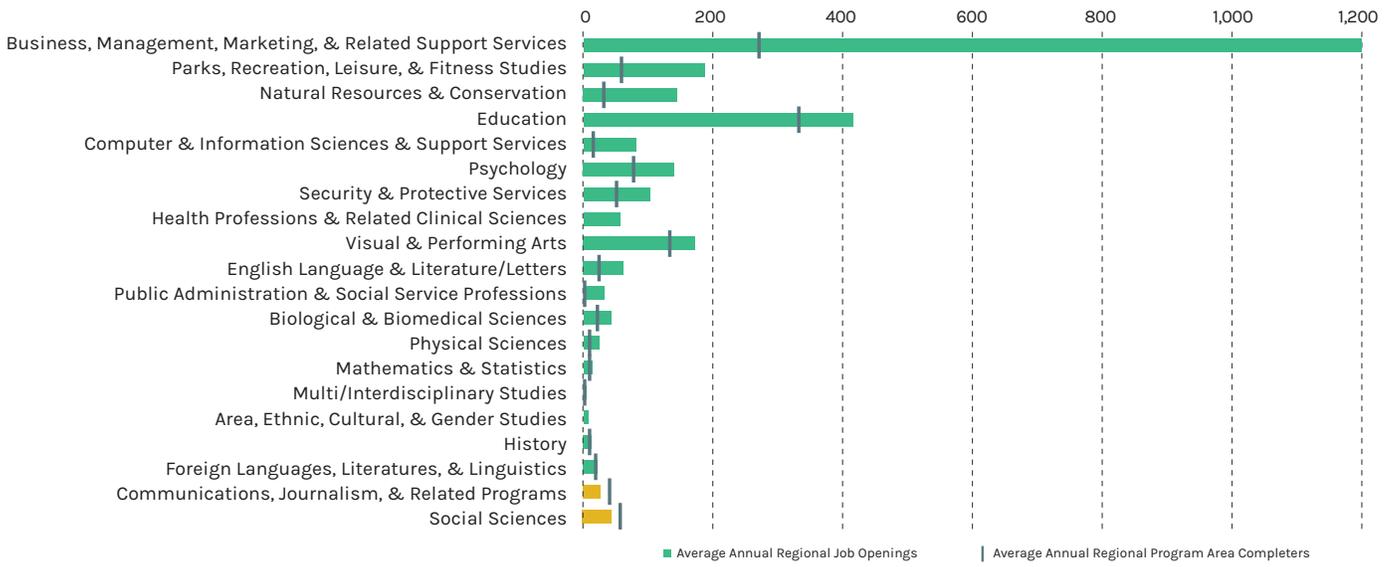
FIGURE 10.

**GROWTH IN EMPLOYMENT BY OCCUPATION, 2017–2027,
SOUTHERN OREGON UNIVERSITY SERVICE AREA**



Source: State of Oregon Employment Department, qualityinfo.org.

FIGURE 11. GAPS AT THE BACHELOR'S AND ABOVE DEGREE LEVEL (2-DIGIT CIP)



Source: EMSI, 2019.

FIGURE 12.

PROGRAM ADDITIONS

Bachelor's degree level program additions					
SOC Code	SOC Title	BACH Job Openings in the SOU Service Region	BACH Program Completers in the SOU Service Region	BACH Gap	Median Hourly Wage
29-1141	Registered Nurses	169	0	169	\$39.53
41-3021	Insurance Sales Agents	36	0	36	\$21.20
41-9022	Real Estate Sales Agents	27	0	27	\$21.54
11-9111	Medical and Health Services Managers	25	0	25	\$45.56
13-1028	Buyers and Purchasing Agents	21	0	21	\$23.74
25-9099	Education, Training, and Library Workers, All Other	20	0	20	\$14.04
43-5061	Production, Planning, and Expediting Clerks	19	0	19	\$15.20
41-3011	Advertising Sales Agents	19	0	19	\$19.87
21-1029	Social Workers, All Other	16	0	16	\$27.28
17-2051	Civil Engineers	16	0	16	\$33.49
29-2018	Clinical Laboratory Technologists and Technicians	14	0	14	\$29.62
41-9021	Real Estate Brokers	11	0	11	\$27.10
23-2011	Paralegals and Legal Assistants	11	0	11	\$21.84
11-9141	Property, Real Estate, and Community Association Managers	10	0	10	\$23.80

Master's degree level program additions					
SOC Code	SOC Title	MAST Job Openings in the SOU Service Region	MAST Program Completers in the SOU Service Region	MAST Gap	Median Hourly Wage
29-1171	Nurse Practitioners	27	0	27	\$53.12
29-1071	Physician Assistants	12	0	12	\$53.54
29-1127	Speech-Language Pathologists	10	0	10	\$23.64
29-1122	Occupational Therapists	10	0	10	\$38.93
29-1129	Therapists, All Other	4	0	4	\$19.73
21-1019	Counselors, All Other	3	0	3	\$18.71

Source: EMSI, 2019.

None of the workforce needs in the Southern Oregon University service area (with the exception of health professions) require creation of new programs at the University. Space requirements will be driven by enrollment numbers and pedagogy, not additional programs.

During the site visit the university indicated interest in adding programs that are best described as specialties within existing major programs:

- Business—Healthcare management, agri-business, accounting
- Computing/graphic arts—esports, video gaming

There were also expressions of interest in a variety of health professions—rural health, gerontology, respiratory therapy, occupational therapy, physical therapy. Approval of programs in these areas would require a change in institutional mission.

SOUTHERN OREGON UNIVERSITY FACILITIES INFORMATION

Fall 2018 facilities data for Oregon State University is summarized below. Included is general information about the 40 buildings on campus: average age of the buildings, total floor area on campus, and replacement value. Two pie charts highlight the percentage of buildings in each age category. The first includes a category for buildings of unknown age. The second illustrates the percentage of buildings in each age category of buildings with known age only. A block diagram makes visible the proportion of space on campus in each space category.

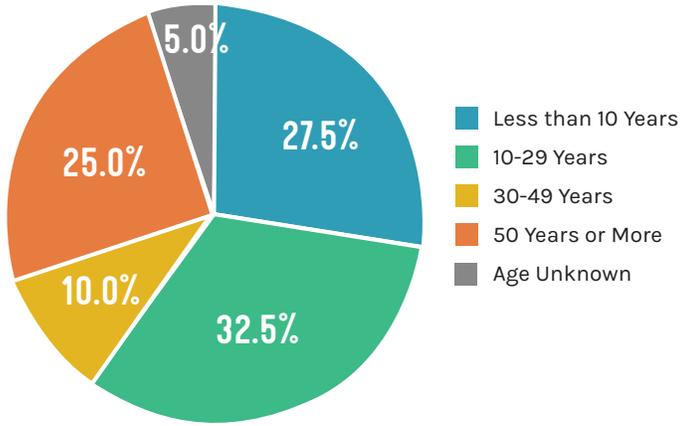
SOUTHERN OREGON UNIVERSITY

Number of Buildings:	40
Number of Buildings with Age/Renovation Year:	38
Average Age of Building/Renovation:	28 years
Total Gross Square Feet:	1,354,206
Total Gross Square Feet for Buildings with Year:	1,353,906
Total Renovated Gross Square Feet:	825,885
Percentage Gross Square Feet Renovated:	61.0%
Number of Buildings Renovated:	23
Percentage of Buildings Renovated:	57.5%
Total Current Replacement Value of All SOU Buildings:	\$673,279,315

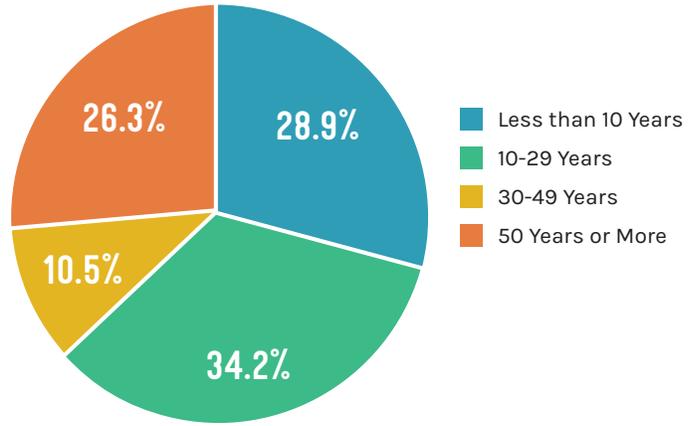
Age Grouping of Buildings

	Count	Percentage
Less than 10 Years Old	11	27.5%
10 to 29 Years Old	13	32.5%
30 to 49 Years Old	4	10.0%
50 Years Old or More	10	25.0%
Age Unknown	2	5.0%

**SOUTHERN OREGON UNIVERSITY
AGE OF BUILDING/RENOVATION (N=40)**

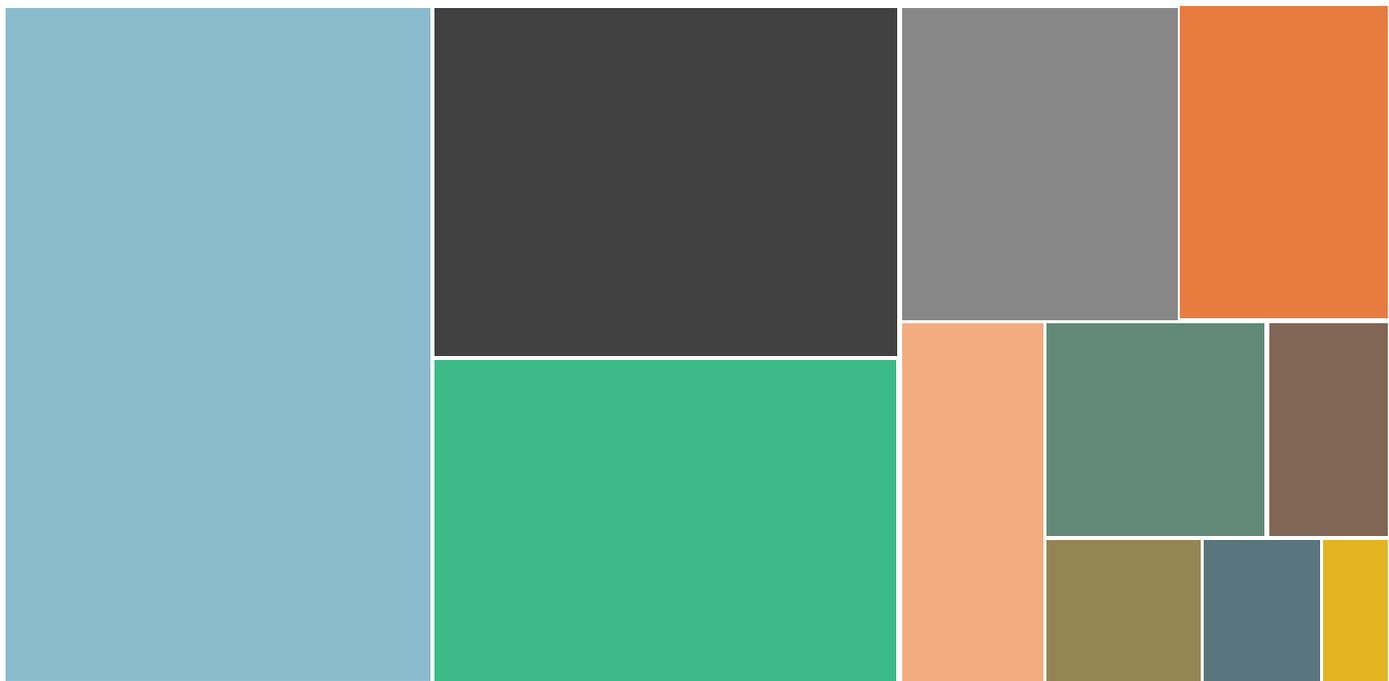


**SOUTHERN OREGON UNIVERSITY
AGE OF BUILDING/RENOVATION (N=38)**



SOUTHERN OREGON UNIVERSITY ASF BY SPACE CATEGORY

- Classrooms (110-115)
- Office (300's)
- Assembly & Exhibit (610's)
- Teaching Labs (210-215)
- Library & Study (400's)
- General Use (600's)
- Open Labs (220-225) Support
- Ath/Phys Ed & Rec (520-525)
- Support (700's)*
- Research Labs (250-255)
- Special Use (500's)



SOUTHERN OREGON UNIVERSITY

SPACE ANALYSIS

The Fall 2018 term use of scheduled teaching space on the Southern Oregon University campus was analyzed to determine if additional capacity is available in existing space. Campus space needs for academic and academic support space were analyzed for the Fall 2018 term to compare existing space use with the space guidelines established for this study. The guidelines were then applied to two future enrollment projection scenarios to determine the quantity of space needed and how the need compares to the quantity and type of space available on campus

FALL 2018 SCHEDULED TEACHING SPACE UTILIZATION

CLASSROOM UTILIZATION

There are 73 scheduled classrooms on the SOU campus, with a total of 2,313 student stations (seats in the classroom). During the Fall 2018 term, the classrooms were scheduled, on average, 14 hours per week with 66% of the seats in the classroom filled. The classrooms are located in 14 buildings. The following chart indicates the scheduled use of the classrooms in each building.

CLASSROOM UTILIZATION ANALYSIS BY BUILDING SUMMARY, FALL 2018

Building Name and ID	No. of Rooms	Average Room Size	Average ASF per Station	Average Section Size	Weekly Seat Hours	Average Weekly Room Hours	Hours in Use Student Station Occupancy %	
Art Building	4748	3	1,103	57	10	7.8	7	63%
Art East (DeBoer Sculpture Studio)	6862	2	1,250	82	1	0.3	2	8%
Central Hall	6858	8	535	14	21	15.0	22	71%
Churchill Hall	2281	2	1,429	56	10	2.3	4	43%
Computer Services Center	006	1	625	16	0	0.0	0	0%
Education Psychology	6828	5	915	32	12	18.2	19	60%
Hannon Library	6822	3	1,336	0	14	---	24	0%
Lithia (McNeal Recreation Center)	6861	3	693	20	0	0.0	0	0%
Marion Ady Building	4754	4	821	32	9	4.3	7	61%
Music Hall	6683	4	372	13	9	3.4	7	47%
RVTV (Digital Media Center)	B0056	2	524	21	0	0.0	0	0%
Science Building	6847	10	930	51	33	18.3	17	136%
Taylor Hall	6824	23	594	14	18	10.0	18	52%
Theater Arts Building	1882	3	604	21	5	1.4	3	23%
Total No. of Rooms = 73	AVERAGE	751	23.7 *	16	10.8	14	66%	
Total No. of Stations = 2313	Total ASF	54,831						

At 10.8 weekly hours of use for each classroom seat, the utilization does not meet the guideline of 20 weekly seat hours, 30 weekly room hours. Student station occupancy when the classroom is scheduled of 66% meets the expectation.

The greatest number of classrooms in use at any one time was 44 on Wednesday at 10:00, as indicated in the following chart. Classroom use is greatest from late morning through mid-afternoon Monday through Thursday. Friday use is very low.

SCHEDULED CLASSROOM USE BY DAY & TIME, FALL 2018

Time of Day	Monday		Tuesday		Wednesday		Thursday		Friday		Average	
	Rooms in Use	% In Use										
8:00 AM	18	25%	18	25%	18	25%	21	29%	8	11%	17	23%
9:00 AM	27	37%	21	29%	29	40%	29	40%	14	19%	24	33%
10:00 AM	42	58%	36	49%	44	60%	41	56%	12	16%	35	48%
11:00 AM	40	55%	32	44%	41	56%	34	47%	8	11%	31	42%
12:00 PM	38	52%	33	45%	39	53%	37	51%	11	15%	32	43%
1:00 PM	39	53%	35	48%	40	55%	36	49%	14	19%	33	45%
2:00 PM	36	49%	34	47%	35	48%	31	42%	11	15%	29	40%
3:00 PM	30	41%	34	47%	31	42%	32	44%	5	7%	26	36%
4:00 PM	15	21%	16	22%	15	21%	16	22%	3	4%	13	18%
5:00 PM	14	19%	16	22%	15	21%	14	19%	1	1%	12	16%
6:00 PM	5	7%	9	12%	5	7%	5	7%	0	0%	5	7%
7:00 PM	5	7%	8	11%	5	7%	3	4%	0	0%	4	6%

Total classrooms = 73

TEACHING LAB UTILIZATION

There are 16 scheduled teaching laboratories on the SOU campus, with a total of 455 student stations. During the Fall 2018 term, the labs were scheduled, on average, 15 hours per week with 83% of the stations occupied. The labs are located in six buildings. The following chart indicates the scheduled use of the teaching labs in each building.

TEACHING LABORATORY UTILIZATION ANALYSIS BY BUILDING SUMMARY, FALL 2018

Building Name and ID	No. of Rooms	Average Room Size	Average ASF per Station	Average Section Size	Weekly Seat Hours	Average Weekly Room Hours	Hours in Use Student Station Occupancy %
Education Psychology	6828	2	1,031	31	22	20.5	72%
Marion Ady Building	4754	3	1,135	46	14	12.7	86%
Music Hall	6683	2	2,227	156	26	42.4	89%
Science Building	6847	4	717	87	9	8.0	88%
Taylor Hall	6824	1	965	11	22	4.1	26%
Theater Arts Building	1882	4	1,167	68	15	5.8	102%
Total No. of Rooms = 16	AVERAGE	1,151	40.5 *	16	10.2	15	83%
Total No. of Stations = 455	Total ASF	18,421					

At 10.2 hours per week of student station occupancy, the utilization does not meet the guideline of 15 weekly seat hours, 20 weekly room hours. The student station occupancy of 83% when the room is scheduled exceeds the 70% expectation.

Labs are scheduled throughout the day Monday through Thursday with lower utilization on Friday, as indicated in the chart below. The maximum number of labs scheduled concurrently is eleven.

SCHEDULED TEACHING LABORATORY USE BY DAY & TIME, FALL 2018

Time of Day	Monday		Tuesday		Wednesday		Thursday		Friday		Average	
	Rooms in Use	% In Use										
8:00 AM	2	13%	3	19%	2	13%	3	19%	0	0%	2	13%
9:00 AM	3	19%	5	31%	3	19%	5	31%	1	6%	3	21%
10:00 AM	6	38%	9	56%	9	56%	9	56%	3	19%	7	45%
11:00 AM	5	31%	8	50%	7	44%	8	50%	3	19%	6	39%
12:00 PM	6	38%	8	50%	7	44%	8	50%	3	19%	6	40%
1:00 PM	8	50%	9	56%	8	50%	8	50%	3	19%	7	45%
2:00 PM	8	50%	9	56%	8	50%	8	50%	3	19%	7	45%
3:00 PM	8	50%	11	69%	10	63%	10	63%	4	25%	9	54%
4:00 PM	4	25%	8	50%	5	31%	6	38%	1	6%	5	30%
5:00 PM	5	31%	7	44%	6	38%	5	31%	1	6%	5	30%
6:00 PM	1	6%	0	0%	3	19%	1	6%	0	0%	1	6%
7:00 PM	0	0%	0	0%	2	13%	0	0%	0	0%	0	3%

Total laboratories = 16

CAMPUS SPACE NEEDS

Existing space on campus is organized into three categories as follows:

- Academic Space—classrooms, teaching labs, open labs
- Academic Support Space—offices, library and collaborative learning, assembly and exhibit, physical plant, other department space
- Inactive/Conversion Space—space currently in renovation or not usable for some other reason

In the Fall 2018 term, Southern Oregon University had a surplus of 68,401 ASF of usable space plus 3,702 ASF of inactive/conversion space, as indicated in the chart below. A deficit in other department and assembly and exhibit space is offset by a surplus in academic space

SPACE NEEDS ANALYSIS - BASE YEAR, FALL 2018

Space Category	2018			
	Student FTE = 3,180			
	Existing ASF	Guideline ASF	Surplus/ (Deficit)	Percent Surplus/ (Deficit)
Academic Space				
Classroom & Service	76,054	48,243	27,811	37%
Teaching Laboratories & Service	24,742	21,563	3,179	13%
Open Laboratories & Service	41,036	33,852	7,184	18%
<i>Academic Space Subtotal</i>	141,832	103,658	38,174	27%
Academic Support Space				
Offices & Service	134,903	110,365	24,538	18%
Library & Collaborative Learning Space	70,917	47,700	23,217	33%
Assembly & Exhibit	22,261	27,450	(5,189)	(23%)
Physical Plant	30,460	20,489	9,971	33%
Other Department Space	16,377	38,688	(22,311)	(136%)
<i>Academic Support Space Subtotal</i>	274,919	244,692	30,227	11%
CAMPUS TOTAL	416,751	348,350	68,401	16%
<i>Inactive/Conversion Space</i>	3,702			

The campus enrollment projection of 3,520 student FTE in 2029 yields a total space need of 365,525 ASF. Current total space on campus of 420,453 ASF meets this need. Proposed programs in physical therapy, occupational therapy, respiratory therapy, gerontology, health care management, and accounting can be accommodated within the overall campus space. However, reconfiguration and repurposing of space may be necessary.

SPACE NEEDS ANALYSIS, CAMPUS ENROLLMENT PROJECTIONS - TARGET YEAR, FALL 2029

Space Category	Campus Projections Student FTE = 3,520			
	Existing ASF	Guideline ASF	Surplus/ (Deficit)	Percent Surplus/ (Deficit)
Academic Space				
Classroom & Service	76,054	52,267	23,787	31%
Teaching Laboratories & Service	24,742	23,282	1,460	6%
Open Laboratories & Service	41,036	35,798	5,238	13%
<i>Academic Space Subtotal</i>	<u>141,832</u>	<u>111,347</u>	<u>30,485</u>	<u>21%</u>
Academic Support Space				
Offices & Service	134,903	110,365	24,538	18%
Library & Collaborative Learning Space	70,917	52,800	18,117	26%
Assembly & Exhibit	22,261	27,450	(5,189)	(23%)
Physical Plant	30,460	22,651	7,809	26%
Other Department Space	16,377	40,912	(24,535)	(150%)
<i>Academic Support Space Subtotal</i>	<u>274,919</u>	<u>254,178</u>	<u>20,741</u>	<u>8%</u>
CAMPUS TOTAL	416,751	365,525	51,226	12%
<i>Inactive/Conversion Space</i>	3,702			

The NCHEMS student flow model enrollment projection of 3,167 student FTE in 2029 yields a total space need of 345,213 ASF which can be accommodated with current space on campus. Deficits in academic support space are offset by surpluses in academic space, indicating that reconfiguration of existing space could solve any space type shortages.

SPACE NEEDS ANALYSIS , NCHEMS STUDENT FLOW MODEL - TARGET YEAR, FALL 2029

Space Category	NCHEMS Flow Student FTE = 3,167			
	Existing ASF	Guideline ASF	Surplus/ (Deficit)	Percent Surplus/ (Deficit)
Academic Space				
Classroom & Service	76,054	45,939	30,115	40%
Teaching Laboratories & Service	24,742	20,330	4,412	18%
Open Laboratories & Service	41,036	33,712	7,324	18%
<i>Academic Space Subtotal</i>	141,832	99,981	41,851	30%
Academic Support Space				
Offices & Service	134,903	110,365	24,538	18%
Library & Collaborative Learning Space	70,917	47,505	23,412	33%
Assembly & Exhibit	22,261	27,450	(5,189)	(23%)
Physical Plant	30,460	21,384	9,076	30%
Other Department Space	16,377	38,528	(22,151)	(135%)
<i>Academic Support Space Subtotal</i>	274,919	245,232	29,687	11%
CAMPUS TOTAL	416,751	345,213	71,538	17%
<i>Inactive/Conversion Space</i>	3,702			

Academic program completions were analyzed to determine if there would be a significant difference in the type of academic space Southern Oregon University will need in the future as compared to the current space mix. The change in the number of completions between 2010 and 2017, as indicated in the IPEDS summary chart below, was compared to the change in projected enrollment to 2029. During the study period, SOU completions increased by 6%. The enrollment projection from the University is an 11 percent increase and the NCHEMS student flow model projects flat enrollment.

Programs that have seen significant increases in completions during the study period include IPEDS categories: Multi/Interdisciplinary Studies (154%) and Parks, Recreation, Leisure, and Fitness Studies (70%). There have been declines in: Health Professions and Related Programs (-36%) and Physical Sciences (-55%). The 2018 space needs analysis indicates a surplus of academic space. Both the SOU enrollment projection and NCHEMS student flow model yield a surplus of academic space in future years. Since the high completion programs are classroom intensive, the existing academic space mix should accommodate the need.

PROGRAM COMPLETION RATES

Institution Name: Southern Oregon University (UnitID: 210146)

	2010	2011	2012	2013	2014	2015	2016	2017	Line
Natural Resources and Conservation	26	18	45	27	36	44	27	28	
Communication Journalism and Related Programs	64	46	46	46	54	47	43	38	
Computer and Information Sciences and Support Services	23	32	30	30	23	22	16	21	
Education	172	194	166	192	177	164	202	200	
Foreign Languages Literatures and Linguistics	16	34	22	24	10	24	25	23	
English Language and Literature/Letters	48	26	47	39	34	38	26	21	
Liberal Arts and Sciences General Studies and Humanities	1								
Biological and Biomedical Sciences	29	16	21	19	37	19	32	27	
Mathematics and Statistics	13	4	12	13	17	12	14	14	
Multi/Interdisciplinary Studies	13	26	26	22	20	16	13	33	
Parks Recreation Leisure and Fitness Studies	37	36	62	50	46	64	57	63	
Physical Sciences	31	15	18	13	19	12	21	14	
Psychology	101	78	91	89	83	79	67	90	
Homeland Security Law Enforcement Firefighting and Related Protection	54	45	60	65	64	56	55	59	
Public Administration and Social Service Professions						13	1	0	
Social Sciences	64	52	75	66	72	49	63	69	
Visual and Performing Arts	123	80	60	76	101	130	137	136	
Health Professions and Related Programs			25	17	17	19	21	16	
Business Management Marketing and Related Support Services	161	186	176	177	186	188	203	187	
History	24	30	20	23	15	14	13	23	
Total	1,000	918	1,002	988	1,011	1,010	1,036	1,062	

Review of President's Evaluation – Executive Session [Pursuant to ORS 192.660(2)(f) and (i)]

President's 2019-2020 Goals (Action)

Proposed Goals 2019-2020
President Linda Schott
Southern Oregon University

GOAL ONE: Provide continued leadership for Strategic Direction V: SOU will maintain financial stability and invest for institutional vitality.

Action Step 1:

Collaborate with VP for Development to raise \$3.75M in support of SOU and to enhance and/or alter infrastructure in support of this work.

Action Step 2:

Work with campus leaders as well as the Oregon Council of Presidents to revise the formula for distribution of the Public University Support Fund.

Action Step 3:

Work with VP Perkinson to explore additional public-private partnerships to develop new or renewed housing and/or revenue-generating assets.

Action Step 4:

Work with Provost Walsh to ensure that SOU is offering a portfolio of academic programs that will continue to attract students, serve the needs of employers in our region and the state, and prepare SOU graduates for a rapidly changing future.

Action Step 5:

Work with VP Woolf to develop and implement a plan for stable enrollment, including the development of enhanced “pipelines” from regional high schools.

Action Step 6:

Carefully monitor revenue and expenditures to ensure a fiscal year ending fund balance greater than 8%.

GOAL TWO: In support of Strategic Direction II, lead a campus discussion of shared governance in order to more fully engage the talents of all campus members

Action Step 1:

Identify and implement a process for engaging the campus and its boards in greater understanding of the principles and implementation of shared governance.

Action Step 2:

Explore the creation of a governance body similar to the Faculty Senate that would represent the interests of classified and administrative staff members.

Action Step 3:

Continue to provide information about the challenges facing higher education to enable all members of campus to contribute to solutions to those challenges.

GOAL THREE: Provide continued institutional leadership to Strategic Direction VII: SOU will be a catalyst for economic vitality, civic engagement and cultural enrichment through ongoing collaboration with local, state, tribal, national, and global partners.

Action Step 1:

Advance the development of the Southern Oregon Higher Education Collaborative.

Action Step 2:

Advance the University-Community Collaboration work begun in 2019.

Action Step 3:

Host fall conference on creating “Seamless and Future Ready Education in Southern Oregon.”

Action Step 4:

Continue outreach and service to Oregon tribes.

Action Step 5:

Enhance SOU's relationship with the Oregon Shakespeare Festival.

GOAL FOUR: Continue developing my role as a “higher education thought leader” in Oregon and across the United States

Action Step 1:

Continue to shape national higher education policy by serving on the national board of AASCU and on its Council of State Representatives.

Action Step 2:

Continue to build relationships with state and regional political leaders in order to increase their understanding of higher education and SOU in particular.

Action Step 3:

Express my views in writing by blogging and authoring occasional op-ed pieces.

Professional development plans:

I engage in professional development throughout the academic year, primarily by attending conferences and meetings. This year, I anticipate attending the annual AASCU Fall Conference for Presidents and Spouses in Phoenix AZ (October 26-30), the AASCU Spring meeting of the Board and the Council of State Representatives, and the AASCU Summer Council of Presidents in Portland OR (July 2020). In addition, I will attend EAB's Presidential Experience Lab at LinkedIn Headquarters in Silicon Valley (January 30-31, 2020) to “envision bold new ways higher education can serve and credential the workforce of the future.”

Key areas in which the President would especially benefit from Board support:

In the coming year, I expect that the Board will continue the high level of engagement and effectiveness it has shown in the past. At some point during the year, it may be necessary to ask selected Board members to talk to members of the HECC or to legislators about the revision of the funding formula. I know that I can call upon Board members when I need to do so—access and support that I greatly appreciate!

Future Meetings

Adjournment