



OFFICE OF THE BOARD OF TRUSTEES

Public Meeting Notice

June 10, 2022

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 online location set forth below.

Topics of the meeting will include a consent agenda consisting of past meeting minutes. There also will be reports from the board's committees; the Associated Students, Faculty Senate, and Staff Assembly of Southern Oregon University; the administrative units of equity, diversity, and inclusion and university advancement; and the university president.

Additional discussion and information items include an update from the executive director of the Higher Education Coordinating Commission; a spring 2022 completions report and a fall 2022 enrollment forecast; as well as a government relations and legislative update.

There will be discussion and action on a proposed budget for Fiscal Year 2022-23. Possible action items also include the Core Information Systems Replacement consisting of a Workday product contract award and a Workday implementation contract award. A related discussion is planned regarding financing authorization for the Workday project.

There also will be an update from the Governance Work Group including actions on recommendations for a new trustee mentoring program, a board statement on emeritus president status, and the addition of "governance" to the Executive and Audit Committee. The board also will act on the president's 2022-23 goals and will discuss the process for the president's 2022 evaluation. The board will also hold elections for new officers.

(Next page)

The meeting will occur as follows:

Friday, June 17, 2022

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

Meese Room, Hannon Library, SOU Campus

1290 Ashland Street, Ashland, Oregon

To view the proceedings, visit <https://sou.zoom.us/j/83986752157> at the time of the meeting.

Materials for the meeting are available at governance.sou.edu.

Public Comment

Members of the public who wish to provide public comments to the board are invited to sign up to speak or submit their comments in writing at least 24 hours in advance of the meeting to the Board of Trustees email address: trustees@sou.edu. The public comment period is limited to three minutes per speaker. Public comments also may be delivered by hand or mailed to SOU Board of Trustees, 1250 Siskiyou Boulevard, Churchill Hall, Room 107, Ashland, OR 97520.

If special accommodations are required, please contact (541) 552-6060 at least 72 hours in advance.

Additional Notice of Quorum

Following the board meeting, a quorum of the board is expected to be present at a social event to be held at the residence located at 610 Elkader Street, Ashland, Oregon. This is not a meeting.



Board of Trustees
June 17, 2022

Call to Order / Roll / Declaration of a Quorum



Board of Trustees Meeting

Friday, June 17, 2022

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

Meese Room, Hannon Library, SOU Campus

<https://sou.zoom.us/j/83986752157>

AGENDA

Persons wishing to provide public comment shall sign up in advance or do so in writing via trustees@sou.edu.
Please note: timings are approximate and items may be taken out of order

- | | | | |
|---------|----------|--|---|
| 15 min. | 1 | Call to Order/Roll/Declaration of a Quorum | |
| | 1.1 | Welcome and Opening Remarks | Chair Daniel Santos |
| | 1.2 | SOU Land Acknowledgement | |
| | 1.3 | Roll and Declaration of a Quorum | Sabrina Prud'homme,
SOU, Board Secretary |
| | 1.4 | Trustee Recognition | Chair Santos |
| | 1.5 | Agenda Review | Chair Santos |
| 15 min. | 2 | Public Comment | |
| | 2.1 | Invited Public Comment: Associated Professors
of Southern Oregon University | Donna Lane, APSOU,
President |
| | 2.2 | Invited Public Comment: SOU Service
Employees International Union (Sublocal 84) | Rachel Gibbs, SEIU,
President; Sage Tebeest,
SEIU, Vice President |
| | 2.3 | Other Public Comment | |
| 5 min. | 3 | Consent Agenda | Chair Santos |
| | 3.1 | April 22, 2022 Minutes | |
| | 4 | Reports | |
| 15 min. | 4.1 | Committee Reports | Chair Santos; Trustee
Sheila Clough; Trustee
Jonathon Bullock |
| 5 min. | 4.2 | Associated Students of Southern Oregon
University Report | Alicia Gerrity, ASSOU,
President |

Board of Trustees Meeting

Friday, June 17, 2022

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

Meese Room, Hannon Library, SOU Campus

AGENDA (Continued)

5 min.	4.3	SOU Faculty Senate Report	Dr. Brian Fedorek, SOU, Faculty Senate Chair
5 min.	4.4	SOU Staff Assembly Report	Dr. Matt Stillman, SOU, Staff Assembly Chair
15 min.	4.5	Equity, Diversity, and Inclusion Report	Toya Cooper, SOU, Vice President for Equity, Diversity, and Inclusion
10 min.	4.6	University Advancement Report	Janet Fratella, SOU, Vice President for Advancement and Executive Director, SOU Foundation
25 min.	4.7	President's Report	President Rick Bailey
	5	Action, Information, and Discussion Items	
30 min.	5.1	Higher Education Coordinating Commission Update	Ben Cannon, HECC, Executive Director
25 min.	5.2	Core Information Systems Replacement (Action)	Greg Perkinson, SOU, Vice President for Finance and Administration
		5.2.1 Workday Product Contract Award	
		5.2.2 Workday Implementation Contract Award	
		5.2.3 Workday Project Financing Authorization	
10 min.	5.3	Spring 2022 Completions Report and Fall 2022 Enrollment Forecast	Dr. Neil Woolf, SOU, Vice President of Enrollment Management and Student Affair; Dr. Matt Stillman, SOU, Assistant Vice President for Enrollment Management and University Registrar

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Meese Room, Hannon Library, SOU Campus

AGENDA (Continued)

45 min.	5.4	Fiscal Year 2022-23 Budget (Action)	President Bailey; Greg Perkinson; and Josh Lovern, SOU, Director of Budget and Planning
15 min.	5.5	Government Relations and Legislative Update	Jeanne Stallman, Associate Vice President for Government and Corporate Relations
20 min.	5.6	President’s 2022-2023 Goals (Action)	Chair Santos; President Bailey
5 min.	5.7	President’s 2022 Evaluation	Chair Santos
20 min.	5.8	Governance Work Group Update and Recommendations	Vice Chair Jonathon Bullock
		5.8.1 Trustee Mentoring Program (Action)	
		5.8.2 Board Statement on Emeritus President Status (Action)	
		5.8.3 Addition of “Governance” to Executive and Audit Committee (Action)	
15 min.	5.9	Board Officer Elections (Action)	Trustee Bill Thorndike
	5.10	Future Meetings	Chair Santos
	6	Adjournment	Chair Santos

Public Comment

Consent Agenda

Committee Reports

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

Associated Students of Southern Oregon University Report

SOU Staff Assembly Report

**SOUTHERN OREGON UNIVERSITY STAFF ASSEMBLY
PERIODIC REPORT TO BOARD OF TRUSTEES – JUNE, 2022
DR. MATT STILLMAN
ASSISTANT VICE PRESIDENT FOR ENROLLMENT MANAGEMENT & UNIVERSITY REGISTRAR
INNAUGURAL CHAIR, STAFF ASSEMBLY**

EXECUTIVE COMMITTEE:

- Matt Stillman – Chair
- Ashley King – Chair Elect – Budget Committee, - Ad/Hoc Process Procedure
- Luke Williams - Elections and Bylaws Committee Chair
- Anna D’Amato - Service Committee Chair
- Chris Mahan – Communications Committee Chair

REPRESENTING ACADEMIC AFFAIRS:

- Kim Andresen - Communications Committee
- Mary Katie Brown – Service Committee
- Robert Casserly – Bylaws Committee
- Edward Derr – Communications Committee
- Helen Eckard - Secretary
- Rachel Gibbs – Service Committee
- Deborah Lovern – Service & Budget Comm.
- Christopher Mahan – Exec. Committee

REPRESENTING ENROLLMENT MANAGEMENT & STUDENT AFFAIRS:

- Katherine Cable – Communications Committee
- Anna D’Amato – Exec. Committee
- Belisario Nigenda-Perez – Bylaws Committee
- Jill Smedstad
- Luke Williams – Exec. Committee

REPRESENTING FINANCE & ADMINISTRATION:

- Jeff Anderson – Communications Committee
- Josh Lovern – Bylaws Committee
- Colleen Martin-Low - Ad/Hoc Process Procedure
- David Raco – Ad/Hoc Process Procedure
- Patricia Syquia – Bylaws Committee
- Daniel Tharp – Service Committee
- Rebecca Walker

REPRESENTING PRESIDENT’S OFFICE/ATHLETICS/JPR:

- Valerie Ing – Communications Committee
- Fawn Jones – Service Committee
- Jessica Pistole
- Josh Rohlfing – Bylaws Committee

REPRESENTING UNIVERSITY ADVANCEMENT:

- Stacey Derrig – Service Committee

SUMMARY OF ACTIVITIES SINCE LAST BOARD OF TRUSTEES MEETING:

- Continuation of work on bylaws
- Developing web presence
- Formalizing processes and procedures
- Conducted staff “recognition” survey and are studying results
- Developing and fostering relationships with our counterparts in SOU's shared governance
- Preparing for leadership transition

SOU Faculty Senate Report

Equity, Diversity, and Inclusion Report



EDI @ SOU: Staffing and a Look Ahead

Toya M. Cooper, JD
Vice President for Equity, Diversity, and Inclusion
Southern Oregon University
Board of Trustees
June 2022

New and Upcoming for EDI @ SOU

- **Staffing the EDI Office— Familiar Faces & New Roles**
 - EDI Director
 - Jonathan Chavez Baez, M.A. Education
 - EDI Staff & Community Liaison
 - Patricia Syquia McCarthy, J.D.
 - Faculty Representation
 - Division Director Dialogue
- **Advancing EDI at SOU— Implementing the work of the Equity Institute | Leveraging Survey Data**
 - EDI & Summer Work Groups Plan for 2022-23
 - Faculty Division Directors Dialogue: 4-Part Series
 - Spring Survey Results
 - Organizational Culture Crosswalk

Staffing EDI: Director - Jonathan Chavez Baez, M.A. Education



- Director for the Office of Equity, Diversity, and Inclusion
- Jonathan Chavez Baez, M.A. Education
 - Current Position
 - Assistant Director for Latino/a/x Outreach & Support
 - EDI Leadership Team Member
- Jonathan brings a wealth of experience in higher education, from student recruitment and programming to youth outreach and support services. He has served as an instrumental member of the EDI Leadership Team, Chair of the Committee for Equity, and Diversity, and Co-Director of Academia Latina. In 2017 he was appointed to the Oregon Commission for Hispanic Affairs by Governor Brown.
- Jonathan's final day in Youth Outreach and Engagement is July 17th. He begins his new role as Director for the EDI Office on July 18th.

Staffing EDI: Staff & Community Liaison - Patricia Syquia McCarthy, J.D.



- Staff & Community Liaison for the Office for Equity, Diversity, and Inclusion
- Patricia Syquia McCarthy, J.D.
 - Current Position
 - Contracts Administrative Officer & Risk Manager
 - EDI Leadership Team Member
- A lawyer with a keen eye for detail, Patricia ably leads the work of contracts administration and risk management. She is a member of the EDI Leadership Team, Policy Council, and Staff assembly, where she assists in coordinating the effort to develop greater equity across campus operations within her purview in the provision of a range of services to the SOU community.
- Patricia will maintain her position as Contracts Administrative Officer & Risk Manager and will begin her additional role as EDI Staff and Community Liaison on July 1st.

Staffing EDI – Faculty Representation

- VPEDI | Division Directors Dialogue
- July 7th -28th

Advancing EDI—Implementing the work of the Institute & Leveraging Survey Data

- Summer Work Groups (Committee for Equity and Diversity – CED)
 - Inclusive Rogue Valley Guide (Living and Working in Ashland – HR Partners)
 - Civil Discourse Across Deep Differences Programming
 - EDI Resource Review and Rebrand

Advancing EDI—Implementing the work of the Institute & Leveraging Survey Data

- Staff & Faculty Affinity Groups (Formerly BIPOC Luncheons)
- Augmenting with service opportunities (HR | EDI Partnership)

Advancing EDI—Implementing the work of the Institute & Leveraging Survey Data

- Faculty Division Directors
 - Advancing EDI in Academic Affairs - Four Part Series | July 7th – July 28th
 - VPEDI Proposal for Faculty Representation: focused, rotational, project-based work –
 - e.g., Broadening creative methods to account for and reward “invisible labor” of minoritized faculty.

Advancing EDI—Implementing the work of the Institute & Leveraging Survey Data



- Survey Analysis and Report
 - Approx. vendor delivery date: July 19th

Organizational Culture Crosswalk

Institutional Identity Exercise – Implementing the Lessons of the Equity Institute | Leveraging & Developing the Data

Program or Activity	Artifact	Values	Assumptions	Possible Barrier to EDI Advancement	What does the Data Reflect /What Data Practices Do We Need?	Necessary Modification to Policy, Practice, Procedure	How We Know we're succeeding
Definitions Instructions	<p>Identify the <u>overt and obvious institutional features of the organization-</u> people, places and things anyone can see –internally and externally</p> <p><i>e.g., Traditions, Events, Ceremonies, Jargon, Communication Patterns, Buildings, Wall art, Grounds, etc.</i></p>	<p>Identify the <u>declared set of publicized values and norms</u> that impact how we interact with each other internally and how we represent ourselves externally</p> <p><i>e.g., Mission, Stated Strategies Goals, Philosophies</i></p>	<p>Identify the <u>fixed but mostly unnoticed beliefs we have and behaviors</u> we engage in that are the “essence” of SOU</p> <p><i>e.g., Things we don't question</i></p>	<p>What possible barriers to creating greater equity, diversity and inclusion does the artifact, value, or assumption?</p>	<p>Do we have data that speaks to the topic; if not, what data /data practices do we need?</p>	<p>What can we do differently/in addition to/instead of what we're doing to mitigate or remove the barrier?</p>	<p>What are the metrics of successful barrier mitigation/removal?</p>
Recruitment & Retention							
Staff							
Faculty							

Program or Activity	Artifact	Values	Assumptions	Possible Barrier to EDI Advancement	What does the Data Reflect /What Data Practices Do We Need?	Necessary Modification to Policy, Practice, Procedure	How We Know we're succeeding
Faculty (cont.)							
Students							
University Communication							
Budget Allocation							
Donor Solicitation							
Curriculum Development							

Program or Activity	Artifact	Values	Assumptions	Possible Barrier to EDI Advancement	What does the Data Reflect /What Data Practices Do We Need?	Necessary Modification to Policy, Practice, Procedure	How We Know we're succeeding
Curriculum Development (cont.)							
Space Allocation & Access							

DRAFT

QUESTIONS?

University Advancement Report

President's Report

OVERVIEW

- **Revenue Diversification Possibilities**
- **Outreach and Engagements**
- **Communication Strategy**

Revenue Diversification Possibilities: Four Projects (So Far)

- Energy Transformation
 - (Internal) Campus Solar Production
 - (External) Community Scale Solar
- Cascade Housing Project
- University District Business Accelerator
- PNW Workday Training Center

Outreach and Engagements

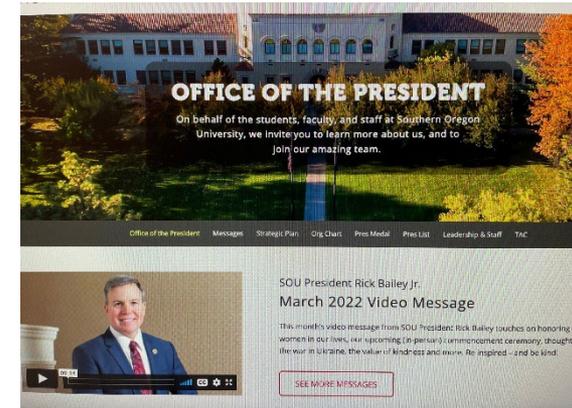
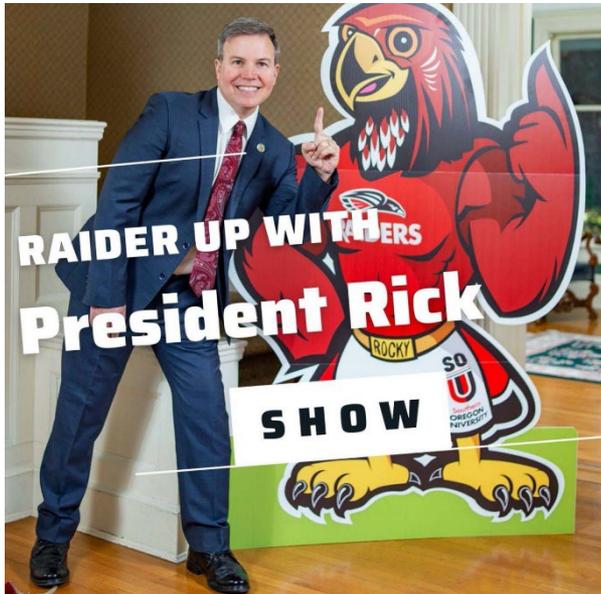
- Public School Partners
 - Data Sharing Agreements
- Partners, Alumni and Donors
- Veterans Admin White City
- Rotary Clubs
- Revenue Diversification Stakeholders
- AASCU (Outreach Advisory Group)
- NAIA (Council of Presidents)
- Community College Partners...

Klamath Community College



Communications Strategy

- Newspaper Op-Eds
- TV and Radio Interviews
- Social Media
- Monthly Video
- State of the University
- Podcast
- Website
- All Call -- September
- Executive Council...



Questions / Comments

THANK YOU...

Higher Education Coordinating Commission Update



Higher Education Coordinating Commission Update

Ben Cannon, Executive Director
Oregon Higher Education Coordinating
Commission

Southern Oregon University Board of Trustees

JUNE 17, 2022

HECC Vision for Oregon Postsecondary Education

We envision a future in which all Oregonians— and especially those whom our systems have underserved and marginalized—benefit from the transformational power of high-quality postsecondary education and training.

From the [HECC Strategic Framework, December 2017](#)



3225 25th Street SE, Salem, OR 97302
www.oregon.gov/HigherEd

Oregon's 40-40-20 Goal for Young Adults

40%

4-year degree
or more

40%

2-year degree
or short-term
career certificate

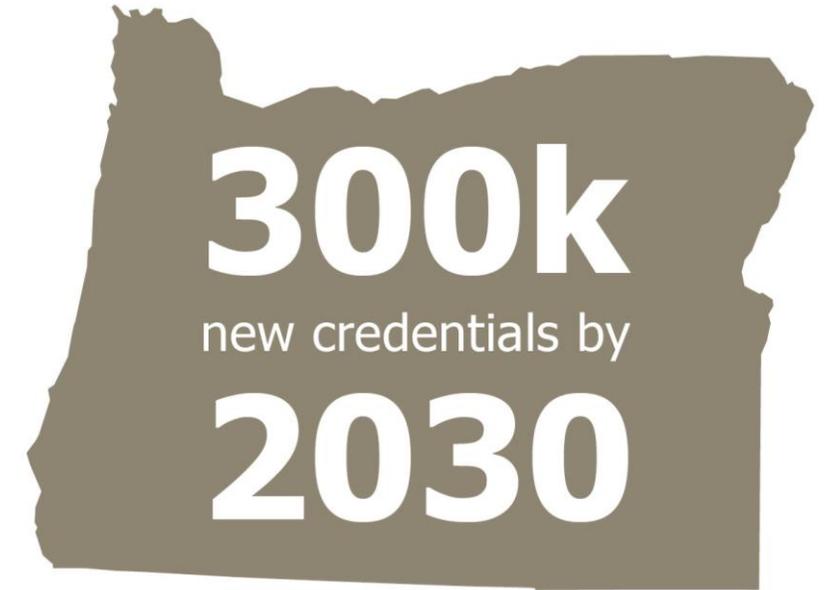
20%

High school
diploma or
equivalent



More on educational attainment goals and progress toward them [on our website here:](https://www.oregon.gov/highered/about/Pages/state-goals.aspx)
<https://www.oregon.gov/highered/about/Pages/state-goals.aspx>

Oregon's Adult Educational Attainment Goal

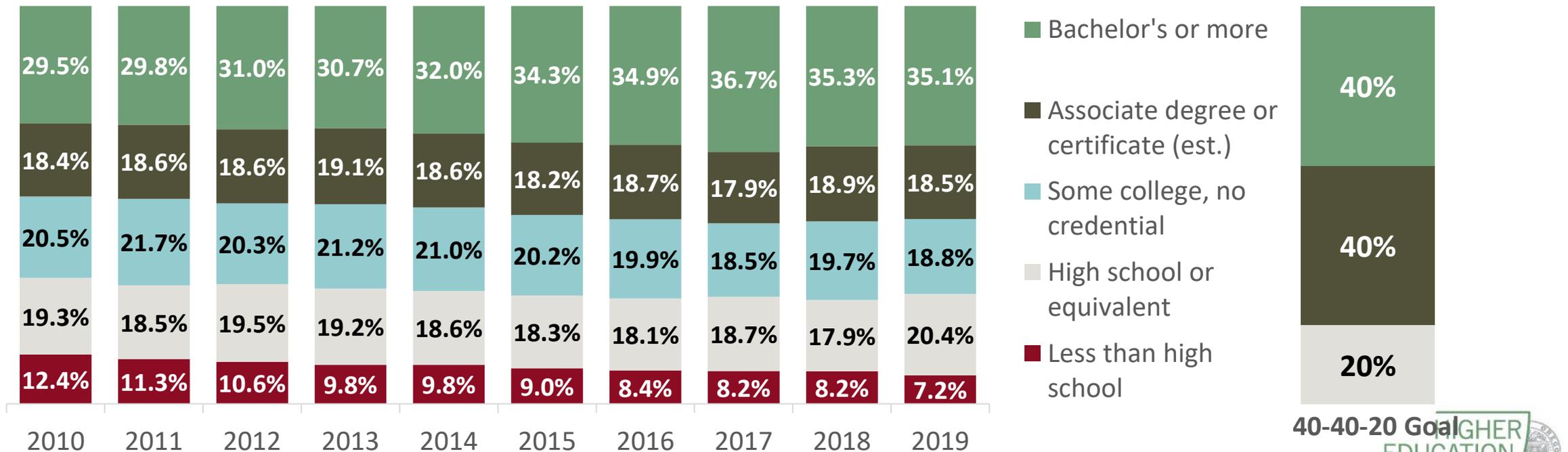


Oregon 40-40-20: Postsecondary attainment has not risen in four years

KPM 4. Educational attainment among young adults

Over the last four years, the number of high school graduates has risen faster than Oregonians with a postsecondary certificate or degree. The increase in young adults with a high school education (only) equals the combined decreases in the portion with less than high school and the portion with any postsecondary education and training.

These relative shifts in the education level of the young adult population suggest the rising number of Oregon high school graduates do not appear to be continuing their education and training beyond high school.

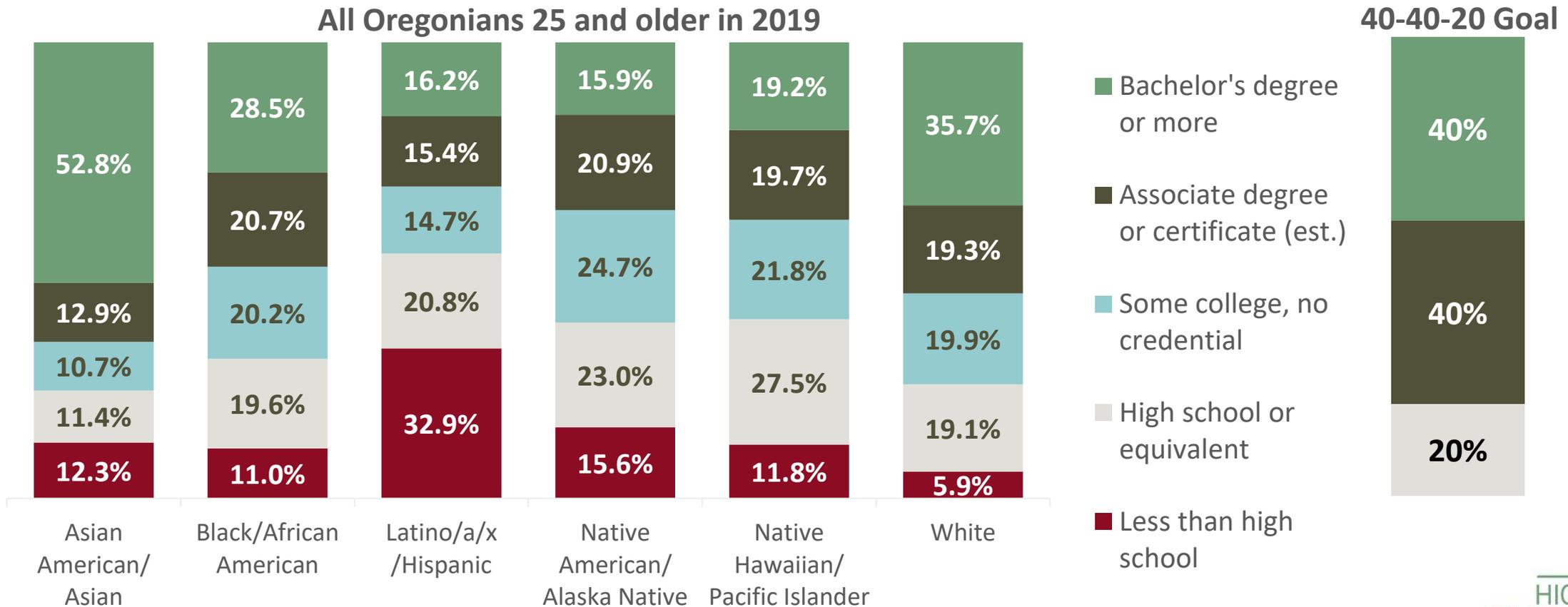


Source: U.S. Census, American Community Survey (ACS) 1-year estimates, Table B15001, 2007 - 2019. Note: Attainment rates include an estimate of career certificates.

Oregon attainment varies widely by race/ethnicity

Supplement to KPM 4. Educational attainment by race/ethnicity

Equity gaps occur at all levels of educational attainment.
 These rates include all adults over age 25; more precise rates will come with the 2020 Census.



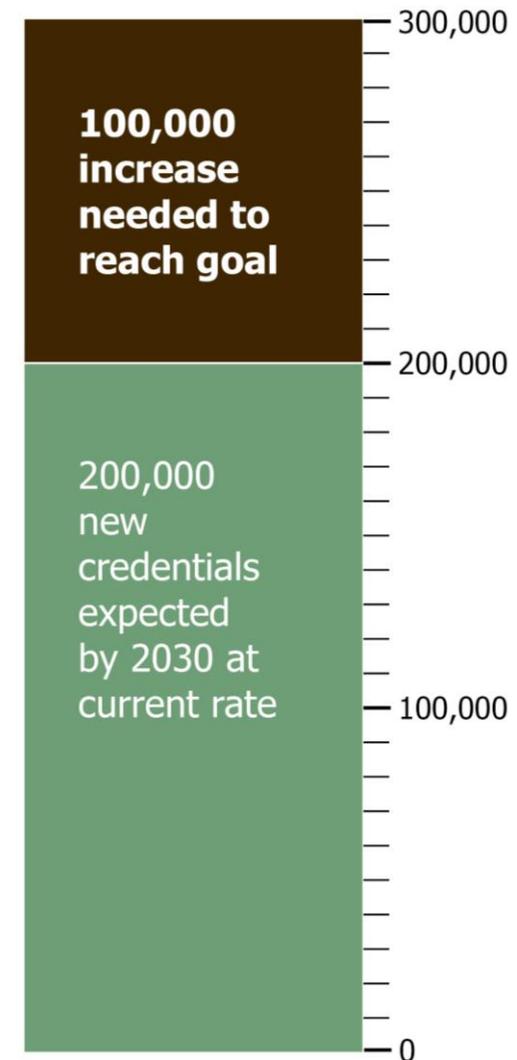
Source: American Community Survey data, three-year rolling average of 5-year estimates.

Too Few Adult Oregonians Are Accessing Postsecondary Education and Training to Meet Employer and Community Needs

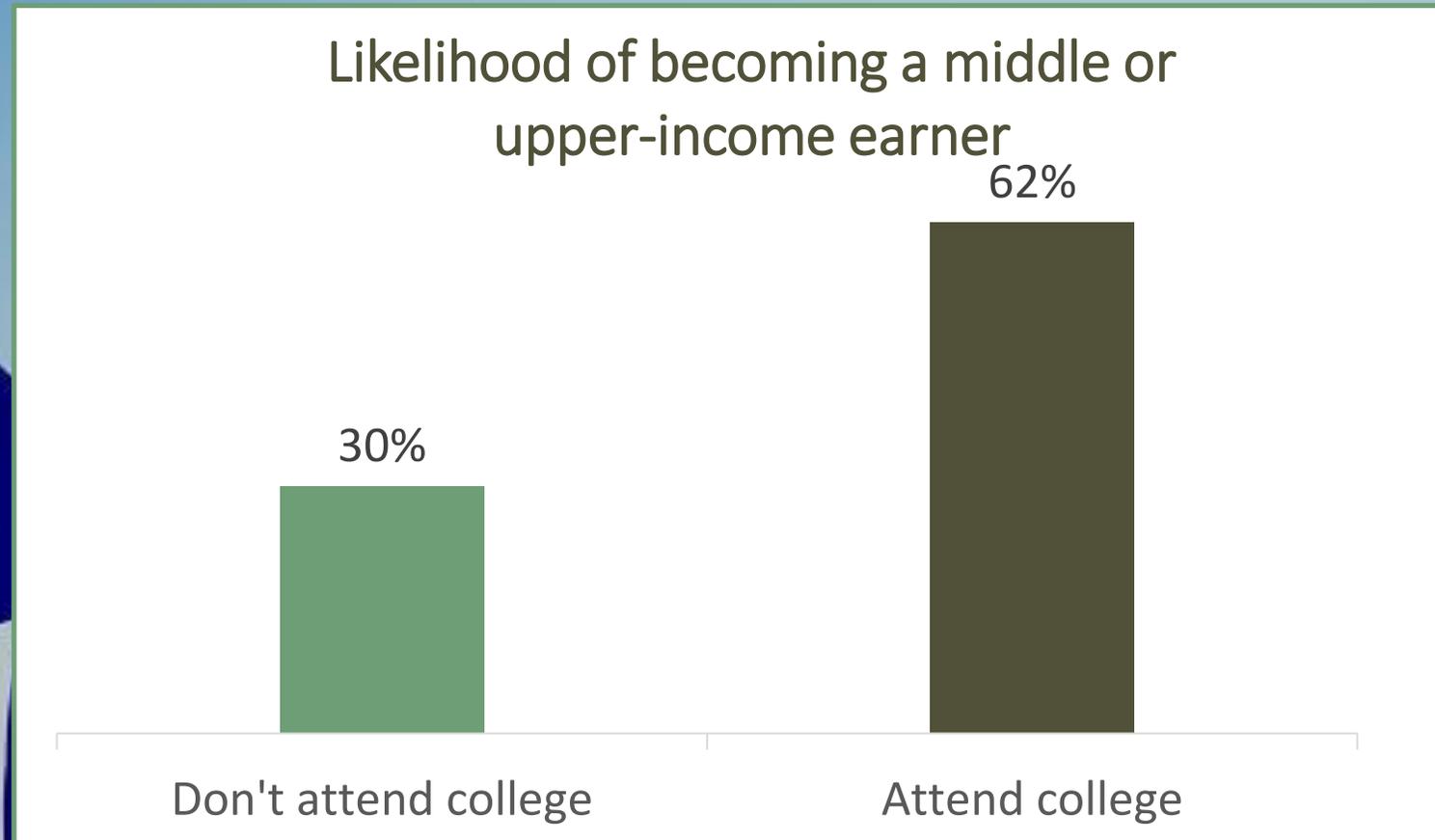


As work and the economy undergo profound change, our systems of continuing education and training must grow and adapt.

OREGON AIMS FOR 300,000 CREDENTIALS BY 2030



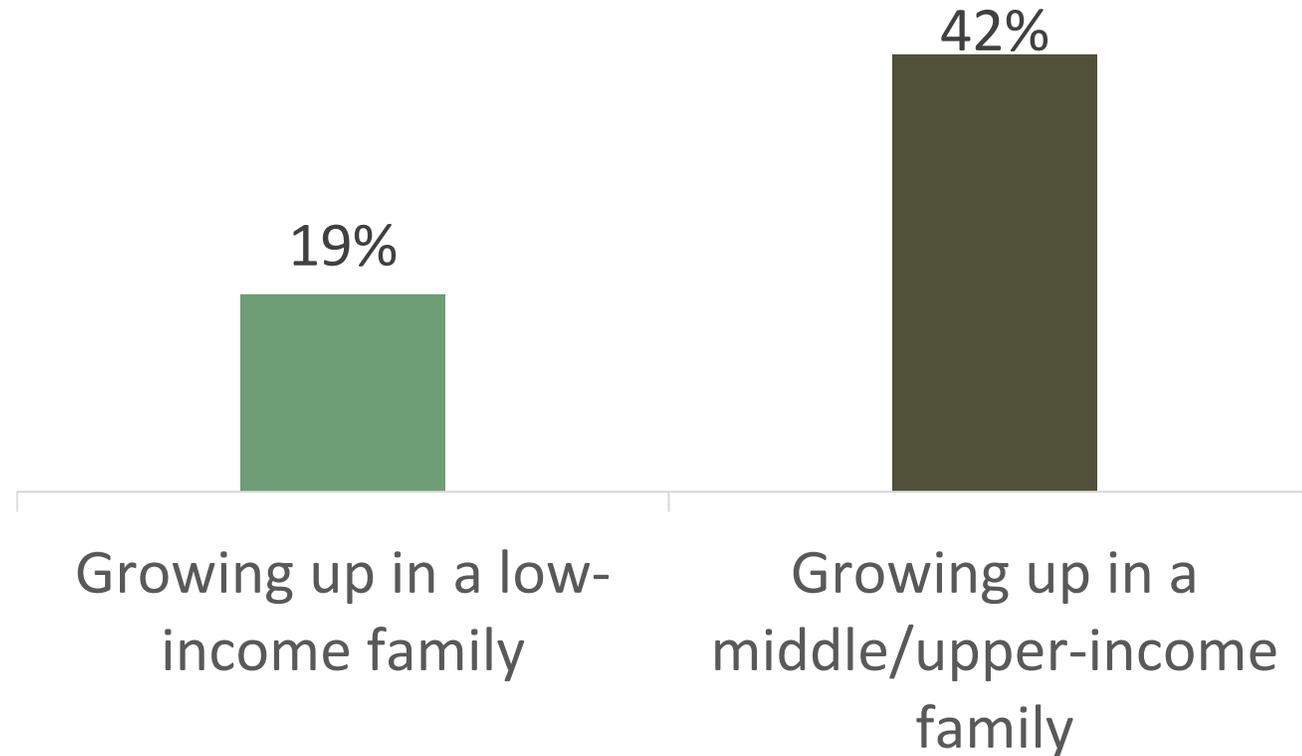
If You Grow up Low-income in Oregon, Postsecondary Education is a Proven Path to Upward Mobility



Source: Chetty, Friedman, R.J., Saez, E., Turner, N., and Yagan, D. 2017. *Mobility Report Cards: The Role of Colleges in Intergenerational Mobility*. <https://opportunityinsights.org/data/>.
Low-income families are those from the bottom income quintile; middle/upper-income families are those from the top two income quintiles.

But You Were Much Less Likely to Access it in the First Place

An Oregonian's likelihood of earning a college degree



Source: Chetty, Friedman, R.J., Saez, E., Turner, N., and Yagan, D. 2017. *Mobility Report Cards: The Role of Colleges in Intergenerational Mobility*. <https://opportunityinsights.org/data/>.
Low-income families are at the 25th percentile of family income; middle-income families are at the 75th percentile.

Opportunities for improvement

About 50% of community college students complete

About 67% of public university undergrads complete

Enrollment has declined about 15% at public institutions

The public increasingly questions value



OUTCOMES

Credential-Seeking

50%

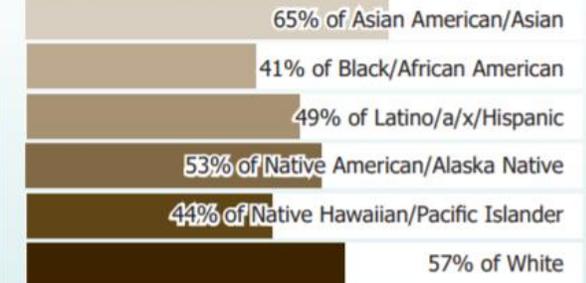
of new community college students complete an associate degree or certificate, or transfer to a university within 4 years



67%

of 1st-time, full-time university freshmen complete a bachelor's degree within 6 years

Completion Rates



Retention Rate

80%

Students continuing after 1st year

Bachelor's Completion Rate if continued to junior year

84% 1st-time/Freshmen

64% Transfer Students

Source: Snapshots, Oregon Resident Students at Public Institutions, 2019-20 <https://www.oregon.gov/highered/research/Pages/snapshots.aspx>

A Strategic Roadmap for Postsecondary Education

**Transform and innovate
to serve learners best**

**Center higher
education and
workforce training
capacity on current and
future state needs**

**Ensure that
postsecondary learners
can afford to meet their
basic needs**

**Create and support a
continuum of pathways
from education and
training to career**

**Increase public
investment to meet
Oregon's postsecondary
goals**

HECC Strategic Roadmap

1. Transform and innovate to serve students and learners best:

Support education and training institutions in continuing to transform, expand, and redesign their outreach and delivery models to engage today's learners.

2. Center higher education and workforce training capacity on current and future state needs:

Focus postsecondary education and training resources to serve Oregonians where they are and who they are, with a priority on communities and populations that have been historically underserved.

3. Ensure that postsecondary learners can afford to meet their basic needs:

Improve college affordability for Oregonians and ensure that fewer students struggle with homelessness, housing insecurity, and food insecurity.

HECC Strategic Roadmap

- 4. Create and support a continuum of pathways from education and training to career:

Ensure that all learners have access to a full range of education and training options beyond high school, including apprenticeships, career certificates, and college degrees.

- 5. Increase public investment to meet Oregon's postsecondary goals:

Through adequate and sustained levels of public investments, minimize tuition increases and build programs and services to equitably serve learners.

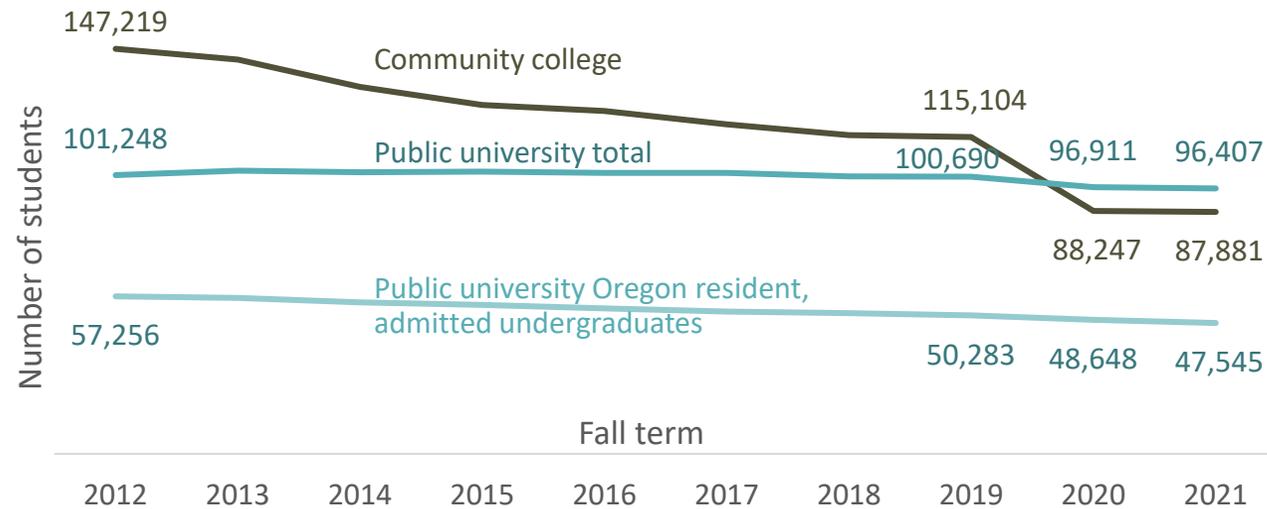
HECC Priorities 2023-25



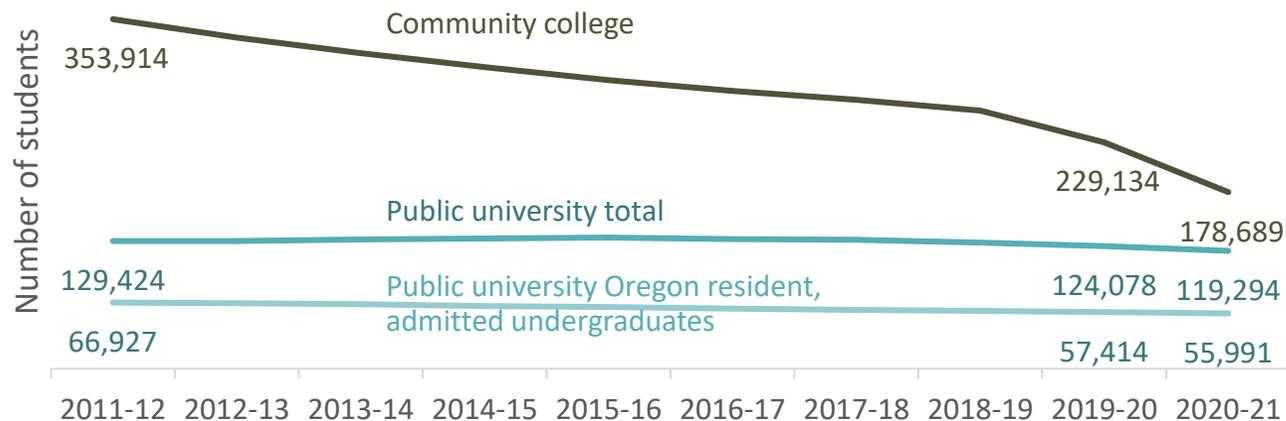
Expand Oregon's direct financial support for college students	<ul style="list-style-type: none">• Maintain Oregon Tribal Grant• Enhance Oregon Opportunity Grant• Expand Oregon Promise
Invest in our colleges and universities	<ul style="list-style-type: none">• Public University Support Fund• Cybersecurity and Strong Start• Institutional Equity Fund
Create innovative training pathways for unemployed and underemployed Oregonians	<ul style="list-style-type: none">• Workforce Readiness Partnerships• Credit for Prior Learning• Work-based learning

The pandemic has contributed to steep declines in enrollment, especially at community colleges

Fall term student headcount enrollment



Annual student headcount enrollment



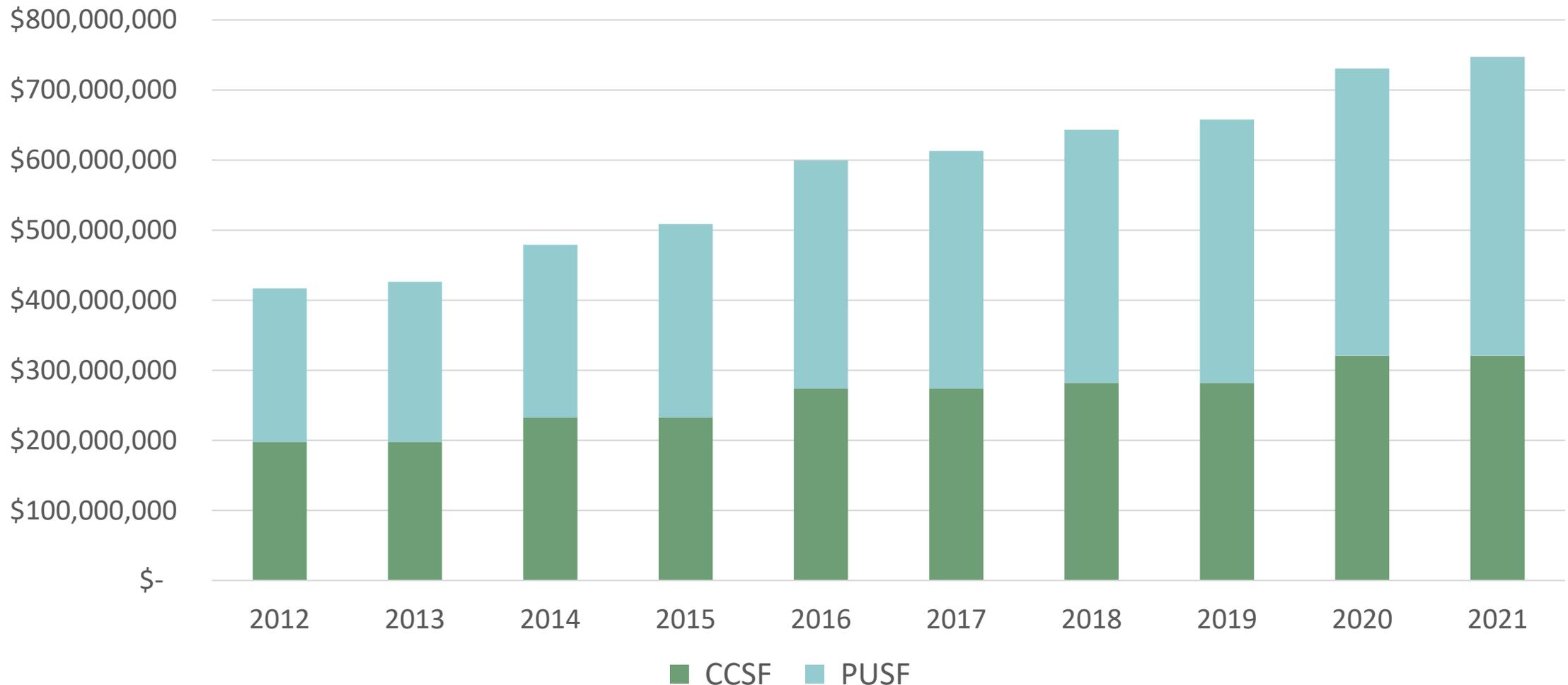
Annual enrollment fell 32% at the community colleges and 6.5% at the public universities from pre-pandemic levels.

Enrollment has stabilized but not returned to pre-pandemic levels.

Longer-term enrollment declines were related to the pre-pandemic economic expansion. The pandemic sharpened these declines, despite widespread job losses that more typically drive up enrollment.

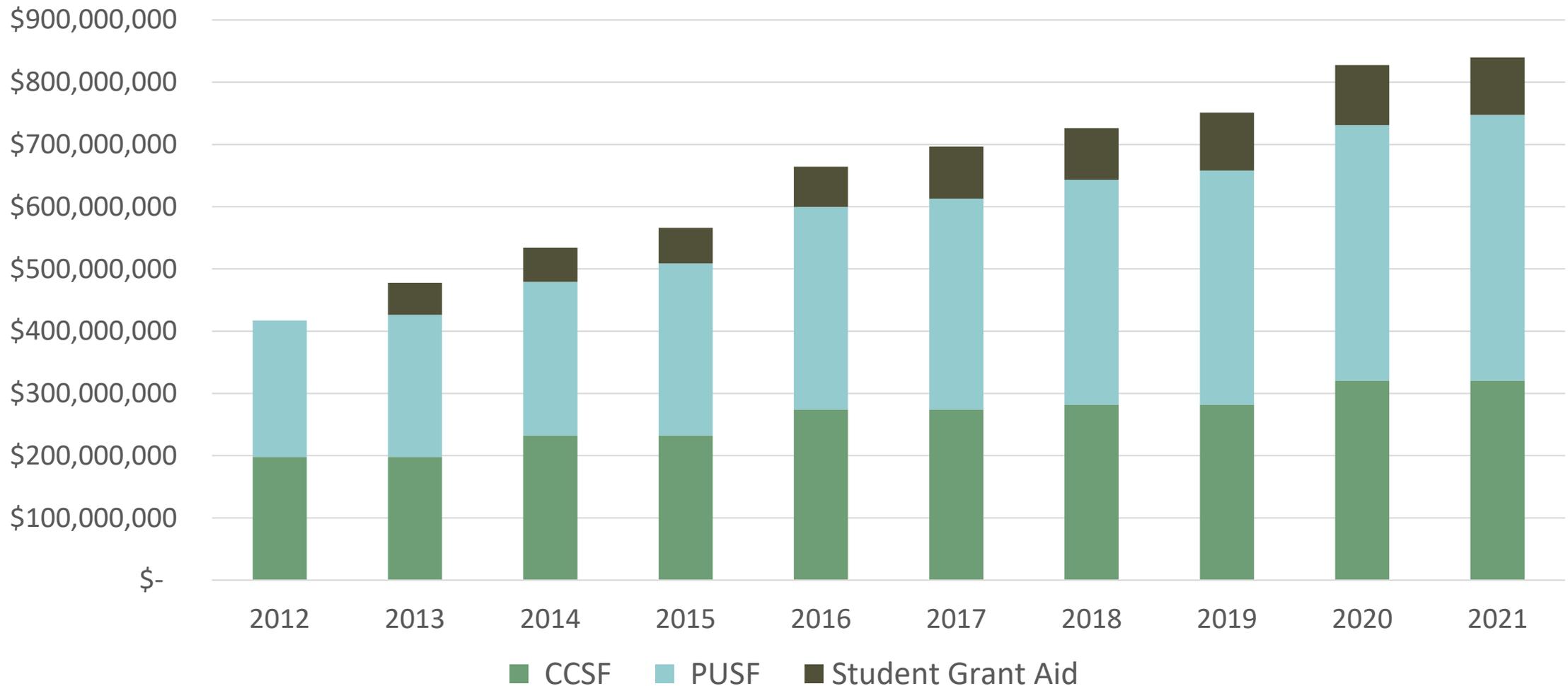
Source: Fall enrollment data provided as aggregate counts by community colleges and as individual student records by public universities. Annual data are all HECC analyses of individual student records from the colleges and the universities.

General state support for comm. colleges and public universities



*Totals do not include local property tax revenues for community colleges (\$201M in 2021), state funding for statewide public services and other activities at public universities (\$127M in 2021), or state-paid debt service for capital bonds (\$20M and \$113M for CCs and public universities in 2021).

State support comm. colleges, public universities, and grant aid



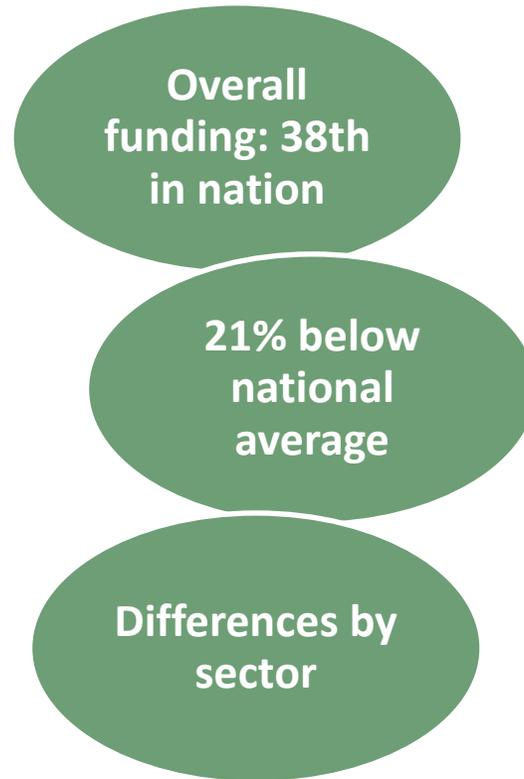
*Totals do not include local property tax revenues for community colleges (\$201M in 2021), state funding for statewide public services and other activities at public universities (\$127M in 2021), or state-paid debt service for capital bonds (\$20M and \$113M for CCs and public universities in 2021).

Public Investment in Oregon Higher Education

From 2016-2021, public funding per student FTE increased 39% in Oregon, compared with 14% nationally.

Still, Oregon's public funding per FTE is 21% below the national average (\$9,327).

There are marked differences in sector-level comparisons, owing partly to the recent steep decline in CC enrollment.



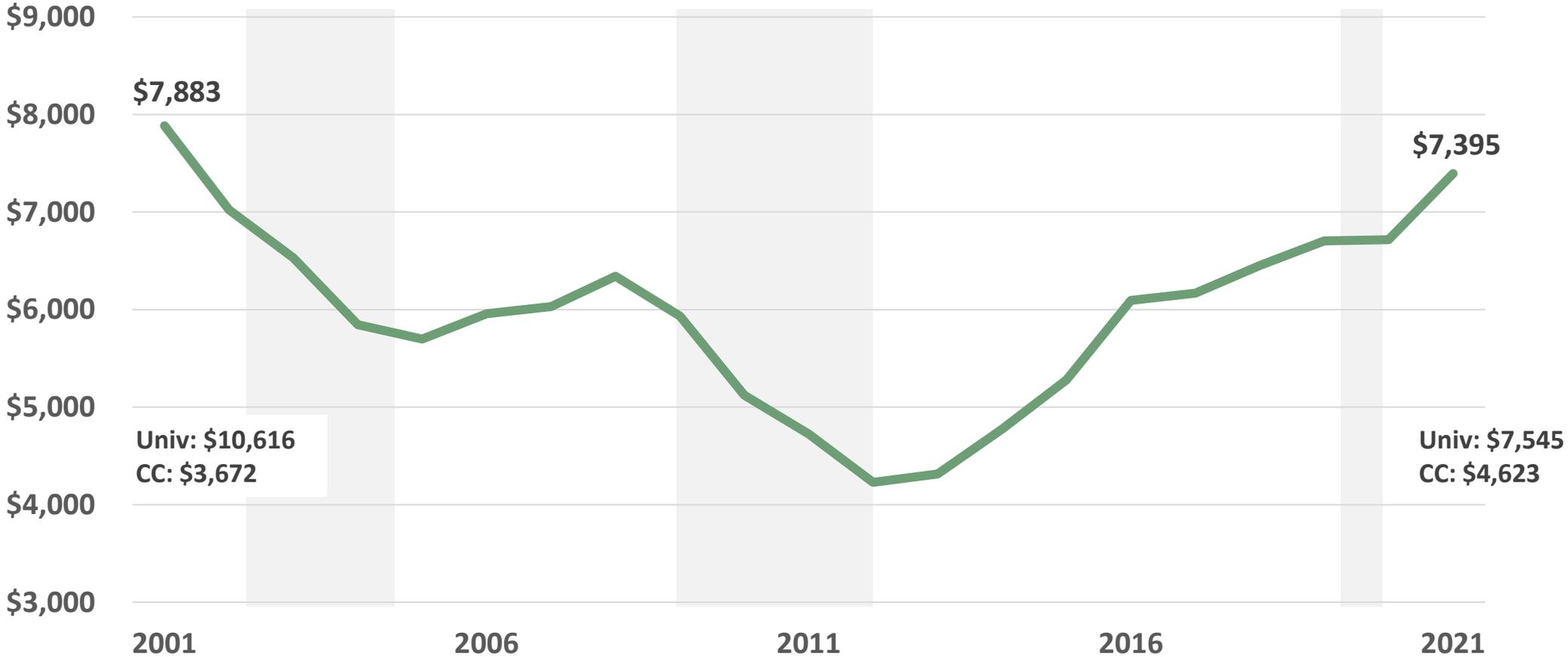
	Univ	CC
Funding per FTE – Oregon	\$5,580	\$10,050
Funding per FTE – National Avg	\$8,859	\$9,347
National Rank	46th	13th
Compared to National Average	-37%	8%

Note: Includes all state and local support for public higher education operating expenses, excluding financial aid for students attending independent or out-of-state institutions, research, hospitals, and medical education.

Source: [2021 State Higher Education Finance \(SHEF\) Report](#), Table 3.2 and 3.2A.

FTE Funding over Time

Adjusted for inflation, public funding has declined by 6% per FTE funding since 2001, including a 29% reduction for the universities and a 26% increase for the colleges.



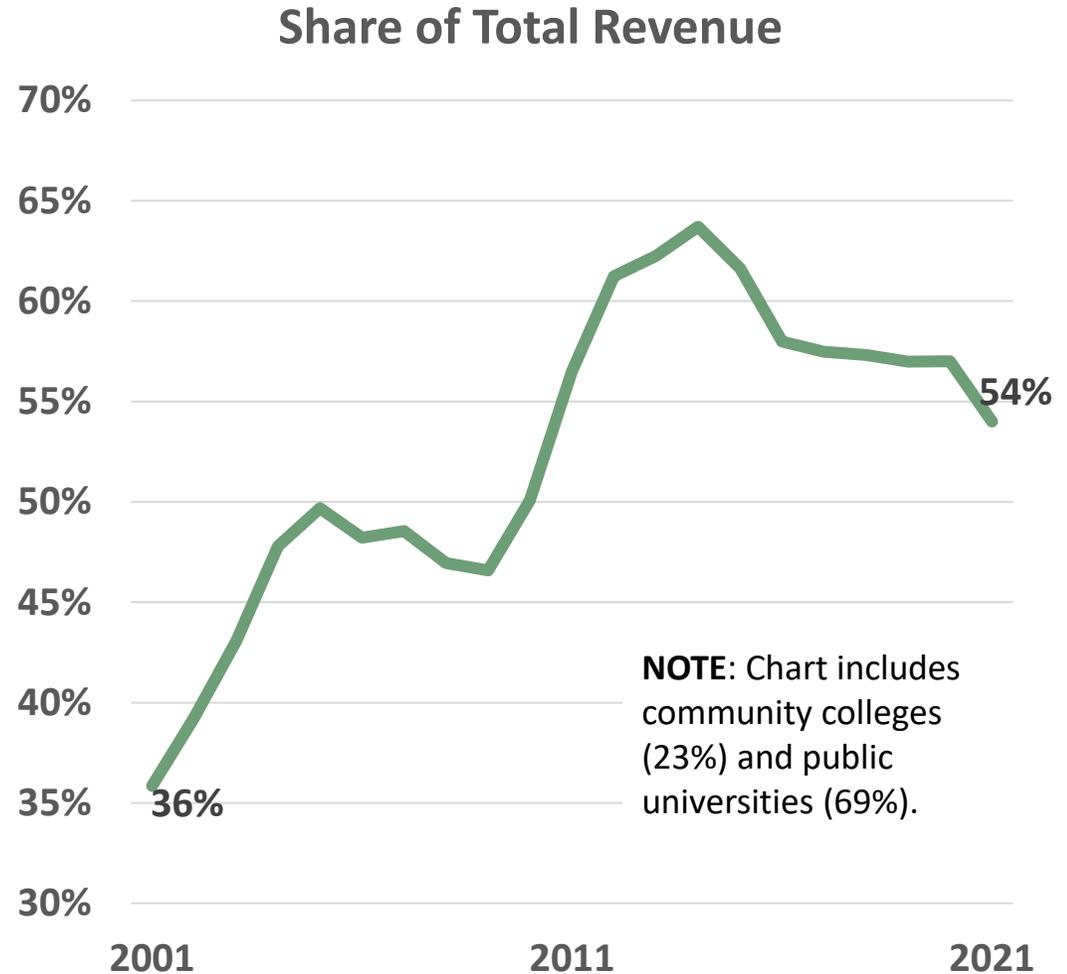
Note and source: Statewide figures are from [SHEF](#). Sector specific numbers come from HECC data adjusted for inflation using Higher Education Cost Adjustment (HECA).

The Impact of Tuition and Fees

From 2011-2021, net tuition and fee revenue increased 41% (17% nationally).

Net tuition and fee revenue per student is \$8,636.

Revenue from tuition and fees represents 54% of total institutional revenue (42% nationally).



Note: Total revenue includes tuition, fees, and public appropriations.

Source: [2021 State Higher Education Finance \(SHEF\) Report](#), Tables 4.1, 4.1A, 4.3, and 4.3A

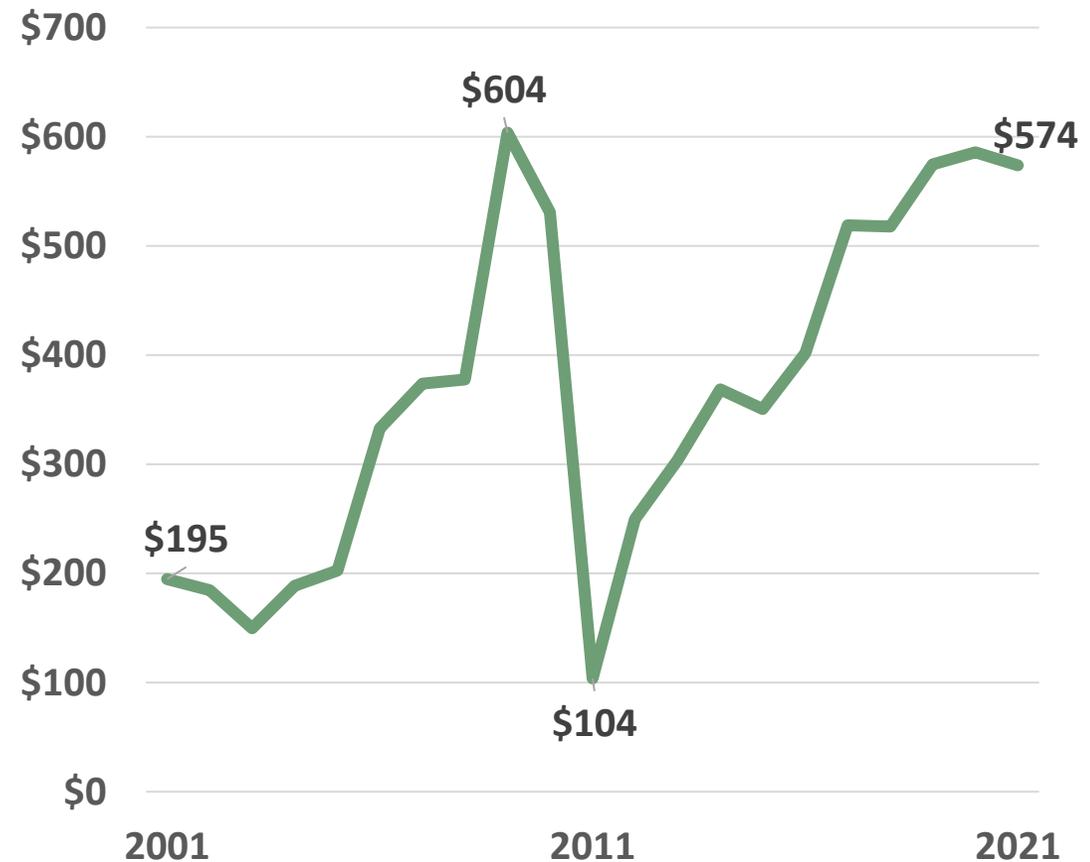
Financial Aid Funding

From 2016-2021, state financial aid per FTE increased 51% (27% nationally).

State financial aid funding per student of \$574 remains 38% below national average of \$921.

Down 5% from the pre-great recession high of \$604.

Funding per Student
(inflation adjusted)



For more about Oregon's
Higher Education
Coordinating Commission:

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3225 25th Street SE, Salem, OR 97302
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Core Information System Replacement (Action)

- Workday Product Contract Award
- Workday Implementation Contract Award
- Workday Project Financing Authorization

APPENDIX

Outcomes

Student Experience

Consolidated, streamlined and modern academic experience using real-time/live data for students and those who serve them by combining multiple systems that handle:

- ◆ Academic planning
- ◆ Registration
- ◆ Degree Audit
- ◆ Adviser assignments and interactions
- ◆ Financial Aid
- ◆ Student Accounts
- ◆ Employees will be able to assist students more quickly and effectively using a modern system that has real-time information available in one comprehensive application.

Cost Effectiveness

- ◆ SOU currently spends ~**\$1.5-Million per year** on the systems required to provide the services listed above.
 - ◆ Workday will cut the operational expense roughly in half **down to ~\$820-Thousand per year.**
- ◆ SOU maintains ~150 interfaces/integrations between systems. This number will reduce by roughly one third, saving SOU I.T. staff valuable labor hours and improving focus.

Increased Efficiency

- ◆ SOU will be **transforming** its business practices in both the administrative and academic areas.
 - These changes will reduce the amount of human time spent doing many tasks.
 - These changes will streamline SOU's ability to serve students, process payables, receivables, etc.
 - These changes will reduce the effort required during the audit cycle.

Accountability

- ◆ SOU will measure success by tracking the annual operating savings. SOU expects to **save more than \$8-Million over ten years.**
- ◆ This transformation will reduce the number of hours required to support and maintain SOU's existing Banner ecosystem.
 - SOU will not need to increase the number of staff necessary for supporting this system.
 - Through attrition, the number of required staff will reduce.
- ◆ SOU will measure the improvement/shift in both its staffing ratio and student success.

continues on other side . . .

... continued from other side

BANNER REPLACEMENT ANTICIPATED COSTS & RETURN (\$M)

	Jul-22	Jul-23	Jul-24	Jul-25	Jul-26	Jul-27	Jul-28	Jul-29	Jul-30	Jul-31	Jul-32	Jul-33	Jul-34	Jul-35	Jul-36
Banner Ecosystem	\$1.40	\$1.42	\$1.44	\$1.51	\$1.56	\$1.60	\$1.65	\$1.70	\$1.75	\$1.81	\$1.86	\$1.92	\$1.97	\$2.03	\$2.09
Workday	\$0.54	\$0.82	\$0.83	\$0.85	\$0.86	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01	\$1.03	\$1.05
Implementation	\$2.66	\$2.68	\$1.75	\$0.36											
Annual Total	\$4.60	\$4.92	\$4.02	\$1.21	\$0.86	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01	\$1.03	\$1.05
Delta (vs. Current)	\$3.20	\$3.50	\$2.58	-\$0.31	-\$0.69	-\$0.72	-\$0.75	-\$0.79	-\$0.82	-\$0.85	-\$0.89	-\$0.92	-\$0.96	-\$1.00	-\$1.04
Project Balance	\$3.20	\$6.70	\$9.28	\$9.64	\$8.95	\$8.22	\$7.47	\$6.68	\$5.86	\$5.01	\$4.12	\$3.20	\$2.24	\$1.24	\$0.19

-  Gray cells indicate the annual cost for the Banner Ecosystem if SOU were to not replace it.
-  Rose cells indicate the overall annual costs for Banner, Workday and implementation during the implementation period of the project.
-  July 2025 is highlighted in red to indicate that early 2025 is where SOU could begin to eliminate portions of Banner.

- This table illustrates the comparison between costs of maintaining the Banner Ecosystem versus replacing it with Workday.
- The numbers used in this table are based on the most recent quotes from Workday, Inc. and one of the four implementers being evaluated (Alchemy.us).
- The Project Balance is inclusive of costs for Workday and implementer through the point where SOU can discontinue its use of the Banner Ecosystem.
- SOU begins to realize savings vs. the Banner Ecosystem after the third year!
- SOU can cover the cost of the project in 10 to 12 years (depending on chosen implementer and other factors).

A full report with supporting detail is available at: <https://sou.box.com/s/cqdfzp0shb2wrw8rhyup2rxag8qy0ocw>

Transform Core IT System Replacement: Bottom Line Up Front

Need approval as follows:

1. Award the Workday contract as proposed (approx. \$800K/year) and proceed with the timely implementation of the project plan
 - This contract is between SOU and Workday.
 - The annual rate for the estimated ten-year contract is expected to be approximately \$832K/year with an annual uplift of 2% per year.
 - The conservative annual savings (after implementation) are over \$700K/year

2. Award the Implementation Contract (\$7.4M)
 - The Workday implementation proposals were scored by the steering committee comprising representatives from: Academic Affairs, Raider Student Services, Financial Aid, Admissions, HR, Finance and IT
 - The team unanimously chose Alchemy
 - Alchemy's bid came in at \$7.4M, and the phased work will take three years.

3. Authority to obtain a \$10M loan (over ten years) to cover both contracts

Status and Next Actions

- Status:
 - Fact finding complete. Met with four lending institutions: OR State Treasury (OST); HECC; Department of Administrative Services (DAS); and OSU's VPFA
 - Have sample guidance from OST
 - Contacted (outside) borrower's legal counsel

- Next Actions:
 - Obtain approval and authority
 - Sign Workday contract
 - Sign implementer contract
 - Obtain bank (or credit union) loan
 - Start transformation...project kickoff

Conversation with...	Lessons Learned	Status and Follow-up Actions
Bank 1 (Local Lender)	<ul style="list-style-type: none"> Value of RFQ or RFP Value of getting Letter of Interest Desire to add scope (be our banker of choice) 	Awaiting Letter of Intent (LOI)
Bank 2 (Existing relationship with OST)	<ul style="list-style-type: none"> Term sheet for Line of Credit (LOC) Term Sheet for loan (clear advantages over LOC) No capital required 	Share RFQ / RFP template
OST Debt Management	<ul style="list-style-type: none"> Approval required by ORS Have samples and relationship with DOJ Q – economies of scale? Need legal (bond) counsel Use a Financial Adv (eval) Board approval for loan (req'd) 	<p>Share solicitations (VA)</p> <p>Canvas database for other examples</p> <p>Document certification and funds availability (business case too)</p>
USSE	<ul style="list-style-type: none"> Must pay State obligations 1st, lender's second 	Resolve with bond counsel
DAS	<ul style="list-style-type: none"> State's Workday acquisition was bond funded 	Highlighted 'timing' doesn't work for bond sales (May / Nov / March)
OSU VPFA	<ul style="list-style-type: none"> Willing to help, lending not their primary mission 	First Q: can we? Second Q: should we?
HECC	<ul style="list-style-type: none"> Exploring how to make the long-session "ask" 	Obtain advocacy and inclusion in Agency Request Budget (ARB)

Borrower RFQ / RFP Scenarios

- Situation: initial plan/thought to obtain a line of credit resulted in receiving sample proposal which included unacceptable terms (7.5% and onerous covenants)
- Course of Action: request terms sheets for three fixed-term loan scenarios for a \$10M loan over ten years:
 - Straight line
 - Interest only for three years, then straight line
 - Interest only for ten years, then 'balloon' payment

Summary of ERP Financing Strategy



1. Take out a loan looking at \$10M over ten years (selected based on best terms and conditions AND least impact to operational budget)
2. And, in parallel, request \$7.4M from legislature (during long session) for years 2-4
3. Track savings (\$10M over 10 years) and repay loan

Spring 2022 Completions Report and Fall 2022 Enrollment Forecast

Southern Oregon University

**Degree Completions by Discipline Level Categories
Academic Year 2020-21 vs. Academic Year 2021-22
Applications and Awards - as of the end of May**

	Degree Applications				Degree Awards			
	2020-21	2021-22	Change	% Change	2020-21	2021-22	Change	% Change
Bachelor Degrees	845	748	-97	-11.5%	216	188	-28	-13.0%
Resident: Entered as a First Year †	219	199	-20	-9.1%	48	45	-3	-6.3%
Discipline Level 1	67	60	-7	-10.4%	13	13	0	0.0%
Discipline Level 2	102	106	4	3.9%	22	23	1	4.5%
Discipline Level 3	50	33	-17	-34.0%	13	9	-4	-30.8%
Resident: Entered as a Transfer †	287	273	-14	-4.9%	64	70	6	9.4%
Discipline Level 1	83	69	-14	-16.9%	17	19	2	11.8%
Discipline Level 2	141	173	32	22.7%	30	44	14	46.7%
Discipline Level 3	63	31	-32	-50.8%	17	7	-10	-58.8%
Non-Resident (no state funding)	339	276	-63	-18.6%	104	73	-31	-29.8%
Master Degrees	244	234	-10	-4.1%	69	66	-3	-4.3%
Resident †	168	163	-5	-3.0%	41	33	-8	-19.5%
Discipline Level 1	6	3	-3	-50.0%	4	2	-2	-50.0%
Discipline Level 2	145	140	-5	-3.4%	35	25	-10	-28.6%
Discipline Level 3	17	20	3	17.6%	2	6	4	200.0%
Non-Resident (no state funding)	76	71	-5	-6.6%	28	33	5	17.9%
Graduate Certificates/Licensures	85	118	33	38.8%	30	52	22	73.3%
Resident †	45	85	40	88.9%	14	37	23	164.3%
Discipline Level 1	2	9	7	350.0%	1	2	1	100.0%
Discipline Level 2	42	72	30	71.4%	13	34	21	161.5%
Discipline Level 3	1	4	3	300.0%	-	1	1	0.0%
Non-Resident (no state funding)	40	33	-7	-17.5%	16	15	-1	-6.3%
Totals	1,174	1,100	-74	-6.3%	315	306	-9	-2.9%

† Discipline levels define how many points get assigned within the funding model.

Southern Oregon University

Degree Completions by Sub-population Categories
Academic Year 2020-21 vs. Academic Year 2021-22
Applications and Awards - as of the end of May

	Degree Applications				Degree Awards			
	2020-21	2021-22	Change	% Change	2020-21	2021-22	Change	% Change
Bachelor Degrees	845	748	-97	-11.5%	216	188	-28	-13.0%
Resident: Entered as a First Year ‡	219	199	-20	-9.1%	48	45	-3	-6.3%
Area of Study Premium	31	27	-4	-12.9%	4	4	0	0.0%
Underrepresented Minority	60	48	-12	-20.0%	12	7	-5	-41.7%
Pell Grant Recipient	108	97	-11	-10.2%	21	21	0	0.0%
Veteran Status	3	4	1	33.3%	-	1	1	0.0%
Rural High School Graduate	73	60	-13	-17.8%	19	13	-6	-31.6%
Resident: Entered as a Transfer ‡	287	273	-14	-4.9%	64	70	6	9.4%
Area of Study Premium	41	38	-3	-7.3%	5	5	0	0.0%
Underrepresented Minority	50	56	6	12.0%	9	8	-1	-11.1%
Pell Grant Recipient	181	194	13	7.2%	40	52	12	30.0%
Veteran Status	12	4	-8	-66.7%	1	-	-1	-100.0%
Non-Resident (no state funding)	339	276	-63	-18.6%	104	73	-31	-29.8%
Master Degrees	244	234	-10	-4.1%	69	66	-3	-4.3%
Resident	168	163	-5	-3.0%	41	33	-8	-19.5%
Area of Study Premium	14	13	-1	-7.1%	1	1	0	0.0%
Non-Resident (no state funding)	76	71	-5	-6.6%	28	33	5	17.9%
Graduate Certificates/Licensures	85	118	33	38.8%	30	52	22	73.3%
Resident	45	85	40	88.9%	14	37	23	164.3%
Area of Study Premium	-	23	23	0.0%	1	6	0	0.0%
Non-Resident (no state funding)	40	33	-7	-17.5%	16	15	-1	-6.3%
Totals	1,174	1,100	-74	-6.3%	315	306	-9	-2.9%

‡ Subtotals of sub-populations may amount to more than the total apps/awards since students can be affiliated within multiple categories.

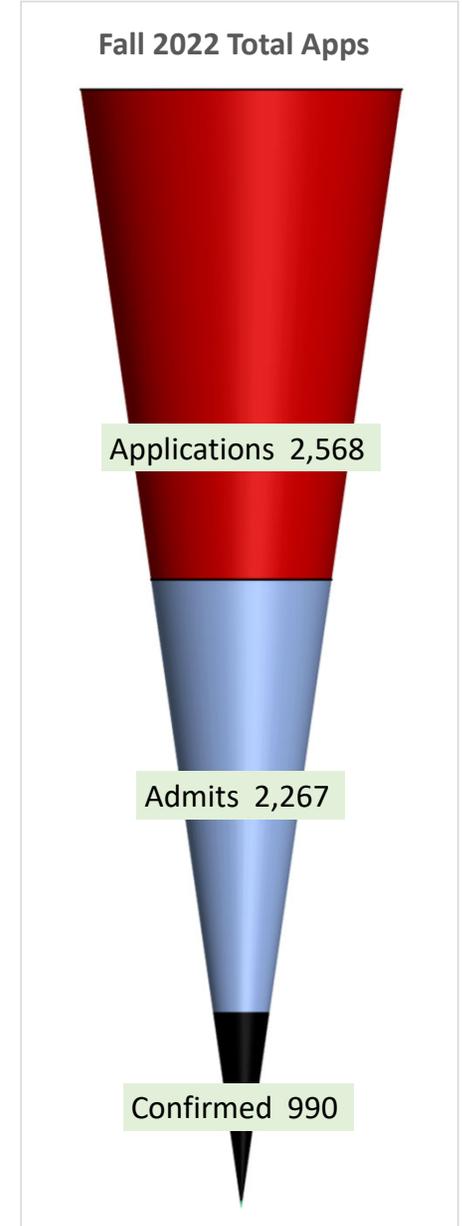
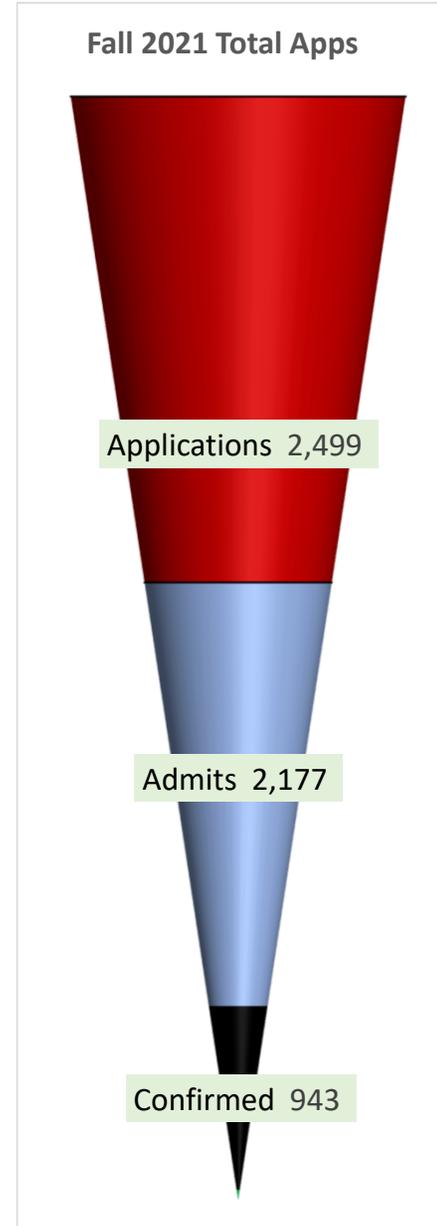
Funnel Report: New Applicant Headcount by Student Type
Fall 2021 Week Ending 6/06/21 vs. Fall 2022 Week Ending 6/05/22
16 Weeks Before Start of Term

Applications				
Student Type	Fall 2021	Fall 2022	Change	% Change
Freshmen - Resident	854	1,059	205	24.0%
Freshmen - Nonresident	917	951	34	3.7%
Transfer - Resident	223	191	-32	-14.3%
Transfer - Nonresident	208	153	-55	-26.4%
Postbacs/Grads	297	214	-83	-27.9%
Total Apps	2,499	2,568	69	2.8%

Admits				
Student Type	Fall 2021	Fall 2022	Change	% Change
Freshmen - Resident	814	980	166	20.4%
Freshmen - Nonresident	844	866	22	2.6%
Transfer - Resident	196	170	-26	-13.3%
Transfer - Nonresident	175	123	-52	-29.7%
Postbacs/Grads	148	128	-20	-13.5%
Total	2,177	2,267	90	4.1%

Confirmed				
Student Type	Fall 2021	Fall 2022	Change	% Change
Freshmen - Resident	330	381	51	15.5%
Freshmen - Nonresident	230	283	53	23.0%
Transfer - Resident	127	126	-1	-0.8%
Transfer - Nonresident	108	72	-36	-33.3%
Postbacs/Grads	148	128	-20	-13.5%
Total	943	990	47	5.0%

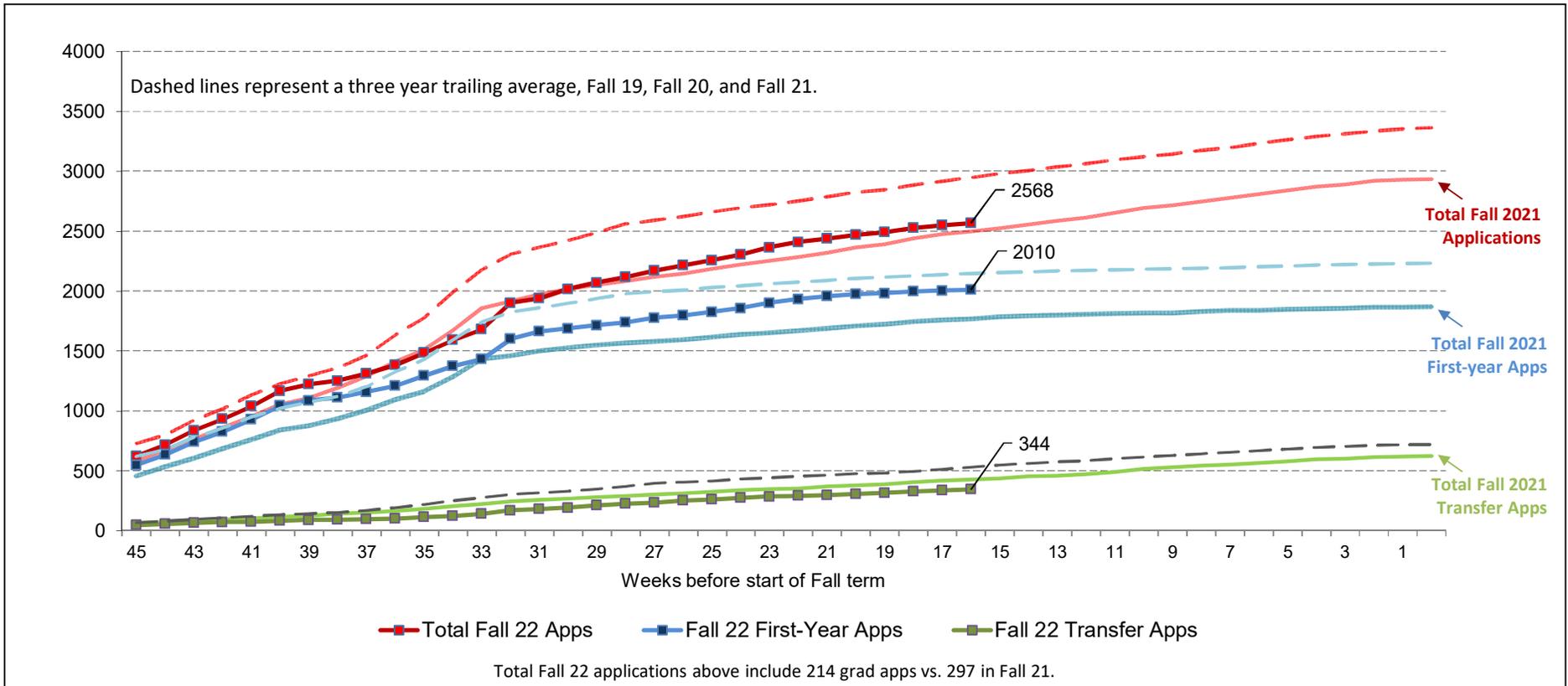
Enrolled				
Student Type	Fall 2021	Fall 2022	Change	% Change
Freshmen - Resident	4	4	-	0.0%
Freshmen - Nonresident	5	4	-1	-20.0%
Transfer - Resident	8	10	2	25.0%
Transfer - Nonresident	3	2	-1	-33.3%
Postbacs/Grads	32	22	-10	-31.3%
Total	52	42	-10	-19.2%



Funnel Report - Weekly Application Activity

Fall 2022, Week Ending 6/05/2022

16 Weeks Before Start of Term



Fiscal Year 2022-23 Budget (Action)

Roadmap

- Alternative Revenue Streams (just a reminder)
- Summary of Cost Drivers (from HECC F&A subcommittee)
- Pro Forma:
 - Year to date status; then,
 - Out-year projection (conservative data set with aid and controls)
- Proposed Budget (summary, observations and assumptions, presentation by fund and transfers)
- Reminder of the Path Forward

Alternative Revenue Streams

Reminder



- Solar Energy Production
 - Internal Campus
 - External Community Scale
- Cascade Housing Project
- University District Business Accelerator
- PNW Workday Training Center

Oregon Public University Cost Drivers



Public University Cost Drivers

The universities identified nearly 400 required mandates.

- Nearly 250 are federal, ranging from discrimination provisions to copyright requirements.
- 91 are state mandates for all universities with 33 more for specific universities.
 - These range veterans health care to underrepresented students and beyond.

82% of increased costs are wages and benefits

Budget Cost Drivers		
	Projected Increase over 2021-23	
Compensation	143,009,280	7.7%
Health Benefits	30,463,683	7.8%
Retirement Benefits	72,959,933	17.4%
Other Personnel	18,343,380	7.4%
Services & Supplies	57,021,436	7.2%
Total	\$321,797,712	8.7%

FY22 E&G Budget Forecast

- Year to date actuals and Estimate to complete FY22
 - Revenues **are not keeping** pace with expenses
 - Additional Faculty labor savings
 - Misc. Revenue well below targets
 - Bad-debt revision > \$1.2M FY22
 - Net Misc. Revenues include \$600k est. from land lease FY22 update
 - Expenses **do** include cost impact of labor agreements
 - S&S offsets from remaining CARES approved May '22
 - \$3.3M transferred into E&G
 - Transfers now positive
- Projected \$6.5M EFB ties to 10.6% KPI and roughly 1.25mth of operations
 NACUBO recommendation is 40%
 OR Department of Treasury requires 30 days of available cash on hand

Education and General (in thousands of dollars)	2019-21 Biennium		2021-23 Biennium	
	2020-21 Actual (000's)	2021-22 FY22 BUDGET (000's)	2021-22 FYE Forecast (000's)	
Revenue				
State Appropriations: SSCM	23,559	24,864	25,720	
Total State Funding (SSCM,ETSF,SELP)	23,937	25,242	26,220	
Tuition	36,451	36,340	34,472	
Fees	3,457	3,293	3,574	
Raider Aid	(3,245)	(3,276)	(3,895)	
Tuition, net of Raider Aid	36,663	36,358	34,151	
Misc. Other Revenue	481	2,101	927	
TOTAL REVENUES	61,081	63,701	61,298	
<u>Personnel Services</u>				
Faculty	(14,691)	(17,118)	(15,199)	
Admin	(8,127)	(10,261)	(9,835)	
Classified	(5,309)	(6,900)	(6,692)	
Student (& Other)	(1,005)	(1,615)	(1,079)	
Salaries Total	(29,132)	(35,894)	(32,805)	
Retirement (PERS + ORP)	(7,050)	(8,355)	(8,055)	
PEBB	(7,026)	(7,780)	(6,829)	
Other	(3,172)	(3,612)	(3,206)	
OPE	(17,249)	(19,747)	(18,090)	
Net Personnel	(46,381)	(55,184)	(50,895)	
Supplies & Services	(10,337)	(12,160)	(12,066)	
Capital Expenses	(124)	(260)	(135)	
Total Supplies & Services, Capital Expenses	(10,461)	(12,420)	(12,201)	
Cost Reductions, Savings, Outside Support		8,178	DONE 3312	
TOTAL EXPENDITURES	(56,842)	(59,427)	(63,097)	
Net from Operations Before Transfers	4,239	4,274	(1,799)	
Budgeted Transfers	(1,526)	(2,513)	506	
NET TRANSFERS	(1,526)	(2,513)	506	
Change in Fund Balance	2,713	1,761	(1,293)	
Beginning Fund Balance	5,081	7,794	7,794	
Ending Fund Balance	7,794	9,556	6,501	
% Operating Revenues	12.76%	15.00%	10.61%	
Days of Operations	48.74	56.31	37.91	
Months of Operations	1.62	1.88	1.26	

Pro Forma

Education and General

(in thousands of dollars)

	2019-21 Biennium		2021-23 Biennium			2023-25 Biennium	
	2019-20 Actual (000's)	2020-21 Actual (000's)	2021-22 FY22 BUDGET (000's)	2021-22 FYE Forecast (000's)	2022-23 FORECAST (000's)	2023-24 FORECAST (000's)	2024-25 FORECAST (000's)
Revenue							
State Appropriations: SSCM	22,696	23,559	24,864	25,720	26,361	27,340	28,394
Total State Funding (SSCM,ETSF,SELP)	23,074	23,937	25,242	26,220	26,860	27,839	28,893
Tuition	39,365	36,451	36,340	34,472	34,611	33,820	33,682
Fees	3,167	3,457	3,293	3,574	4,015	4,014	3,952
Raider Aid	(3,965)	(3,245)	(3,276)	(3,895)	(3,476)	(3,405)	(3,387)
Tuition, net of Raider Aid	38,567	36,663	36,358	34,151	35,149	34,429	34,247
Misc. Other Revenue	2,453	481	2,101	927	2,964	3,031	3,099
TOTAL REVENUES	64,095	61,081	63,701	61,298	64,974	65,299	66,239
<u>Personnel Services</u>							
Faculty	(16,083)	(14,691)	(17,118)	(15,199)	(15,971)	(16,654)	(17,111)
Admin	(9,617)	(8,127)	(10,261)	(9,835)	(10,532)	(10,675)	(11,144)
Classified	(6,362)	(5,309)	(6,900)	(6,692)	(7,450)	(7,656)	(8,181)
Student (& Other)	(1,445)	(1,005)	(1,615)	(1,079)	(1,586)	(1,655)	(1,654)
Salaries Total	(33,508)	(29,132)	(35,894)	(32,805)	(35,539)	(36,640)	(38,091)
Retirement (PERS + ORP)	(7,881)	(7,050)	(8,355)	(8,055)	(8,524)	(10,364)	(10,799)
PEBB	(7,312)	(7,026)	(7,780)	(6,829)	(8,473)	(8,744)	(9,024)
Other	(3,275)	(3,172)	(3,612)	(3,206)	(3,500)	(3,608)	(3,751)
OPE	(18,469)	(17,249)	(19,747)	(18,090)	(20,497)	(22,717)	(23,574)
Net Personnel	(51,977)	(46,381)	(55,184)	(50,895)	(56,036)	(59,357)	(61,666)
Supplies & Services	(10,477)	(10,337)	(12,160)	(12,066)	(13,835)	(14,146)	(14,464)
Capital Expenses		(124)	(260)	(135)	(263)	(269)	(275)
Total Supplies & Services, Capital Expenses	(10,477)	(10,461)	(12,420)	(12,201)	(14,098)	(14,415)	(14,739)
Cost Reductions, Savings, Outside Support			8,178	DONE 3312	3,664	3,312	As Modeled
TOTAL EXPENDITURES	(62,454)	(56,842)	(59,427)	(63,097)	(66,469)	(70,460)	(76,405)
Net from Operations Before Transfers	1,641	4,239	4,274	(1,799)	(1,496)	(5,161)	(10,166)
Budgeted Transfers	(1,913)	(1,526)	(2,513)	506	192	(3,227)	(3,353)
NET TRANSFERS	(1,913)	(1,526)	(2,513)	506	192	(3,227)	(3,353)
Change in Fund Balance	(273)	2,713	1,761	(1,293)	(1,303)	(8,388)	(13,519)
Beginning Fund Balance	5,354	5,081	7,794	7,794	6,501	5,198	(3,190)
Ending Fund Balance	5,081	7,794	9,556	6,501	5,198	(3,190)	(16,709)
% Operating Revenues	7.92%	12.76%	15.00%	10.61%	8.00%	-4.89%	-25.23%
Days of Operations	28.81	48.74	56.31	37.91	28.62	-15.80	-76.47
Months of Operations	0.96	1.62	1.88	1.26	0.95	-0.53	-2.55

FY23 Summary of Expenditures by Fund

Balancing the budget: Expenses and Revenues net to zero

FUND	2021 Actuals	FY22 Adopted + Adjustments	FY22 Year End Est Projection	FY23 Proposed Budget ³
Budgeted Ops (Fund Type 11)	\$58,367,206	\$70,117,095	\$62,590,788	\$64,973,761
Auxiliary Ops (Fund Type 20)	\$12,400,798	\$14,998,805	\$11,923,707	\$13,246,543
Designated Ops & Service Centers (Fund Types 12 & 13)	\$3,948,350	\$5,417,674	\$4,001,628	\$5,721,413
Combined Ops	\$74,716,354 ¹	\$90,533,574	\$78,516,123 ²	\$83,941,717

¹FY21 was exceptional due to furloughs and S&S savings resulting from the pandemic 7/1/2020 – 6/30/2021

²FY22 is exceptional due to early furloughs, S&S savings, and federal relief from pandemic 7/1/2021 – 6/30/2022

³FY23 Proposed budgets are net of expense saving targets per fund type – targets detailed on following slides

FY23 Proposed Budget

Key Observations & Assumptions

Revenues

- State Revenues still in flux, but better than anticipated
- Tuition revenues fairly flat
 - Revenue from rate increase nearly matches SCH decline
- Remissions (Raider Aid) budgets maintain 9% target – pressure to increase
- Misc. Revenues budget increase
 - Refinancing North Campus Village bonds worked!
 - Ground lease income restored/created new reserve accounts
- Accounting Changes:
 - Increased bad-debt allowance; enhanced monitoring for FY23+

FY23 Proposed Budget

Key Observations & Assumptions

Expenses

- Incorporated Faculty and SEIU (Classified) CBA costs
- Increased Unclassified Admin 1% Across the Board (programmed, not announced; and subject to cost redux)
- Created placeholder for new initiatives (positions)
 - Examples: EDI, Clery Program Management, and Student Life
- Updated OPE: increases to PERS as scheduled
- PEBB analysis revealed larger than anticipated rate adjustment and back-fill needs
- Shifted Internal Audit to S&S
- Cost Management Steering Group identified targets but hasn't detailed "offsets" (positions, S&S reductions and / or re-engineering)

FY23 Proposed Budget

Key Observations & Assumptions

Supplies and Services (S&S)

- Accounting Changes:
 - Reduced Internal Reimbursements by \$236k
- Software contracts growing (similar to, but slightly greater than inflation)
- Utility Increases estimated growth > 19%
- Increased Insurance Premiums (\$488k)
- Budgeting EDI initiatives
- Shifted RNL into E&G from Strategic Reserve (programmed, not announced; and subject to cost redux)
- Shifted Internal Audit to S&S

FY23 Draft Budget

Key Observations & Assumptions

Transfers

- Athletics transfer increased to offset losses from student fee, new sports, S&S expenses returning to normal
- Domestic travel budget increased per multi-year review
- Nominal changes elsewhere reflecting labor updates

Southern Oregon University Budgeted Operations

	2021 Actuals	FY22 Adopted + Adjustments	FY22 Year End Est Projection	FY23 Proposed Budget
REVENUES				
Enrollment Fees	36,663,275	36,357,504	34,151,089	35,148,939
Gov't Resources and Allocations	23,936,892	25,238,920	26,219,576	26,860,486
Misc. Other Revenues	480,658	2,101,195	926,853	2,964,336
REVENUES Total	61,080,825	63,697,619	61,297,518	64,973,761
LABOR				
Unclassified	(22,789,244)	(27,132,720)	(25,034,017)	(26,502,871)
Classified	(5,308,505)	(6,689,985)	(6,692,368)	(7,449,503)
Grad Assist	(176,389)	(166,490)	(173,271)	(169,356)
Student Labor	(829,082)	(1,448,501)	(905,609)	(1,417,085)
Benefits & OPE	(17,277,147)	(19,746,335)	(18,090,108)	(20,499,851)
LABOR Total	(46,380,367)	(55,184,031)	(50,895,373)	(56,038,666)
SUPPLIES AND SERVICES	(10,337,052)	(12,160,282)	(12,065,845)	(13,835,663)
CAPITAL EXPENSES	(123,799)	(260,013)	(135,306)	(263,013)
TRANSFERS				
Transfers In	749,034	105,807	4,246,594	3,419,877
Transfers Out	(2,275,022)	(2,618,576)	(3,740,858)	(3,227,658)
TRANSFERS Total	(1,525,988)	(2,512,769)	505,736	192,219
Total Expenditures	(58,367,206)	(70,117,095)	(62,590,788)	(69,945,123)
FY23 Expense Reduction Target				4,971,362
Total Revenue - Expenses	2,713,619	(6,419,476)	(1,293,270)	0

Southern Oregon University

Designated Operations and Service Centers

	2021 Actuals	FY22 Adopted + Adjustments	FY22 Year End Est Projection	FY23 Proposed Budget
REVENUES				
Enrollment Fees	750,797	1,001,594	1,040,643	1,275,280
Gov't Resources and Allocations	0	0	0	0
Misc. Other Revenues	3,125,790	4,199,365	2,827,513	4,446,133
REVENUES Total	3,876,587	5,200,959	3,868,156	5,721,413
LABOR				
Unclassified	(1,166,274)	(1,754,121)	(1,336,056)	(1,688,667)
Classified	(349,162)	(419,120)	(413,519)	(418,656)
Grad Assist	0	0	0	0
Student Labor	(80,990)	(192,257)	(96,927)	(180,537)
Benefits & OPE	(919,766)	(1,297,622)	(992,547)	(1,323,406)
LABOR Total	(2,516,192)	(3,663,120)	(2,839,049)	(3,611,266)
SUPPLIES AND SERVICES	(1,684,196)	(2,193,800)	(1,649,613)	(2,608,136)
CAPITAL EXPENSES	(134,323)	(12,086)	0	0
TRANSFERS				
Transfers In	1,244,802	678,087	786,053	601,368
Transfers Out	(858,441)	(226,755)	(299,019)	(144,305)
TRANSFERS Total	386,361	451,332	487,034	457,063
Total Expenditures	(3,948,350)	(5,417,674)	(4,001,628)	(5,762,339)
FY23 Expense Reduction Target				40,926
Total Revenue - Expenses	(71,763)	(216,715)	(133,472)	0

Southern Oregon University Auxiliary Operations

	2021 Actuals	FY22 Adopted + Adjustments	FY22 Year End Est Projection	FY23 Proposed Budget
REVENUES				
Enrollment Fees	5,436,564	6,431,849	5,135,184	5,425,454
Gov't Resources and Allocations	1,208,080	1,073,844	1,257,759	1,257,759
Misc. Other Revenues	3,191,522	5,948,737	6,400,538	6,563,330
REVENUES Total	9,836,166	13,454,430	12,793,481	13,246,543
LABOR				
Unclassified	(2,206,065)	(3,239,351)	(3,013,192)	(3,186,881)
Classified	(821,943)	(1,071,987)	(973,483)	(919,768)
Grad Assist	0	0	0	0
Student Labor	(567,492)	(1,196,060)	(720,828)	(1,189,781)
Benefits & OPE	(2,062,614)	(2,811,683)	(2,352,556)	(2,787,274)
LABOR Total	(5,658,114)	(8,319,081)	(7,060,059)	(8,083,704)
SUPPLIES AND SERVICES	(8,242,693)	(8,741,161)	(6,765,811)	(9,617,251)
CAPITAL EXPENSES	0	0	0	0
TRANSFERS				
Transfers In	3,878,324	3,321,355	3,056,203	3,767,140
Transfers Out	(2,378,315)	(1,259,918)	(1,154,040)	(1,104,733)
TRANSFERS Total	1,500,009	2,061,437	1,902,163	2,662,407
Total Expenditures	(12,400,798)	(14,998,805)	(11,923,707)	(15,038,548)
FY23 Expense Reduction Target				1,792,005
Total Revenue - Expenses	(2,564,632)	(1,544,375)	869,774	0

Southern Oregon University Combined Operations

	2021 Actuals	FY22 Adopted + Adjustments	FY22 Year End Est Projection	FY23 Proposed Budget
REVENUES				
Enrollment Fees	42,850,636	43,790,947	40,326,917	41,849,673
Gov't Resources and Allocations	25,144,972	26,312,764	27,477,335	28,118,245
Misc. Other Revenues	6,797,970	12,249,297	10,154,904	13,973,799
REVENUES Total	74,793,578	82,353,008	77,959,156	83,941,717
LABOR				
Unclassified	(26,161,583)	(32,126,192)	(29,383,265)	(31,378,419)
Classified	(6,479,610)	(8,181,092)	(8,079,369)	(8,787,927)
Grad Assist	(257,379)	(358,747)	(270,198)	(169,356)
Student Labor	(1,477,564)	(2,836,818)	(1,723,364)	(2,787,403)
Benefits & OPE	(20,259,527)	(23,855,640)	(21,435,212)	(24,610,531)
LABOR Total	(54,635,663)	(67,358,489)	(60,891,409)	(67,733,636)
SUPPLIES AND SERVICES	(20,263,941)	(23,095,243)	(20,481,268)	(26,061,050)
CAPITAL EXPENSES	(258,122)	(272,099)	(135,306)	(263,013)
TRANSFERS				
Transfers In	5,872,160	4,105,249	8,088,850	7,788,385
Transfers Out	(5,511,778)	(4,105,249)	(5,193,917)	(4,476,696)
TRANSFERS Total	360,382	0	2,894,933	3,311,689
Total Expenditures	(74,797,344)	(90,725,831)	(78,613,051)	(90,746,010)
FY23 Expense Reduction Target				6,804,293
Total Revenue - Expenses	(3,766)	(8,372,823)	(653,895)	0

**Southern Oregon University
Board of Trustees**

Resolution: Adoption of Fiscal Year 2022-2023 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 352.087(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 352.087(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; and

Whereas, ORS 352.087(2) requires, and the Finance and Administration Committee finds, that the budget of the Southern Oregon University is prepared in accordance with generally accepted accounting principles; Now, therefore,

Be it resolved, on the recommendation of the Finance and Administration Committee, the Board of Trustees hereby adopts Fiscal Year 2022-2023 expenditures budget in the sum of \$83,941,717, inclusive of Budgeted Operations in the sum of \$64,973,761; Auxiliary Operations in the sum of \$13,246,543; and Designated Operations and Service Centers in the sum of \$5,721,413.

VOTE:

DATE: June 17, 2022

Recorded by the University Board Secretary:

Path Forward

Reminder



1. Continued austerity (spending restraint) and transparency with campus
2. Long-term—bend the cost curve—continue to innovate and transform
3. Revenue
 - Stabilize after the pandemic (state and tuition/fees)
 - Develop alternative sources (like property sales and P3)

Government Relations and Legislative Update

President's 2022-2023 Goals (Action)

Draft Goals 2022-2023

- GOAL 1: Promote Justice, Equity, Diversity and Inclusion on Campus and Throughout the Region
 - Translate Goals and Strategy into Actionable Steps
 - Leverage partnerships with City, County, Tribal, State, and Federal governmental entities to complement SOU's efforts
 - Explore business and non-profit partners to complement SOU's efforts
- GOAL 2: Provide Leadership for Student Enrollment, Support and Success
 - Collaborate with K-12 entities to create or strengthen partnerships
 - Create or reinvigorate relationships with community colleges for transfer pathways and other collaborations
 - Support strategic engagement of the Enrollment Council

Draft Goals 2022-2023

- GOAL 3: Craft Long-Term Fiscal Sustainability Roadmap
 - Oversee Cost Management Processes, Including Vacant Position Management, Reorganization and Transformation
 - Diversify Revenue Streams—Lay Groundwork, Identify Options and Develop Implementation Plans
 - Lead a Redesign of the Grants Management Processes

- GOAL 4: Develop an *Approach* to Strategic Plan
 - Engage with Stakeholders to Celebrate Achievements
 - Identify Areas for Adjustment or Refinement
 - Create Inclusive Process with Student/Faculty/Staff Inputs
 - Continue to Incentivize “Doing” (Execution of the Plan)

Draft Goals 2022-2023

- GOAL 5: Strengthen Internal and External Outreach
 - Lead strategic messaging to external university stakeholders
 - Implement best practices for campus awareness and avenues for strategic inputs from students/faculty/staff
 - Promote Culture of Healing, Self-Care, Resilience and Perseverance
- GOAL 6: Position the University for Inaugural Comprehensive Campaign
 - Promote internal culture of philanthropy conversations
 - Engage top tier of philanthropic partners, solidifying early campaign lead gifts
 - Leverage philanthropy to support long-term fiscal sustainability

President's 2022 Evaluation

Board Statement on Evaluation of the University President Board of Trustees of Southern Oregon University

It is the policy of the Board of Trustees of Southern Oregon University (“Board”) to review the performance of the President annually.

The primary purposes of the annual review are to enable the President to strengthen their performance and effectiveness in leading the institution to success and to allow the President and the Board to set mutually agreeable goals. The review process is not intended as a substitute for regular and ongoing communication about progress toward goals between the President and the Board.

Annual reviews will inform decisions regarding compensation, although compensation adjustments are not necessarily awarded simultaneously with a positive performance review. Adjustments to, or renewal of, the President’s contract will be handled as a separate matter, taking into account presidential performance, peer-group comparisons and other factors.

The annual review process will occur on a July 1-June 30 cycle. The annual review will cover the preceding year.

The criteria for evaluation and information responsive to those criteria will be based principally on the President’s self-assessment with respect to goals mutually set by the Board and President for the year in review.

The retrospective elements of the President’s self-assessment customarily will include:

- A copy of the mutually-agreed upon goals, with a description of efforts to meet them and the President’s progress assessment, including the identification of significant challenges the President faced over the course of the review year that affected progress toward goals, with particular focus on those that are likely to persist
- A description of other personal or institutional achievements of which the Board should be aware.
- Comments regarding university officers and other campus leaders who report directly to the President, as they pertain to the president’s goals or achievements.
- Key areas in which the Board has been especially supportive.

The prospective elements of the President's self-assessment customarily will include:

- Goals the President proposes for their individual performance over the course of the upcoming year and for three to five years.
- The President's professional development plans and any associated requests of the Board.
- Key areas in which the President would especially benefit from Board support.

Review Process

1. President's Self-Assessment

The President will submit his or her self-assessment to the Board Chair before September 1 of each year. The Board Chair, Vice Chair, and the President will then meet to discuss the self-assessment. The President's self-assessment will be provided to the Board, along with any other information determined by the Board Chair.

Prior to discussion with the Board of Trustees, the Board Chair may, in a timely manner, seek confidential input from trustees and, as the Board Chair deems appropriate, from members of the University community selected by the Board Chair, as the Board Chair deems appropriate.

2. Board Chair's Evaluation

The Board Chair will prepare an evaluation of the President. The evaluation and self-assessment will be shared with the Board of Trustees prior to any meeting in which the Board or committee of the Board will discuss the evaluation.

3. Evaluation of the President

The Executive and Audit Committee may meet in executive session for the purpose of evaluating the President, during which the President is to present their self-assessment and engage in a discussion with the committee regarding both the retrospective and prospective elements of the assessment. The President may be excluded from any portion of such an executive session at the discretion of the Board Chair.

At the Board's fall meeting, or as soon thereafter as the Board's calendar will reasonably allow, the Board of Trustees may go into an executive session to discuss the evaluation of the President. The President may be excluded from any portion of such an executive session at the discretion of the Board Chair.

4. Presentation and Approval of Goals

After the Board discusses the evaluation of the President, the President will then present to the Board for approval the goals that the President proposes for their individual performance for the upcoming year. The President's presentation of their goals and the Board's consideration of such goals shall take place in public session.

5. Board Feedback to the President

After the meeting in which the evaluation of the President takes place, the Board Chair will meet with the President to communicate verbally and/or in writing to the President the conclusions of the evaluation and any recommendations, concerns, or priorities arising out of the evaluation.

The Executive and Audit Committee may, at its discretion, perform a comprehensive performance review of the President, including a 360-degree review. A comprehensive review of this nature should generally be performed prior to consideration of the renewal of the President's contract. When a comprehensive review is performed, it is to be incorporated into the annual review process described above, with such adjustments to the schedule as may be necessary.

Pursuant to ORS 351.065, documents regarding the President's performance, including the President's self-assessment, the Board's evaluation, and the 360-degree review are faculty personnel records and are not public records.

The Board periodically will review and, as necessary or desirable, revise this policy and its associated procedures in light of experience gained, best practices, and legal developments as applicable.

Approved on June 21, 2019


Chair, Board of Trustees


University Board Secretary

Revision	Change	Date
	-Initial Version	January 20, 2017
1	“Retrospective elements” and “Prospective elements” sections updated; Review Process updated; basic edits and corrections	June 21, 2019

Governance Work Group Update and Recommendations

Board of Trustees of Southern Oregon University New Trustee Mentoring

The SOU Office of the Board of Trustees, in conjunction with the board and university departments, provides an orientation for newly-appointed trustees. The orientation process continues for at least the first year through one-on-one meetings, board agenda items, higher education research and information, professional development opportunities, attendance at university events, and other opportunities that will support the trusteeship of new members. It is proposed that a mentoring component be added to the ongoing orientation process.

A mentoring component for new trustees (within first year of service) is recommended to support new board members in the fulfillment of their duties and understanding the complexities of trusteeship and proper governance.

Role of New-Trustee Mentor

1. **Mentoring:** Mentors should support and guide new trustees on how best to engage with materials, participate at board meetings, and regarding other fundamentals of trusteeship.
2. **Selection:** Mentors should be experienced trustees with sufficient years of service and engagement on the board to understand how the board works, along with its culture. Elected officers, past officers, others in board leadership positions, or experienced trustees should serve as mentors. Mentors should be both willing and able to spend the time to assist new trustees in their understanding of and participation on the board. The board chair will assign mentors to mentees.
3. **Initial Contact:** The mentor will initiate contact with the new trustees ideally upon appointment and especially within two weeks of the commencement of the new trustee's term of appointment to the board. The mentor should welcome the new trustee to the board and extend assurance of belonging. The trustees should work together to consider the calendar for board meetings, determine appropriate times for meeting or for phone- or video-conference calls, and schedule future check-ins with each other.
4. **Orientation:** New trustee orientation will be scheduled around the availability of the new trustee. Mentors are encouraged to attend orientation with new trustees or meet with mentors as a culminating event at the conclusion of the orientation session. This will provide the new trustee with an opportunity to check-in with a colleague about their orientation experience.
5. **Ongoing Contact:** Trustee mentors should support new trustees in their preparations for upcoming meetings as needed to review meeting agendas and materials, to answer questions about agenda items, meeting procedures, participation in meetings, or other supports the new trustee may seek. Mentors should also consider offering social support with camaraderie and introductions at events to which board members are invited.

Mentor Suggested To-Do List

New Trustee: _____ **Contact:** _____

Board Mentor: _____ **Contact:** _____

Point of Contact	Purpose	Date and Details
Initial contact	A phone call welcome and introduction. Review your years on the Board and share your Board experience. Help to convey the effective, collegial, and friendly culture of the board. Offer to serve as a resource in their first year.	
Orientation	Orientation materials will be shared with new trustee and mentor. Mentors may attend orientation or follow up with new trustee after orientation.	
Contact prior to meetings	<ul style="list-style-type: none"> ● Reach out to new trustee after their review of the meeting agenda and materials to answer questions about agenda items, meeting procedures, participation in meetings, etc. ● Sit with the new trustee at their first board meeting 	
Post-meeting follow-up	Follow up after meetings to respond to questions, review how/why the board reached its conclusions, address concerns, etc.	
Other points of contact	Assist with introductions at board social events and university events.	
<p>Mentor to provide feedback to board chair, president, and/or board secretary on interactions warranting further follow-up to support the new trustee or the process.</p> <p>New trustee to provide feedback to board secretary regarding orientation and the mentorship experience including opportunities for improvement.</p>		

Board Statement on President Emeritus Status Board of Trustees of Southern Oregon University

I. Policy

The Board of Trustees of Southern Oregon University is the sole entity that may confer emeritus status upon a former university president of Southern Oregon University.

Former presidents who have served SOU for a significant period, sufficient to demonstrate meaningful contributions to higher education in Oregon, and upon the recommendation of the Board of Trustees, may be eligible to be accorded the title of President Emeritus of Southern Oregon University.

The significance of the period of service may include but is not limited to considerations of the duration of service and circumstances occurring during the president's period of service.

II. Purpose

The purpose of this board statement is to describe the criteria and process for granting the title of President Emeritus and the rights and privileges extended to Presidents Emeriti.

III. Criteria for Granting Emeritus Status

The President Emeritus title may be conferred on an individual with significant honorable and distinguished service as university president. Such service goes beyond the regular duties and responsibilities of the appointment and contemplates that the individual had an extraordinary impact on the university and broader community that exemplified the highest standards of professional and personal conduct, integrity, vision, and leadership.

III. Process for Granting President Emeritus Status

Granting of the rights, privileges, and title of President Emeritus:

- a. The Board of Trustees will observe a waiting period of at least one year following the completion of a president's service as university president before considering awarding emeritus status.
- b. A member of the Board may nominate a university president for the title of President Emeritus. The title must be approved by a majority of the trustees when a quorum is present.
- c. In the board's determination of awarding the title of President Emeritus, the board may consult with members of the SOU community to support the designation of this honor. The nature of such consultation is informational only, as the Board retains the sole authority for conferring emeritus status upon a former university president of SOU.
- d. If approved by the Board, the Board Secretary will notify the individual, the SOU Faculty Senate, and the SOU Staff Assembly that the honorary title of President Emeritus has been granted.

- e. The Board reserves the discretion to award the Presidential Emeritus title and privileges as it deems necessary and appropriate.
- f. The Board retains the authority to withdraw a President Emeritus title at its discretion at any time.

IV. Rights and Privileges of Presidential Emeritus Status

The title of President Emeritus confers no remuneration, rights to employment, rights to service, or any benefit in addition to those described in this policy. Presidents Emeriti do not exercise any of the authority or administrative functions associated with holding a faculty or staff position at the university, unless they are doing so in the capacity of another SOU position title (such as professor).

The benefits and privileges that inure to a former university president with the President Emeritus title are as follows:

- a. A resolution naming and honoring the university president as President Emeritus;
- b. Listing on the university President's Office website;
- c. Use of the title "President Emeritus" in community and professional activities;
- d. Emeritus business cards upon request;
- e. Upon the invitation of the then-current University President, the option to participate in university functions and events;
- f. Complimentary parking on the university campus upon request;
- g. The ability to use an institutional e-mail address;
- h. SOU Identification Card; and
- i. Campus library privileges.

The Board of Trustees may consider additional privileges. The exercise of any privileges shall be consistent with the institutional policies and procedures of Southern Oregon University. The costs of these privileges shall be the responsibility of Southern Oregon University.

It is the intent of this statement that the designated individual shall be accorded the right to use the President Emeritus designation from the date of issuance forward, to mark this singularly significant professional honor.

Board Officer Elections (Action)

Board Officer Elections Work Group Summary

Based on the information gathering of the Governance Work Group, and on the recommendation of the Executive and Audit Committee, the Board of Trustees of Southern Oregon University (SOU) approved amendments to the [Board Statement on the Process for Officer Elections](#), on January 21, 2022. Following this, the Board of Trustees began implementation of its process to elect officers: a chair and vice chair for the board.

Board chair Daniel P. Santos appointed a work group comprised of trustees Shaun Franks, Deborah Rosenberg, and Bill Thorndike, and the board secretary, Sabrina Prud'homme. Bill Thorndike was appointed as the chair of the work group.

The Officer Elections Work Group met on the following dates to carry out the process outlined in the board statement.

- February 28, 2022
- April 29, 2022
- June 3, 2022

Trustees Franks and Rosenberg each conducted outreach to every trustee who was recommended by a board colleague or colleagues, or who expressed interest in serving as a board officer. The group's Chair Thorndike conducted additional outreach as needed, including to the university president.

While more than one trustee was recommended for each officer position, most withdrew their names from consideration. The following slate of recommendations represents those who remain for the board's consideration of new officers.

Remaining Recommendations

Chair	Vice Chair
Daniel Santos	Sheila Clough

The work group finds it important to outline for the board, an important observation resulting from the remaining two recommendations. It is well-known by trustees that institutional advocacy and advocacy for the enduring value of higher education both play important parts in the role of trusteeship. This advocacy spans from Portland to Ashland and beyond, and often is needed in many locations in between, especially in Oregon's state capital of Salem. With prospective board officers in Salem and the Rogue Valley, the duality of these trustees' locations has the potential to benefit SOU well. This outreach and advocacy often is among HECC commissioners, legislators, the business community, collaborative partners, and others. As the board prepares to vote for its next chair and vice chair, the work group urges the board to consider these benefits in the biennium ahead and how these candidates might help to position the university for success in the future.

Future Meetings

Adjournment