



Board of Trustees

Finance and Administration Committee Meeting

June 15, 2023

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OFFICE OF THE BOARD OF TRUSTEES

Public Meeting Notice

June 8, 2023

TO: Southern Oregon University Board of Trustees, Finance and Administration Committee

FROM: Sabrina Prud'homme, University Board Secretary

RE: Notice of Regular Meeting of the Finance and Administration Committee

The Finance and Administration Committee of the Southern Oregon University Board of Trustees will hold a regular meeting on the date and time set forth below.

Action items for the meeting include a consent agenda consisting of the financial dashboard and past meeting minutes; and the SOU Budget for Fiscal Year 2024.

Information and discussion items include a vice president's report consisting of a Higher Education Coordinating Commission report, a capital projects funding update, and an update on the Core Information System Replacement project. The committee also will discuss the accountability framework for the implementation of the *SOU Forward* plan as well as a budget update and pro forma review for the current fiscal year.

The meeting will occur as follows:

Thursday, June 15, 2023

5:00 p.m. to 7:00 p.m. (or until business is concluded)

Meese Room, 3rd Floor, Hannon Library, SOU Campus

Members of the public may view the proceedings at <https://sou.zoom.us/j/87981491801> at the time of the meeting.

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

The Hannon Library is located at 1290 Ashland Street, on the Ashland campus of Southern Oregon University. **If special accommodations are required, please contact Christina Martin at (541) 552-8055 at least 72 hours in advance.**

Public Comment

Members of the public who wish to provide public comments for the meeting are invited to sign up to speak or to submit their comments in writing at least 24 hours in advance

of the meeting to the Board of Trustees email address: trustees@sou.edu. 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.

Call to Order / Roll / Declaration of a Quorum



**Board of Trustees
Finance and Administration Committee Meeting**

**Thursday, June 15, 2023
5:00 p.m. – 7:00 p.m. (or until business concludes)
Meese Room, Hannon Library, SOU Campus
Webinar Link: <https://sou.zoom.us/j/87981491801>**

AGENDA

Persons wishing to provide public comment in the meeting or in writing may sign up at trustees@sou.edu.
Please note: times are approximate and items may be taken out of order.

- | | | | |
|---------|----------|--|--|
| 5 min. | 1 | Call to Order/Roll/Declaration of a Quorum | Chair Shaun Franks |
| | 1.1 | Welcome and Opening Remarks | |
| | 1.2 | Roll and Declaration of a Quorum | Sabrina Prud'homme,
SOU, Board Secretary |
| | 1.3 | Agenda Review | Chair Franks |
| | 2 | Public Comment | |
| 5 min. | 3 | Consent Agenda | Chair Franks |
| | 3.1 | Finance Committee Dashboard | |
| | 3.2 | May 18, 2023, Minutes | |
| 15 min. | 4 | Reports | |
| | 4.1 | Vice President's Report | Greg Perkinson, SOU, Vice
President for Finance and
Administration |
| | 4.1.1 | Higher Education Coordinating Commission
Update | |
| | 4.1.2 | Capital Projects Funding Update | |
| | 4.1.3 | Core Information Systems Replacement
Project Update | |
| | 5 | Action, Information and Discussion Items | |

**Board of Trustees
Finance and Administration Committee Meeting
Thursday, June 15, 2023
5:00 p.m. – 7:00 p.m. (or until business concludes)**

AGENDA (Continued)

10 min.	5.1	SOU Forward: Accountability Framework for Implementation	President Rick Bailey; Greg Perkinson
20 min.	5.2	Budget Update and Pro Forma Review for Fiscal Year 2023	Greg Perkinson; Dr. Neil Woolf, SOU, Vice President for Enrollment Management and Student Affairs
60 min.	5.3	SOU Budget for Fiscal Year 2024 (Action)	President Bailey; Greg Perkinson
5 min.	5.4	Future Meetings	Chair Franks
	6	Adjournment	Chair Franks

Public Comment

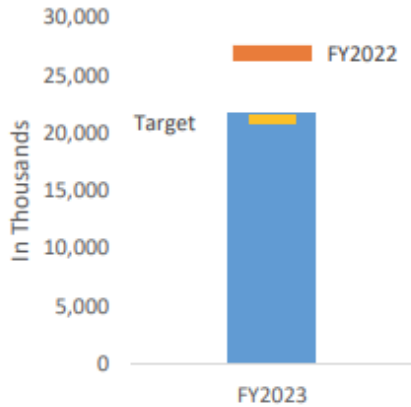
Consent Agenda

Financial Dashboard

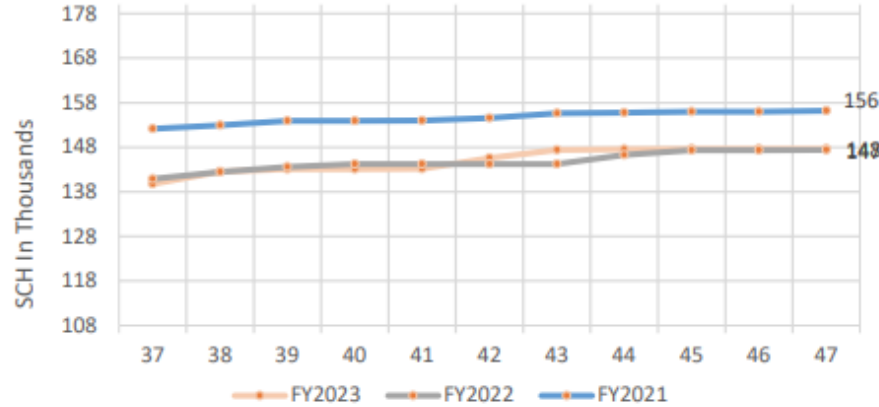
For FY2023

As of May 31, 2023 prior to close numbers

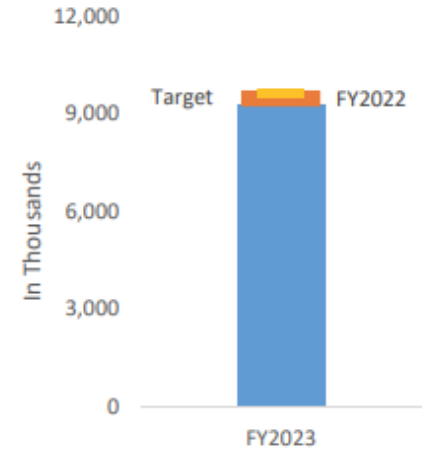
Public University Funds Operating Cash



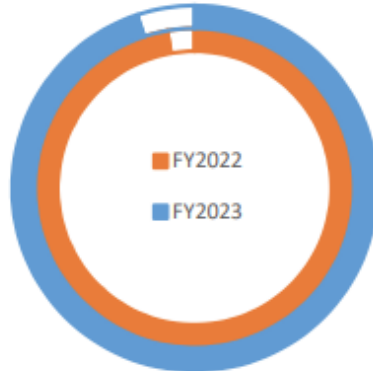
Total Student Credit Hours by Week of the Fiscal Year



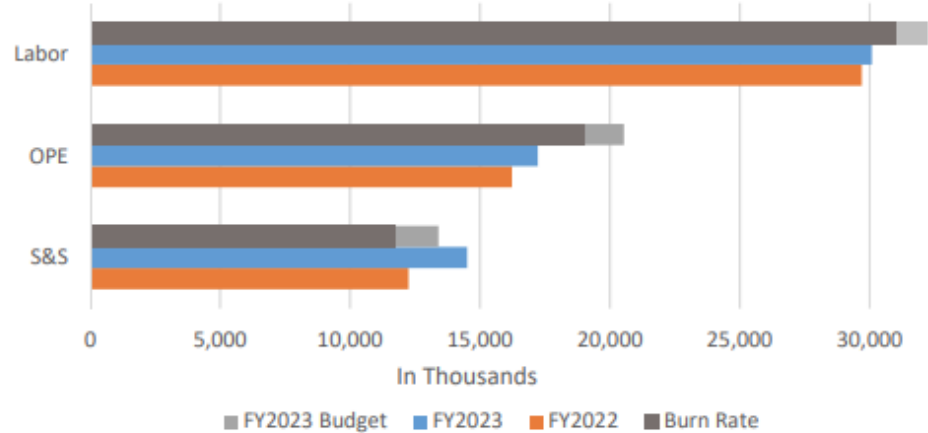
E&G Fund Balance



E&G YTD Revenues



E&G YTD Select Expenses



"Institution" portion of Federal Relief Funds in hand.
\$3.3m allocated to E&G during FY2023

Financial Dashboard

Notes and Take-Aways

- \$3.3M of federal relief funds were transferred to the Education and General (E&G) fund in July (shows as a "transfer-in" from the federal fund).
- With federal funds in E&G; cost reduction targets; additional housing transfer; and a slight decrease in tuition revenue projections, it is anticipated that SOU still have ~ \$5.3M ending fund balance (EFB) (around 8.24% for EFB metric).
- Cash (all funds) is back on target. In December, SOU received \$3M from reserve account held by Collegiate Housing Foundation (CHF)
 - There is another \$1.4M in reserves
 - Occupancy in Housing is strong (exceeding projections)
- Student Credit Hours: Enrollment declines continue, but are 'variable'
- Expenses: Compared to budget, total labor expenses are down over \$3M as part of FY 23 cost reduction measures. In summary:
 - Direct labor costs (YTD) and OPE are below burn rate
 - Supplies and Services spending is up, based on inflationary pressures and forecasting early retirement expenses (~\$700K)
- Increase in remissions (Raider Aid) drove slight decrease in EFB

**Board of Trustees
Finance and Administration Committee Meeting
Thursday, May 18, 2023**

MINUTES

Call to Order/Roll/Declaration of a Quorum

Committee Chair Shaun Franks called the meeting to order at 5:00 p.m. He welcomed all attendees and guest, Steve Larvick, SOU's former controller and current interim budget director. He gave a special thanks to the VPs and staff who always show up to support the committee.

Board Secretary Sabrina Prud'homme called the roll and a quorum was verified.

Committee Members:

Katherine Cable	Absent	Christina Medina	Present
Sheila Clough	Present	Liz Shelby	Present
Shaun Franks, Chair	Present	Bill Thorndike	Present
Andrew Gay	Present		

Other trustees in attendance: Daniel Santos and President Rick Bailey.

Public Comment

There were no public comments.

Consent Agenda (Action)

Trustee Gay moved to approve the consent agenda consisting of the minutes of the April 20, 2023 meeting and the financial dashboard. Trustee Thorndike seconded the motion and it passed unanimously.

Vice President's Report

Higher Education Coordinating Commission (HECC)

Vice President Perkinson reported that SOU projects scored fifth and sixth on the HECC's list for capital funding. Legislative support is still unknown but more information is expected in June. He provided an update that the \$15M Technical and Regional University (TRU) earmark will include Portland State University, for a potential \$25M.

Mr. Perkinson highlighted key points from Jeanne Stallman on legislative actions. He stated that the revenue forecast is strong and if there is a recession, it is expected to be small and probably would not occur until 2024. The result is that the legislative team is pushing hard on the Public University Support Fund (PUSF) at \$1.05B to achieve the current service level (CSL).

President Bailey added that most of SOU's revenue is from students and even a CSL budget means a burden on students. The goal is to convince the state that higher education is a public good. Discussion ensued about the value of higher education and state funding in a time of decreased enrollment. President Bailey pointed out that state funding for higher education is the same as it was 20 years ago.

Core Information System Replacement (CISR) Project Update

Mr. Perkinson provided an update on the CISR project: the project team is focused and doing well; the change management piece is in full swing and received positive feedback; and the organizational structure is being refined as preparation for testing begins.

In response to Trustee Gay's questions, Mr. Perkinson stated that if capital projects do not get funded in this session, SOU will revisit them and work to strengthen the proposals. President Bailey discussed his conversations with legislators and his hope they, too, will see now as "SOU's turn" to receive support. Vice President Fratella asked if the updated increase in projected state revenue would provide additional money for capital projects. Ms. Stallman stated that the increase does not affect the capital budget. There was further discussion regarding funding and enrollment. It was noted that there are fixed and variable costs and that not all costs are directly increased by an increase in enrollment.

Action, Information and Discussion Items

SOU Forward: Accountability Framework for Implementation

President Bailey started with the question of, "How can SOU ensure it does not end up in the same [fiscal] position in five years?" He acknowledged that SOU is good at starting new things but not so great at stopping or evaluating things. He stressed the need to have accountability measures and provided five accountability questions for new requests that should be answered. What resources will this new proposal require? What are the anticipated fiscal or performance benefits from this initiative? What is the time horizon for these expected benefits? What metrics and measurements will be used to monitor progress? And, what actions will be taken if the expected milestones are not achieved?

President Bailey announced that he filmed the latest video update in which he spent a lot of time talking about belonging and the negative language some use. In the entirety of his time at SOU, it has felt to him that SOU has been playing defense. He believed that crisis has been averted, noting that there will still be challenges but crisis would have been far worse for SOU and its students. He questioned how SOU can switch from being on defense to offense, and what needs to be done to be the university everyone wants to see now and in the future.

Mr. Perkinson discussed implementing *SOU Forward* and a framework that includes: focus, leverage of energy, engagement, and accountability. This includes regular team meetings from cabinet to front-line managers. He reviewed cost management milestones in the near-term, mid-term, and long-term. A near-term milestone was the issuance of employment notices on May 1. Fifty-one funded, vacant positions also were moved out of the budget. President Bailey reiterated that taking 51 one vacancies off the books, in which no people were affected, removed the safety net [of having a vacancy factor] from the budget. Mr. Perkinson highlighted a couple of mid-term goals that included: a reorganization of Academic and Student Affairs; a transition of facilities management to "asset management," and hiring a new provost. On the long-term side, it is about culture and monitoring culture change tied to equity, accountability, and the transformation of technology, processes, and tools.

Budget Update and Pro Forma Review: Revenue and Expenses for Fiscal Year 2023

Discussing the FY 2023 budget and the estimate to complete, Greg Perkinson said the changes from April are subtle. Highlights included a projected \$5.5M ending fund balance, which ties to 8.7% of the budget. SOU has seen a positive \$550K in tuition revenue collections. Offsetting this is remissions, which were planned at \$3.4M and SOU is currently over \$4M. About \$300K

was clawed back in other spending while a \$300K disconnect remains; so, the president is working with financial aid, budget, and the controller on this issue. A strategic question is if SOU should use any of its reserves to shore up that deficit. President Bailey described remissions as an imperfect art and that he has asked Vice President Perkinson to facilitate a process improvement plan. Trustee Clough cautioned that using rainy-day funds such as the COVID funds and vacancy factors will inhibit SOU's ability to weather future storms.

Draft Fiscal Year 2024 Budget

Greg Perkinson announced that there were no major changes to the budget since the last meeting and provided an overview of the conservative revenue assumptions, which remain unchanged from the last meeting. The state revenue allocation is a conservative \$26.4M, based on the governor's recommended budget; tuition revenue is modeled with a slight decline in student credit hours; there is an increase in miscellaneous revenue from the refinancing of North Campus Village bonds and a restoration of lease income; the last increment of federal funding [\$2.9M] is included, and one-time monies were not considered in the budget.

On the cost side, Steve Larvick stated that vacant positions were removed and factored into the budget while other positions will be removed based on timing in the realignment plan. Regarding supplies and services (S&S), Mr. Larvick elaborated on the projected cost savings from reductions in shared services as SOU migrates to Workday; although, financial reporting requires a 24-month notice, so those savings will not be reflected until January 2025. Regarding transfers in and out of the education and general fund (E&G), changes in athletics and offsets from donations will result in less reliance on E&G for athletics support.

Reviewing the pro forma, Mr. Perkinson noted a negative \$1.6M tuition based on enrollment and the mix of tuition rates. Health insurance costs are increasing, and S&S is up by \$1.1M. With reserves, and the [realignment] plan, there are increases year-over-year in fund balance starting from \$5.5M this year to \$9.2M in the out years. President Baily added that this does not capture revenue or cost savings from energy projects [or building projects] in the other planks of *SOU Forward*. Trustee Clough thought it was good to see projections out to 2027, which is shaping up well, but cautioned that two years ahead are where SOU needs to focus.

Reviewing the draft budget, Mr. Perkinson noted that the budget presentation is a summary of expenditures by fund. Education and general is SOU's primary mission fund. As a starting point, Mr. Larvick noted that in FY 22 SOU received \$9.9M in federal relief funds, which could be used for expenses, not just losses. After accounting for losses, in line with the Department of Education and SOU auditors, one-third went into E&G, and the remaining \$6.6M went into an auxiliary reserve. As budgeted operations were needed, monies were transferred. For this budget, the remaining funds have been moved from a transfer line to a federal relief line to more accurately depict this. So, the total revenues are \$65.3M and expenses are \$67.3M, offset by the federal fund for total estimated expenditures of \$64.4M.

Much discussion ensued regarding the federal relief, the use of reserve accounts, transfers, and how SOU shows this in the budget. Responding to Trustee Gay's question, Mr. Perkinson and Mr. Larvick noted that when backfilling administrative positions like the provost's, those are held static in the budget until more information is available on the salary, and classified salaries generally are dependent upon the step level of the outgoing employee and assumptions on how SOU plans to backfill that position. Committee Chair Franks requested a transfer report to be included in June to capture transfers in and out at a high level and

especially the federal funds, which otherwise skews the budget.

Mr. Perkinson explained that Designated and Service Center Operations shows non-credit earning programs, public services such as Jefferson Public Radio (JPR), Rogue Valley Television, and service centers like SOU Print and Copy (P&C). It's a much smaller budget and the intent is that the designated operations units are self-supporting. This budget [with total expenditures of nearly \$5.9M] shows a negative \$400K between revenues and expenses, which Perkinson does not find concerning, as SOU anticipates that revenue in these areas will be refined by June and may improve. If the \$400K disconnect persists thereafter, the ending fund balance remains. President Bailey asked Mr. Perkinson to comment on the longitudinal stability of the fund, and the fundamental differences between this and E&G. He replied that the goal is not to make money but to break even on the cost of providing services to SOU. Units estimate their costs without understanding fully what the demand may be, and Mr. Perkinson pointed to P&C as an example, noting they don't know how many photocopies will be needed next year or that JPR transfers funds to pay for costs, but it gets refined.

Turning to the Auxiliary Operations (AO) fund, which covers operations such as housing, athletics, parking, and the student health center, Mr. Perkinson explained that each entity is managed by its own director in different ways, but all are intended to be self-supporting. He showed a slide outlining total 2024 expenditures of \$14.6M, with a fund balance of \$6M, most of which is in reserves rather than operations. There is a \$600K disconnect on the revenue side, which is expected to improve as price increases take effect. Mr. Larvick noted that the federal funds were taken out of auxiliaries but in FY 2022 it was a transfer in; but, it wasn't a windfall of \$6M for auxiliary activities. Mr. Perkinson further explained that when academic activities occur within the student recreation center, E&G pays for those with a transfer-in to AO. Responding to Trustee Shelby's question about income from the sale of the three houses, Mr. Perkinson said it is in a strategic housing reserve.

Showing combined operations for all three funds, Mr. Perkinson said that given the refinements and fine-tuning revenues for housing, as well as picking up the disconnects, the bottom line will be refined in June. Vice Chair Clough said it seems like this year SOU is projecting a positive bottom line and next year is negative. Mr. Perkinson agreed and said what hasn't been quantified yet from the *SOU Forward* plan, is the housing front-office reorganization, noting that occupancy is high, SOU is meeting targets in North Campus Village, and this is just one area. Continued refinements will occur for the June submittal. Mr. Perkinson reviewed the path forward as continued austerity, transparency with campus; bending the cost curve through innovation and transformation; and stabilizing revenue.

In response to Trustees Thorndike, Shelby, and Gay regarding the accounting for student labor and scholarships, Mr. Perkinson explained that scholarships offset enrollment for students but are not shown as income. He described work-study and other programs that help students retain, although they aren't necessarily part of a recruitment package. Giving an example of attracting students to SOU, Debra Lovern added that work-study is part of a \$400K financial aid package and the Bridge Program has \$100K for student workers, so these account for a half-million dollars for students. Mr. Larvick added that the total student labor budget is back up to \$2.8M for next year; however, federal funding for work-study has not increased in decades and when minimum wage goes up, it puts pressure on the university to fund student employment reasonably. He added that federal work study money sometimes is left "on the table," like last year, but that was not the case this year.

Expenditure Request: Continuation of Education Advisory Board Navigate Software (Action)

Vice President Perkinson provided an overview of Navigate as a tool that enables students' communication and helps them to succeed. Provost Walsh explained that without Workday's implementation, this program is needed to support students as it helps with advising, identifying at-risk students, and communicating with professors to provide support services. Using the integrated analytics of Navigate, student success coordinators (SSCs) can identify and blast out a campaign to grow an under-enrolled class to maximize class size. The provost expressed concern that if SOU gets rid of the Navigate software before the new platform is in place, there could be a two to three-year gap and relying on simply on email and texts would affect students' ability to persist and graduate on time. Although many things impact retention, Mr. Perkinson shared his belief that Navigate helps drive retention among users and is a good return on investment. He showed data on student usage and retention, noting that eight of the past ten terms show that retention to subsequent terms is higher for Navigate users than non-users. He reviewed the contract proposal, as presented in the meeting materials.

Trustee Gay announced that he has been identified as a Navigate "power-user" and champion because he uses it a lot and has few issues with the program. He noted that some of faculty are not convinced that Navigate is worth the investment. He would like more data on actual usage. Provost Walsh later commented that it is not just a faculty issue and that there are very heavy users of Navigate including SSCs, the office of the dean of students, and the SOU Student Health and Wellness Center—especially during COVID. She also suggested that usage adoption is generational. Addressing Trustee Gay's concern about the administrator of Navigate leaving SOU, Provost Walsh expressed confidence in the infrastructure support and service that will continue. Mr. Perkinson shared that additional information would be presented in June.

Trustee Clough commented on the differences between change management versus actual software issues, as well as the challenges of implementing another software while waiting on Workday. In response to Trustee Gay's question on whether SSCs are appreciating the tool, Provost Walsh answered with 95% confidence that they are. Trustee Thorndike commented on the reasonable return on investment and the modest increases in pricing of the contract.

Trustee Thorndike moved to recommend that the board approve the 3-year EAB Navigate expenditure, as proposed, in the amount of \$655,006. Trustee Medina seconded the motion and it passed with one abstention from Trustee Gay.

Future Meetings

Chair Franks announced that the next meeting of the committee is scheduled to take place on June 15, 2023 at 5:00 p.m. If any trustee has a specific item to suggest for a future meeting, please send them to the board secretary.

Adjournment

Chair Franks adjourned the meeting at 7:02 p.m.

Vice President's Report

Roadmap for Vice President's Report



- Higher Education Coordinating Commission (HECC) update
- Capital Projects Funding Update
- Core Information System Replacement Project Update

HB 5025-1: Initial Higher Ed Budget Numbers (as of 5/31/23)

- Just over \$1B for Public University Support Fund (PUSF)
- \$25M for TRUs and PSU (will flow in two parts; SOU's share of first increment is still being determined)
- \$6.8M for Strong Start (maybe SOU will get ~ \$1M again)
- Oregon Opportunity Grant (OOG) at \$308M
- Sports Lottery fully funded (with a slight increase, decreasing transfer from E&G to Athletics)

Analysis of State PUSF Funding Allocation--Conservative Approach



Total Calculated Allocation										
	EOU	OIT	OSU	OSUC	OSU Total	PSU	SOU	UO	WOU	Total
FY2023 Final	\$ 22,193,485	\$ 32,136,328	\$ 138,299,925	\$ 9,024,408	\$ 147,324,334	\$ 113,641,551	\$ 26,497,548	\$ 85,623,888	\$ 31,582,867	\$ 459,000,001

	PUSF	FY24 (49%)	FY25 (51%)
GRB	933,165,324	457,251,009	475,914,315
DAS CSL	972,047,213	476,303,134	495,744,079
OPU Request	1,050,000,000	514,500,000	535,500,000

Showing changes for FY24, assuming only PUSF amount changes, no changes in underlying enrollment or outcomes data:

FY24	EOU	OIT	OSU	OSUC	OSU Total	PSU	SOU	UO	WOU	Total
GRB	\$ 22,108,918	\$ 32,013,873	\$ 137,772,941	\$ 8,990,019	\$ 146,762,961	\$ 113,208,529	\$ 26,396,580	\$ 85,297,623	\$ 31,462,524	\$ 457,251,008
Chg from FY23	\$ (84,567)	\$ (122,455)	\$ (526,984)	\$ (34,389)	\$ (561,373)	\$ (433,022)	\$ (100,968)	\$ (326,265)	\$ (120,343)	\$ (1,748,993)
DAS CSL	\$ 23,030,123	\$ 33,347,785	\$ 143,513,479	\$ 9,364,604	\$ 152,878,083	\$ 117,925,549	\$ 27,496,439	\$ 88,851,692	\$ 32,773,462	\$ 476,303,133
Chg from FY23	\$ 836,638	\$ 1,211,457	\$ 5,213,554	\$ 340,196	\$ 5,553,749	\$ 4,283,998	\$ 998,891	\$ 3,227,804	\$ 1,190,595	\$ 17,303,132
OPU Request	\$ 24,877,011	\$ 36,022,091	\$ 155,022,465	\$ 10,115,593	\$ 165,138,059	\$ 127,382,525	\$ 29,701,500	\$ 95,977,104	\$ 35,401,712	\$ 514,500,002
Chg from FY23	\$ 2,683,526	\$ 3,885,763	\$ 16,722,540	\$ 1,091,185	\$ 17,813,725	\$ 13,740,974	\$ 3,203,952	\$ 10,353,216	\$ 3,818,845	\$ 55,500,001

Ways and Means Co-chairs' budget has PUSF at \$947,746,033

Analysis of State PUSF Funding Allocation--Expectation (as of 5/31/23)



Total Calculated Allocation										
	EOU	OIT	OSU	OSUC	OSU Total	PSU	SOU	UO	WOU	Total
FY2023 Final	\$ 22,193,485	\$ 32,136,328	\$ 138,299,925	\$ 9,024,408	\$ 147,324,334	\$ 113,641,551	\$ 26,497,548	\$ 85,623,888	\$ 31,582,867	\$ 459,000,001

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OPU Request	\$ 24,877,011	\$ 36,022,091	\$ 155,022,465	\$ 10,115,593	\$ 165,138,059	\$ 127,382,525	\$ 29,701,500	\$ 95,977,104	\$ 35,401,712	\$ 514,500,002
Chg from FY23	\$ 2,683,526	\$ 3,885,763	\$ 16,722,540	\$ 1,091,185	\$ 17,813,725	\$ 13,740,974	\$ 3,203,952	\$ 10,353,216	\$ 3,818,845	\$ 55,500,001

HB 5025-1 (after allocation through SSCM) ~ \$1.76M increase over FY 23; and increase to PUSF baseline. A version of pro forma follows with label:

Optimistic Scenario – HB 5025-1

Capital Project Funding

- No clear sense of “how to read the tea leaves,” but, it doesn’t look promising
- July ‘23 Facility Planning and Utilization Committee will focus on initial planning decisions, based on legislative sessions outcomes

Core Information System Replacement (CISR) Project Update



Enterprise Resource Planning (ERP) and Student Information System (SIS) Update

- The CISR Project Team has devoted the past nine months to acquiring proficiency in Workday while, at the same time, meticulously evaluating and constructing the new HR, Finance, and Payroll systems. The team's commitment and extensive efforts in upholding the project core values of CISR will ensure a seamless transition to Workday.
- As we shift focus to the summer quarter, I want to share some noteworthy CISR highlights and achievements. The Accounting, Budget, Finance, and HR areas successfully completed *Customer Confirmation Sessions* (CCS). These sessions provide an opportunity for SOU subject matter experts to show off what has been built in the system thus far. Currently, the overall project status is green as all functional areas continue to be diligent and adhere to the newly-established timeline.

A look ahead...

- Over the next few months, SOU will continue to work hard to prepare for the December 2023 go-live. Upcoming project priorities include:
 - ❑ Discussions pertaining to the implementation of the Student phase of Workday will start this summer, involving a carefully selected group of employees. This group will play a pivotal role in planning and shaping the successful integration of Workday.
 - ❑ As part of the End-to-End Testing phase, which is scheduled for August, the project team will thoroughly examine everyday scenarios within the system, ensuring their accurate construction from start to finish.
 - ❑ In the fall, employees who are not directly involved in the project will be able to access, evaluate, and provide constructive feedback on Workday during User Readiness Review sessions.
 - ❑ Employee training will begin in November. A comprehensive plan is being developed and will include in-person and virtual sessions, along with detailed step-by-step training guides to facilitate optimal learning and utilization of the system.

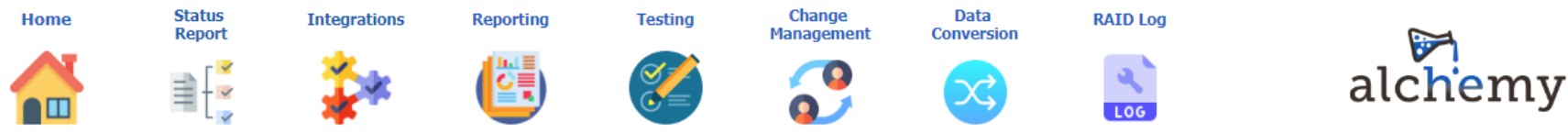
Did you know?

- Once launched, Workday will provide employees with access to real-time reports, empowering SOU to make prompt and informed decisions.

CISR Dashboards and Tools

🕒 SOU - Team Dashboard ☆

Home | Status Report | Integrations | Reporting | Testing | Change Management | Data Conversion | RAID Log



Useful Links

Key Resources

People | Documents

Timeline

Smartsheet Reference Guide

Workday Community



- SOU - Key Dates & Activities
- SOU - Status Report
- SOU - Integrations Tracking
- SOU - RAID Log
- SOU - Testing Defects
- SOU - Reporting Inventory [Platform]



Project Status

RAID Status

Days to Go Live

Go Live **211**

SOU - Weekly Status Report			
Week Ending	Workstream	Current Status	Trending Status
06/02/23	PRJ - Change Management	●	●

RAID Status



RAID Priority



SOU Forward: Accountability Framework for Implementation

Accountability: Creating the Culture

From page 43 of SOU: Forward

How will we handle new proposals and initiatives?

These five questions must be answered before any approval is given:

1. What resources will this new proposal require?
2. What are the anticipated fiscal or performance benefits from this initiative?
3. What is the time horizon for these expected benefits?
4. What metrics and measurements will be used to monitor progress?
5. What actions will be taken if the expected milestones are not achieved?

“By embracing this cultural shift, we can help mitigate the likelihood of uncontrolled programmatic cost increases. All of us must acknowledge our responsibility to keep the institution on sound fiscal footing...”

From Plan to Action

- How do the four planks get actualized? This becomes the art of executing strategic imperatives.
- Develop “project plans” and create a management dashboard enabling top-level oversight
- Update and track: issues, risks and opportunities

SOU FORWARD STRATEGY



Cost Management | We must adopt a mindset of long-term fiscal stability by balancing our budget year after year (ensuring that revenue is always greater than or equal to cost) and building a robust reserve fund to manage through future external uncertainties. This work requires a variety of painful decisions that impact all academic and administrative programs and all employee groups. See remaining document (sections II - V below) for additional information.



Grants | Numerous funding opportunities are available from state, federal, foundations and other private entities for a variety of uses. Some may directly affect SOU's current expenditures, while others may allow us to augment or add value to existing programs. University Advancement's Office of Sponsored Programs is supporting faculty and staff who are actively pursuing and managing grants and other "sponsored" funding opportunities.



Philanthropy | We have achieved a series of fundraising records in recent years, and we have repositioned ourselves to continue its dynamic growth. The two single largest philanthropic gifts in the university's 150-year history were made in the last 12 months, and they cap a 125% increase in giving in five years. As the campus embarks on its inaugural comprehensive campaign, the opportunity for donors to support academic programs, faculty positions, and student services has never been greater. To be successful, we will need the entire campus community moving forward together—to support our fundraising priorities and bring new donors into our Raider family.



Revenue Diversification | Our efforts to explore entrepreneurial projects to diversify our revenue streams has caught the attention of our legislative and political leaders throughout the state. They are commenting publicly about the bold steps we are taking to manage our current reality and plan for the future.

The projects below are just the beginning; these current revenue projects are in the discovery phase and all are moving forward at various speeds.

Implementing SOU Forward



Focus on the main thing...the execution paradigm:

- Focus on Wildly Important Goals
- Measure 'leading indicators' (influence and behavior)
- Put up a Scoreboard
- Conduct regular 'accountability' talks / meetings



Complete near-term milestones and develop action plan

- ✓ Implement Phase 1 personnel actions (notices issued 5/1/23; 6 classified completed, Unclassified Admin: 12 complete / 3 pending)
- ✓ Finish amendments to FAST (Budget system of record) not later than 6/30/23
- ✓ Continue hiring key positions (Provost, Title IX coordinator, etc.)





Cost Management Milestones

Mid-Term:

- ✓ Completed plan to reorganize Academic and Student Affairs (6/15/23)
- Continue University Housing reorganization (9/1/23)
- Transition Facilities Management to “Asset Management” technology and mindset (9/15/23)
- Plan for phase 2, personnel actions (9/15/23)
- Hire new Provost and VP of Academic and Student Affairs (12/31/23)
- Implement CISR on time and with quality (go-live 1/1/24)

Long-Term:

- Monitor culture change tied to equity, accountability and the transformation (technology, processes and tools)

President's Dashboard

“Program Management 101”



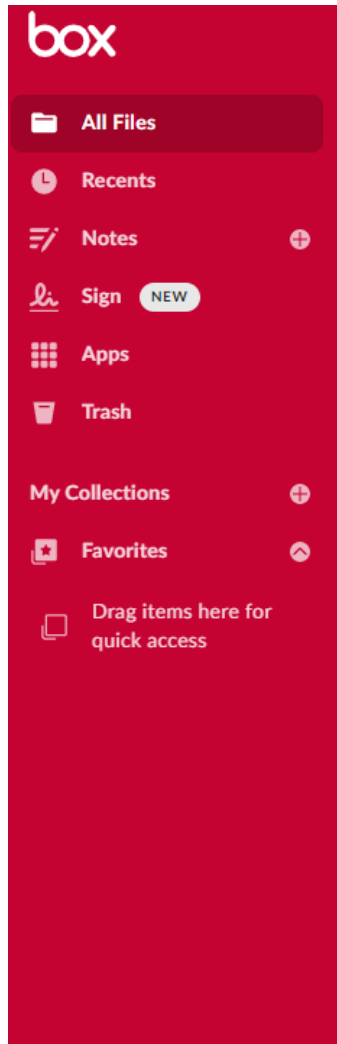
Next major milestone	Health	Initiative or Program Area	Summary - Desired outcome or end-state	Estimated Completion Date	Status	Remarks (Risks and Constraints // Discuss near-mid-long term actions)	In Progress	On Hold	Business Academic EM - Student Advancement EDI
7/30/2023	G	Demolish Cascades	Effectively demolish existing Cascades complex using \$3.5m in ARPA funding from State NLT 12/31/25	12/31/2026	Funding received, Developing RFP	Haz survey complete, low risk, evaluate synergy with potential P3 capital development	x		Business
6/30/2023	G	Retirement Community	Partner with Private non-profit entity to develop Retirement Community and create lifelong learning opportunities	12/31/2028	Legal review in progress	After legal review complete, RFP and project plan will be developed	x		Advancement and Business
6/15/2023	G	Philanthropy	Continue silent phase of SOU Foundation campaign	1/1/2030	Great. Performance well above Plan	SOUF board is really engaged; great momentum	x		Advancement
7/15/2023	G	Grants Office and Program	Implement the new vision for Program	1/1/2026	Hired new Director	Team doing great work, with 'short staffing'	x		Advancement and Academic
6/31/2023	G	Cost Management - Personnel Plan	Implement Cost Management plan, removing 82 FTE from recurring cost base	6/30/2024	Board approved plan; employees notified 5/1	SOU Forward amended, and pending board approval; then personnel plan will be implemented	x		All
7/1/2023	G	CISR Project	Transition from Banner to Workday, using a 2-phased project approach: HCM/Finance and Payroll; then Student Info Systems	9/30/2026	Testing configuration	https://app.smartsheet.com/dashboards/5f4F2GM3H8pV5hhx5pFFjXGC73p9Q3vRCrcQjp71	x		Business
9/15/2023	Y	Service Excellence - culture change	Re-invigorate Service Excellence; correcting languishing implementation	Ongoing	Go back to SE rollout	Pandemic interrupted operating rhythm for onboarding and	x		All

President's Dashboard Worksheet (detail)



A	B	C	D	E
Demolish Cascades				
Five Questions to Consider	Answers	Risks	Issues	Opportunities
1. What resources will this new proposal require?	Manhours from FMP; \$3.5m in ARPA provided by State; 'grant management by Business Services'	Differing site conditions	None	Add contract work effort
2. What are the anticipated fiscal or performance benefits from this initiative?	Reduced operating costs; site prep for Retirement Living Community	Failed market survey or financials after RFP	None	Increase ground lease revenue
3. What is the time horizon for these expected benefits?	Complete by 3/31/25	Delays on execution	None	Any advantage to accelerating?
4. What metrics and measurements will be used to monitor progress?	Progress reports to HECC; VP updates to President and Board		Implement new Project module	Use new Project Module in Workday
5. What actions will be taken if the expected milestones are not achieved?	Get additional resources to support oversight or mitigation	Blowing through budget	None	
Milestones				
Current to 5/30/24: Dispose of surplus furniture & beds (looking at local nonprofits to donate beds to). Salvage all useful items.				
6/15/24 to 9/30/24: Move ROTC, National Parks, SOULA storage & JPR storage. Utility disconnects and safe-off.				
7/1/24: Release demolition RFP for bid				
8/1/24: Award contract to successful qualified low bidder. Complete contracts & permitting.				
10/1/24: Begin hazardous material abatement				
12/1/24: Begin demolition				
3/31/25: Demolition complete				

Process Improvement Team (PIT) (Cadre)



Search Files and Folders

All Files > Process Improvement Committee Team Drive

NAME

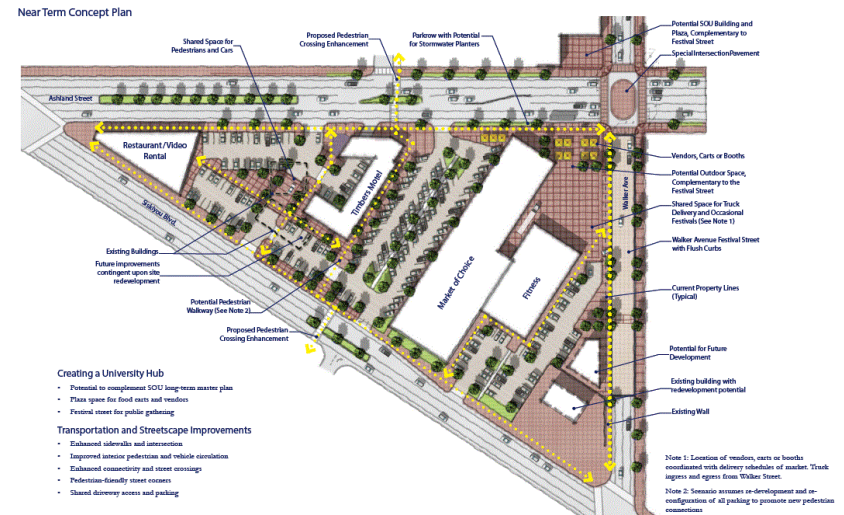
- Folder: Kaizen
- Folder: LinkedIn Learning
- Folder: Institutional Effectiveness
- Folder: Lean
- Folder: Tools & Templates
- Folder: Ted Talks
- Folder: EAB
- Folder: Six Sigma
- File: Closing_JUN30-All Campus 2023_Final.pdf [V2]

- Revitalized PIT cadre
- Began training for new team members (teaching facilitator role, and team leader role)
- Conducted PIT for Remissions overrun “problem”
- Next Steps: create momentum...



Alternative Revenue Generation

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



Oregon Department of Energy News Release



FOR IMMEDIATE RELEASE
June 1, 2023

Oregon Department of Energy Grant Program Supports Renewable Energy and Energy Resilience Development Across the State

SALEM – The Oregon Department of Energy has selected 39 recipients to receive a total of \$12 million in [Community Renewable Energy Grant Program](#) funds. The program supports planning and construction of renewable energy or energy resilience projects for Tribes, public bodies, and consumer-owned utilities.

ODOE received 52 applications requesting over \$19 million to support projects for this second round of grant funding. Awards were chosen on a competitive basis with the help of a grant application evaluation committee, which included community-based organizations, renewable energy advocates, industry leaders, and technical experts from across the state. Committee members considered project feasibility and strength, equity considerations, cost savings, economic development, and other features to select the 39 awarded projects.

The Phoenix Talent School District will receive \$1 million to install a ground-mounted solar installation with battery storage at Talent Middle School. The installation will act as an operable microgrid in the event of a natural disaster or other emergency, ensuring the building – which will act as a local emergency shelter – retains critical backup power. The Town of Lakeview will use \$100,000 to develop a plan for expanding use of the existing Lakeview Hammersley geothermal well to provide heating for city residences, businesses, and public facilities. The City of Pilot Rock will receive \$1 million to support construction of a 2.9-megawatt solar facility through the Oregon Community Solar Program and in partnership with Pilot Rock Solar 2. [Thirty-six other funded projects](#) will also support renewable energy or resilience planning and construction projects across the state.

“The Oregon Department of Energy is proud to support projects in Oregon communities that will bolster renewable energy and strengthen resilience in the event of an emergency,” said ODOE Director Janine Benner. “We were pleased to see the variety of proposed renewable energy and resilience projects in counties across the state – including solar, geothermal, biogas, and micro-hydro projects, as well as paired battery storage.”

ODOE will finalize performance agreements with the awardees, which outline their responsibilities for receiving the funds. After finalizing the agreements, the agency can release up to 30 percent of the grant, with the remaining funds released upon project completion and verification.

The [Community Renewable Energy Grant Program](#) was created by the Oregon Legislature in 2021 to support projects outside Portland city limits, with a total budget of \$50 million. ODOE awarded a [first round of \\$12 million in grants](#) in 2022, and will make additional rounds of funding available through 2024.

**Solar at SOU
Board Summary**

SOU has a goal to transform its campus with the installation of rooftop and parking lot solar to generate 100% of the electricity it uses. Solar energy production is one of the opportunities that SOU is currently pursuing in its effort to be more entrepreneurial in its approach to revenue generation. Achieving this goal will also contribute to the reduction of SOU’s greenhouse gas emissions. This significant infrastructure transition comes with opportunities to integrate into our academic programs and research to ensure our students are getting hands on experience.

SOU’s goal is for a production capacity of 7.2 MW. The solar installations will be on rooftops and parking lots.

The goal will be achieved over a number of phases:

Phase 0 - Pre-2019, primarily driven by our students, 5 rooftop installations creating 250kW

Phase 1 - 2019-2022, 5 rooftop installations creating 215kW / 3 net zero buildings

Phase 2 - current; rooftop and parking lot installations creating est 920 kW, plus battery storage/vehicle charging stations

Phase 3 - will add approximately 1,673 kW in rooftop and solar arrays

Phase 4 - will add approximately 4,242 kW in rooftop and solar arrays

We are currently in phase 2 and it is anticipated that phase 4 will take us to 2035. The funding mechanisms anticipated are State and Federal funding, grants, philanthropy and Student Green Fund.

Phase 0 and Phase 1

SOU currently has 9 solar arrays on campus, totaling 455 kW of solar capacity, plus an array at the Higher Education Center in Medford and a pole-mounted array installed last year by a nonprofit on land leased from SOU. SOU's first solar array was installed on its Library in 2000. This 6kw solar array has 24 solar panels. In January 2019, SOU expanded and added an additional 55.65 kW of solar to the site. In the last 3 years, an additional 5 arrays have been added and funded through private investors, grants, the student body, and the University Administration. For the 9 arrays on campus, SOU currently generates around 6.5 % of its electricity use from solar.

Phase 2

SOU has secured a further \$4M from State grants and Federal Funding for solar generation, battery storage and electric vehicle charging. This will potentially increase our solar electricity generation to around 20% of the electricity used on campus. The battery storage will support community and energy resilience.

Phase 2 projects	Funding, Costs and kW
Lithia Motors Pavilion and The Hawk dining roof solar array plus battery storage in the Hawk Dining	Costs \$1,34M Funding \$1M ODOE State grant, \$50,000 Student Green Fund and \$300,000 Federal Funding

<i>Due to go out for Request for Proposals</i>	Est. 359kW* (The Hawk 149 kW and Lithia Motors Pavilion 210kW)
SOU's first parking lot solar array – steel structures and parking lot solar providing shading at parking lot #1 adjacent to The Hawk dining and 8 new charging stations	Costs \$2.3M Funding \$1M ODOE State grant, \$1.3 Federal Funding. Est. 340kW
<i>ODOE just announced this award (6/1/23)</i>	
SOU's second parking lot - steel structures and parking lot solar providing shading at parking lot #4 on Webster and Stadium next to Raider Village	Costs \$2.3M Funding \$400 Federal Funding, further funding to be secured. Est. 340kW
<i>Project to be fully scoped</i>	

*Solar panel technology is developing and efficiency of panels improve



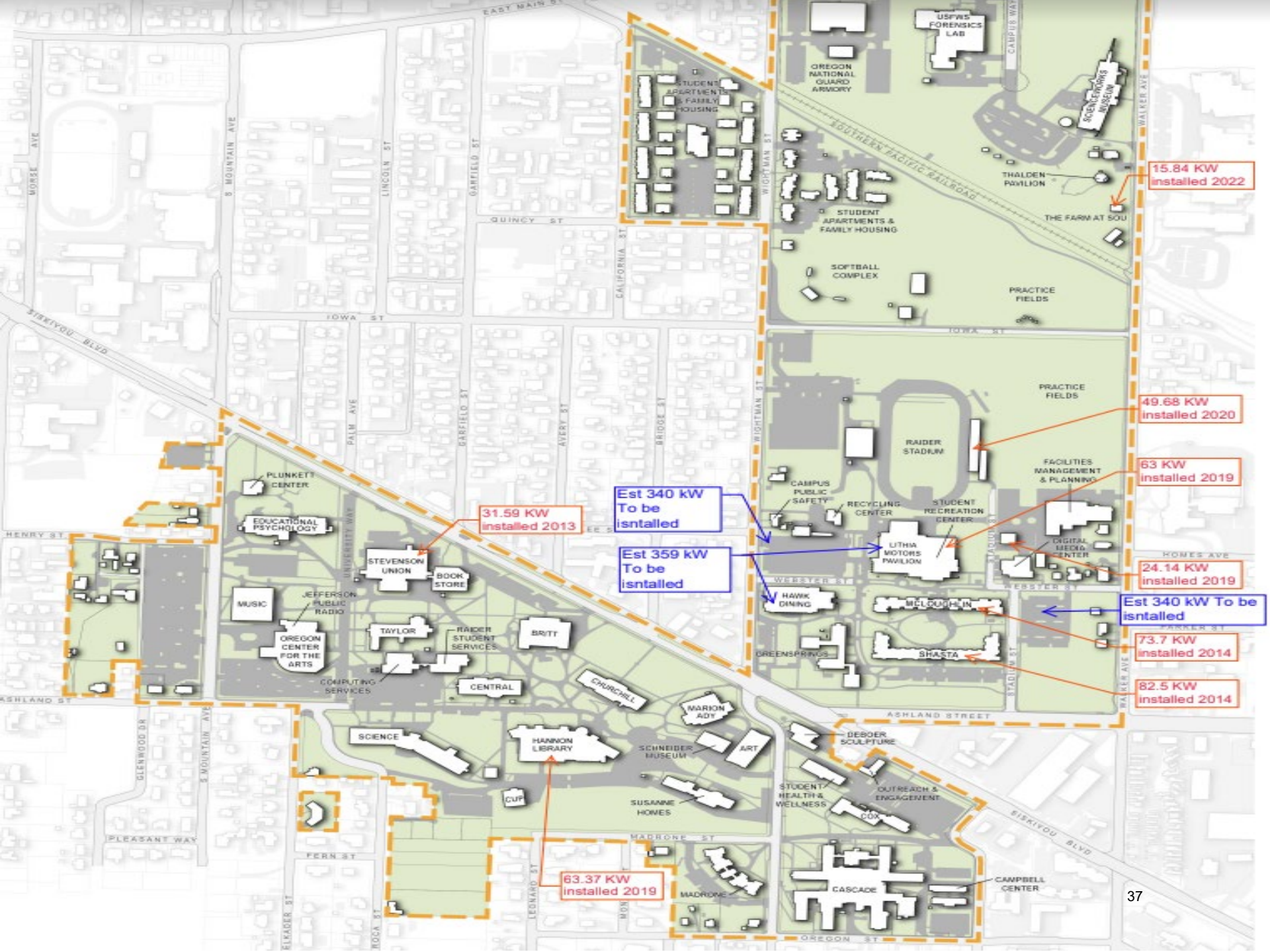
Photo: Example of Parking Lot solar

Energy efficiency and energy conservation is critical to our strategy. At the same time as expanding our renewable energy generation on campus, we will continue to invest in energy efficiency measures across campus. For energy efficiency, we have invested in upgrades in our boilers and chillers in 2019, replacing lighting with LED lighting and upgrades in the HVAC systems. All new buildings and renovation projects meet a minimum of LEED Silver standards.

To reinforce our commitment to reducing our greenhouse gas emissions and continuing to become more energy efficiency, Southern Oregon University joined the U.S. Department of Energy's [Better Climate Challenge](#). Through this partnership, we have committed to reduce our greenhouse gas emissions by at least 50% by 2033 from the 2018 baseline and reducing our energy intensity by 25% by 2033 from a 2022 baseline. To measure and monitor our performance on energy efficiency, we are using Energy STAR Portfolio Management as well as exploring a partnership with Ameresco using their Asset Management to monitor and identify opportunities around energy. Our measuring and monitoring will be directly linked to Facilities Management and provide further opportunities for student projects as well as internships.

Phase 3 and 4

To help inform phase 3 and 4, we have been carrying out a feasibility study of our buildings' roof spaces and parking lots. This has been contracted to True South Solar and is a joint Student Green Fund/SOU Finance and Administration Sustainability Office project. This project is in the final stages and has assessed: parking lots on size, electrical connections, and shading; and roof spaces on structure, roof material, roof orientation and shading.



Budget Update and Pro Forma Review for Fiscal Year 2023

Roadmap

- 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

FY23 E&G Estimate to Complete (as of 6/2/23)

- Tuition Revenue “softening” (\$1.2M less than forecasted)
- Remissions ‘burning hot’
- Total labor expenses coming in \$3.7M under budget (good indicator we’ll achieve \$3.6m cost reduction target)
- S&S expense pressure, burning hot due to inflation and adjusted to include early retirement (watch item)
- \$3.3M transferred into E&G
- Glide slope to close with projected \$5.3M EFB (ties to 8.24% KPI and roughly 1 month of operations)

Education and General (in thousands of dollars)	2021-23 Biennium		
	2021-22 Actual (000's)	2022-23 FY23 BUDGET (000's)	2022-23 FYE Forecast (000's)
REVENUES			
Total State Funding (SSCM,ETSF,SELP,1-Time)	26,220	26,860	27,001
Tuition	34,281	34,611	33,438
Fees	3,581	4,015	3,801
Raider Aid (remissions)	(3,915)	(3,476)	(3,994)
Tuition, net of Raider Aid	33,947	35,149	33,246
Misc. Other Revenue	1,476	2,964	3,765
TOTAL REVENUES	61,643	64,974	64,012
EXPENSES & TRANSFERS			
<u>Personnel Services</u>			
Faculty	(15,129)	(15,971)	(14,669)
Admin	(9,922)	(10,532)	(10,202)
Classified	(6,642)	(7,450)	(6,858)
Students, Graduate Assistants , etc	(1,066)	(1,586)	(1,348)
Salaries Sub-total	(32,760)	(35,539)	(33,077)
PERS & ORP (Retirement Pgms)	(8,042)	(8,524)	(7,938)
PEBB (Healthcare)	(6,786)	(8,473)	(7,918)
Other (FICA, SAIF, etc.)	(2,758)	(3,500)	(2,836)
OPE Sub-total	(17,586)	(20,497)	(18,692)
Net Personnel Services	(50,346)	(56,036)	(51,769)
<u>Supplies & Services (S&S)</u>			
S&S Expenses	(10,503)	(13,835)	(12,875)
AP Program Share (AP)	(1,608)		(1,328)
Capital Expenses (CapEx)	(117)	(263)	(79)
Total S&S, CapEx, AP	(12,228)	(14,098)	(14,283)
Cost Reductions		3,664	0
Personnel and S&S before Transfers	(62,574)	(66,469)	(66,052)
Net from Operations Before Transfers	(931)	(1,496)	(2,040)
Budgeted Transfers (In & Out)	(3,085)	(3,120)	(3,120)
Federal Relief Funds Transferred to E&G	3,336	3,312	3,319
Transfers Net (In & Out of E&G)	251	192	199
TOTAL EXPENSES & TRANSFERS	(62,323)	(66,277)	(65,853)
TOTAL EXPENSES (excluding Federal Relief)	(65,659)	(69,589)	(69,172)
FUND BALANCE			
Change in Fund Balance	(680)	(1,303)	(1,841)
Beginning Fund Balance	7,793	6,501	7,113
Ending Fund Balance	7,113	5,198	5,272
% Operating Revenues	11.54%	8.00%	8.24%
Days of Operations	39.54	29.63	27.82
Months of Operations	1.32	0.99	0.93

Fiscal Year 2024 Budget (Action)

Revenue Assumptions, FY 24

- Conservative state revenue allocation:
 - Using \$26.4M based on GRB (versus W&M co-chairs' budget)
- Tuition revenue:
 - Modeled with increases of under 3% (from 1.94 – 2.87%) and enrollment (SCH) down slightly (-1.6%)
- Miscellaneous revenues budget increase (adjust if one-time \$ flow)
 - Refinancing North Campus Village bonds worked!
 - Ground lease income restored/created new reserve accounts
- Last increment of Federal support (\$2.9M) shown
- Reminder—Not considered (one-time monies)
 - Congressionally Directed Spending - \$3.3M ask for SIS
 - \$25M earmark for TRUs + PSU (uncertain outcome / allocation)
 - ~ \$2.5M ask for Mental Health Center of Excellence (pending)

Cost Assumptions, FY 24

- Vacant positions (identified in SOU Forward) removed from FAST; and filled positions coded for removal based on timing identified
- Services and Supplies
 - Projected savings from reduced shared services work effort
 - Projected IT savings in Facilities Management
- Updated transfers in and out of E&G, based on changes in Athletics (less cost) and Housing reorganization
- Note: will monitor cost relationship with Physical Plant Fund / E&G and Auxiliaries (Housing and Athletics)

Education and General

(in thousands of dollars)

	2021-23 Biennium			2023-25 Biennium		2025-27 Biennium	
	2021-22 Actual (000's)	2022-23 FY23 BUDGET (000's)	2022-23 FYE Forecast (000's)	2023-24 FORECAST (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)
REVENUES							
Total State Funding (\$SCM,ET SF,SELP,1-Time)	26,220	26,860	27,001	26,781	27,858	28,685	29,840
Tuition	34,281	34,611	33,438	34,583	35,904	36,896	38,072
Fees	3,581	4,015	3,801	3,772	3,998	4,066	4,218
Raider Aid (remissions)	(3,915)	(3,476)	(3,994)	(3,452)	(3,591)	(3,687)	(3,806)
Tuition, net of Raider Aid	33,947	35,149	33,246	34,903	36,311	37,276	38,483
Misc. Other Revenue	1,476	2,964	3,765	3,550	3,630	3,711	3,795
TOTAL REVENUES	61,643	64,974	64,012	65,234	67,799	69,672	72,119
EXPENSES & TRANSFERS							
<u>Personnel Services</u>							
Faculty	(15,129)	(15,971)	(14,669)	(14,652)	(14,366)	(14,654)	(14,883)
Admin	(9,922)	(10,532)	(10,202)	(10,085)	(9,754)	(9,724)	(9,954)
Classified	(6,642)	(7,450)	(6,858)	(6,666)	(6,432)	(6,772)	(7,084)
Students, Graduate Assistants, etc	(1,066)	(1,586)	(1,348)	(1,655)	(1,654)	(1,638)	(1,705)
Salaries Sub-total	(32,760)	(35,539)	(33,077)	(33,059)	(32,206)	(32,788)	(33,625)
PERS & ORP (Retirement Pgms)	(8,042)	(8,524)	(7,938)	(8,094)	(8,321)	(8,472)	(8,688)
PEBB (Healthcare)	(6,786)	(8,473)	(7,918)	(8,503)	(8,928)	(9,375)	(9,843)
Other (RCA, SAIF, etc.)	(2,758)	(3,500)	(2,836)	(2,934)	(2,859)	(2,910)	(2,985)
OPE Sub-total	(17,586)	(20,497)	(18,692)	(19,531)	(20,108)	(20,756)	(21,516)
Net Personnel Services	(50,346)	(56,036)	(51,769)	(52,590)	(52,314)	(53,545)	(55,141)
<u>Supplies & Services (S&S)</u>							
S&S Expenses	(10,503)	(13,835)	(12,875)	(11,074)	(11,323)	(11,778)	(11,021)
AP Program Share (AP)	(1,608)		(1,328)	(1,210)	(1,188)	(1,187)	(1,184)
Capital Expenses (CapEx)	(117)	(263)	(79)	(81)	(83)	(85)	(86)
Total S&S, CapEx, AP	(12,228)	(14,098)	(14,283)	(12,365)	(12,594)	(13,050)	(12,291)
Cost Reductions		3,664	0	0	As Modeled	As Modeled	700
Personnel and S&S before Transfers	(62,574)	(66,469)	(66,052)	(64,955)	(64,908)	(66,594)	(66,732)
Net from Operations Before Transfers	(931)	(1,496)	(2,040)	279	2,891	3,078	5,387
Budgeted Transfers (In & Out)	(3,085)	(3,120)	(3,120)	(2,533)	(2,520)	(2,565)	(2,642)
Federal Relief Funds Transferred to E&G	3,336	3,312	3,319	2,879	-	-	-
Transfers Net (In & Out of E&G)	251	192	199	346	(2,520)	(2,565)	(2,642)
TOTAL EXPENSES & TRANSFERS	(62,323)	(66,277)	(65,853)	(64,609)	(67,428)	(69,160)	(69,374)
TOTAL EXPENSES (excluding Federal Relief)	(65,659)	(69,589)	(69,172)	(67,488)	(67,428)	(69,160)	(69,374)
FUND BALANCE							
Change in Fund Balance	(680)	(1,303)	(1,841)	625	371	512	2,745
Beginning Fund Balance	7,793	6,501	7,113	5,272	5,897	6,268	6,780
Ending Fund Balance	7,113	5,198	5,272	5,897	6,268	6,780	9,525
% Operating Revenues	11.54%	8.00%	8.24%	9.04%	9.25%	9.73%	13.21%
Days of Operations	39.54	29.63	27.82	31.89	33.93	35.74	50.11
Months of Operations	1.32	0.99	0.93	1.06	1.13	1.19	1.67

Education and General

Optimistic Scenario – HB 5025-1

REVENUES

	2021-23 Biennium			2023-25 Biennium		2025-27 Biennium	
	2021-22 Actual (000's)	2022-23 FY23 BUDGET (000's)	2022-23 FYE Forecast (000's)	2023-24 FORECAST (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)
Total State Funding (SSCM,ETSF,SELP,1-Time)	26,220	26,860	27,001	29,461	29,914	31,191	32,448
Tuition	34,281	34,611	33,438	34,583	35,904	36,896	38,072
Fees	3,581	4,015	3,801	3,772	3,998	4,066	4,218
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Tuition, net of Raider Aid	33,947	35,149	33,246	34,903	36,311	37,276	38,483
Misc. Other Revenue	1,476	2,964	3,765	3,550	3,630	3,711	3,795
TOTAL REVENUES	61,643	64,974	64,012	67,914	69,855	72,178	74,727

EXPENSES & TRANSFERS

<u>Personnel Services</u>							
Faculty	(15,129)	(15,971)	(14,669)	(14,652)	(14,366)	(14,654)	(14,883)
Admin	(9,922)	(10,532)	(10,202)	(10,085)	(9,754)	(9,724)	(9,954)
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Students, Graduate Assistants, etc	(1,066)	(1,586)	(1,348)	(1,655)	(1,654)	(1,638)	(1,705)
Salaries Sub-total	(32,760)	(35,539)	(33,077)	(33,059)	(32,206)	(32,788)	(33,625)
PERS & ORP (Retirement Pgms)	(8,042)	(8,524)	(7,938)	(8,094)	(8,321)	(8,472)	(8,688)
PEBB (Healthcare)	(6,786)	(8,473)	(7,918)	(8,503)	(8,928)	(9,375)	(9,843)
Other (FICA, SAIF, etc.)	(2,758)	(3,500)	(2,836)	(2,934)	(2,859)	(2,910)	(2,985)
OPE Sub-total	(17,586)	(20,497)	(18,692)	(19,531)	(20,108)	(20,756)	(21,516)
Net Personnel Services	(50,346)	(56,036)	(51,769)	(52,590)	(52,314)	(53,545)	(55,141)
<u>Supplies & Services (S&S)</u>							
S&S Expenses	(10,503)	(13,835)	(12,875)	(11,074)	(11,323)	(11,778)	(11,021)
AP Program Share (AP)	(1,608)		(1,328)	(1,210)	(1,188)	(1,187)	(1,184)
Capital Expenses (CapEx)	(117)	(263)	(79)	(81)	(83)	(85)	(86)
Total S&S, CapEx, AP	(12,228)	(14,098)	(14,283)	(12,365)	(12,594)	(13,050)	(12,291)
Cost Reductions		3,664	0	0	As Modeled	As Modeled	700
<i>Personnel and S&S before Transfers</i>	(62,574)	(66,469)	(66,052)	(64,955)	(64,908)	(66,594)	(66,732)
Net from Operations Before Transfers	(931)	(1,496)	(2,040)	2,959	4,947	5,584	7,995
Budgeted Transfers (In & Out)	(3,085)	(3,120)	(3,120)	(2,533)	(2,520)	(2,565)	(2,642)
Federal Relief Funds Transferred to E&G	3,336	3,312	3,319	2,879	-	-	-
Transfers Net (In & Out of E&G)	251	192	199	346	(2,520)	(2,565)	(2,642)
TOTAL EXPENSES & TRANSFERS	(62,323)	(66,277)	(65,853)	(64,609)	(67,428)	(69,160)	(69,374)
TOTAL EXPENSES (excluding Federal Relief)	(65,659)	(69,589)	(69,172)	(67,488)	(67,428)	(69,160)	(69,374)

FUND BALANCE

Change in Fund Balance	(680)	(1,303)	(1,841)	3,305	2,427	3,018	5,353
Beginning Fund Balance	7,793	6,501	7,113	5,272	8,577	11,004	14,022
Ending Fund Balance	7,113	5,198	5,272	8,577	11,004	14,022	19,375
% Operating Revenues	11.54%	8.00%	8.24%	12.63%	15.75%	19.43%	25.93%
Days of Operations	39.54	29.63	27.82	46.39	59.56	74.00	101.94
Months of Operations	1.32	0.99	0.93	1.55	1.99	2.47	3.40

FY23 Summary of Expenditures by Fund

Implementing SOU Forward—Cost Management



FY24 Summary of Expenditures by Fund

FUND	2022 Actuals	FY23 Adopted + Adjustments	FY23 Year End Est Projection	FY24 DRAFT Budget
Budgeted Ops (Fund Type 11)	\$ 65,658,876	\$ 69,588,822	\$ 69,171,475	\$ 67,488,209
Auxiliary Ops (Fund Type 20)	\$ 12,292,302	\$ 15,694,894	\$ 13,873,139	\$ 14,256,140
Designated Ops & Service Centers (Fund Types 12 & 13)	\$ 4,230,726	\$ 5,742,690	\$ 5,475,377	\$ 5,857,608
Combined Ops	\$ 82,181,904	\$ 91,026,407	\$ 88,519,991	\$ 87,601,957

Southern Oregon University

Budgeted Operations

	2022 Actuals	FY23 Adopted + Adjustments	FY23 Year End Est Projection	FY24 DRAFT Budget
REVENUES				
Tuition, Fees (net of Remission)	33,946,951	35,148,939	33,245,562	34,903,184
State Funding	26,219,576	26,860,486	27,000,945	26,780,858
Misc. Other Revenues	1,476,478	2,964,336	3,765,228	3,549,946
REVENUES Total	61,643,005	64,973,761	64,011,736	65,233,988
LABOR				
Unclassified (Faculty & Admin)	(24,942,478)	(26,507,366)	(24,870,749)	(24,737,112)
Classified	(6,642,080)	(7,362,946)	(6,858,234)	(6,666,458)
Student, Grad Assistants, etc	(1,066,412)	(1,624,943)	(1,348,200)	(1,655,015)
Benefits & OPE	(17,695,230)	(20,561,232)	(18,691,930)	(19,531,279)
LABOR Total	(50,346,200)	(56,056,488)	(51,769,113)	(52,589,864)
SUPPLIES AND SERVICES	(12,111,423)	(13,828,068)	(14,203,744)	(12,284,339)
CAPITAL EXPENSES	(116,636)	(285,508)	(79,071)	(80,850)
Cost Reductions	0	3,664,000	0	0
TRANSFERS				
Transfers In (excluding Federal Relief Funds)	465,648	223,175	398,899	108,188
Transfers Out (exlcuding Federal Relief Funds)	(3,550,265)	(3,305,933)	(3,518,446)	(2,641,344)
TRANSFERS Total	(3,084,617)	(3,082,758)	(3,119,547)	(2,533,156)
Total Expenses	(65,658,876)	(69,588,822)	(69,171,475)	(67,488,209)
Federal Relief Funds	3,335,520	3,311,689	3,318,811	⁴⁷ 2,879,038
Total Revenue - Expenses	(680,351)	(1,303,372)	(1,840,928)	624,817

Southern Oregon University

Designated and Service Center Operations

	2022 Actuals	FY23 Adopted + Adjustments	FY23 Year End Est Projection	FY24 DRAFT Budget
REVENUES				
Enrollment Fees	891,519	1,202,080	1,259,303	1,026,572
Gov't Resources and Allocations	-	-	-	-
Misc. Other Revenues	2,972,263	4,472,589	4,547,952	4,688,337
REVENUES Total	3,863,782	5,674,669	5,807,255	5,714,909
LABOR				
Unclassified	(1,366,344)	(1,680,709)	(1,535,898)	(1,716,667)
Classified	(412,350)	(418,656)	(421,671)	(485,928)
Student Labor	(91,690)	(180,537)	(143,092)	(225,740)
Benefits & OPE	(1,083,457)	(1,299,630)	(1,315,115)	(1,417,657)
LABOR Total	(2,953,842)	(3,579,532)	(3,415,776)	(3,845,992)
SUPPLIES AND SERVICES	(1,745,858)	(2,608,135)	(2,337,801)	(2,434,717)
CAPITAL EXPENSES	-	(12,086)	(162,416)	(12,086)
TRANSFERS				
Transfers In (excluding Federal Relief Funds)	801,906	633,088	851,550	577,444
Transfers Out (exlcuding Federal Relief Funds)	(332,932)	(176,025)	(410,933)	(142,257)
TRANSFERS Total	468,974	457,063	440,616	435,187
Total Expenditures	(4,230,726)	(5,742,690)	(5,475,377)	(5,857,608)
Federal Relief Funds	-	-	-	-
Total Revenue - Expenses	(366,944)	(68,021)	331,879	(142,699)

Projected Ending
Fund₄₈ Balance for
FY24 in excess of
\$2m

Southern Oregon University

Auxiliary Operations

	2022 Actuals	FY23 Adopted + Adjustments	FY23 Year End Est Projection	FY24 DRAFT Budget
REVENUES				
Enrollment Fees	5,131,267	5,479,681	5,264,642	5,194,867
Govt Resources and Alloc	1,257,759	1,257,759	1,257,759	1,257,759
Misc. Other Revenues	8,548,591	6,509,236	9,120,306	7,196,011
REVENUES Total	14,937,617	13,246,676	15,642,708	13,648,637
LABOR				
Unclassified	(3,021,967)	(3,359,980)	(3,176,632)	(3,071,276)
Classified	(970,757)	(1,093,688)	(866,754)	(1,025,958)
Student Labor	(687,270)	(1,205,154)	(805,439)	(1,195,846)
Benefits & OPE	(2,334,757)	(2,863,214)	(2,543,707)	(2,760,837)
LABOR Total	(7,014,750)	(8,522,036)	(7,392,532)	(8,053,916)
SUPPLIES AND SERVICES	(7,235,150)	(9,798,553)	(9,160,898)	(8,300,193)
CAPITAL EXPENSES	0	0	0	0
TRANSFERS				
Transfers In (excluding Feder	3,429,356	3,717,447	3,785,024	3,164,969
Transfers Out (exlcuding Fed	(1,471,758)	(1,091,752)	(1,104,733)	(1,067,000)
TRANSFERS Total	1,957,598	2,625,695	2,680,291	2,097,969
Total Expenditures	(12,292,302)	(15,694,894)	(13,873,139)	(14,256,140)
Federal Relief Funds	0	0	0	0 (A)
Total Revenue - Expenses	2,645,315	(2,448,218)	1,769,568	(607,503)

(A) = Federal Relief funds deposited to an Auxiliary Reserve, and later transferred out to support E&G. This is being excluded from the Transfer lines to reflect the remaining transfers that are impacting Auxiliary operations. Is also not being relected on the Federal Relief line since it wasn't being made available to support auxiliary operations, but is instead being placed into E&G over a three-year period.

Projected Ending
Fund Balance for
FY24 in excess of
\$6m

Transfers

(Why there is a disconnect?)

- Why? Transfers out of Operations and placed into Plant Funds aren't shown.
 - Budgeted, Designated and Auxiliary Operations budgets only reflect the "Unrestricted Operating Budgets" (and don't include the Plant Fund)
- Summary of the "Transfer Total" line, and the factors that are causing it to not be \$0.00

Summary of Transfers to Plant Fund (Capital Projects)	2022 Actuals	FY23 Adopted + Adjustments	FY23 Year End Est Projection	FY24 DRAFT Budget
Net Transfer Recap:				
Capital Project: GF Support for Beach Volleyball Court	191,000			
OHSU Funds Received in GF, Moved to Support Capital Maintenance Projects:	500,000			
Capital Project: Science Building Return Unused Funds GF	(67,955)			
Capital Project: GF Support for Solar at the Farm	35,000			
Capital Project: GF Support for Solar at the Farm			-	1,360
Total	658,045	-	1,360	-

Southern Oregon University

Combined Operations

	2022 Actuals	FY23 Adopted + Adjustments	FY23 Year End Est Projection	FY24 DRAFT Budget
REVENUES				
Enrollment Fees	39,969,737	41,830,699	39,769,507	41,124,623
Govt Resources and Allocations	27,477,335	28,118,245	28,258,704	28,038,617
Misc. Other Revenues	12,997,332	13,946,161	17,433,487	15,434,294
REVENUES Total	80,444,405	83,895,106	85,461,699	84,597,534
LABOR				
Unclassified	(29,330,788)	(31,548,056)	(29,583,279)	(29,525,055)
Classified	(8,025,187)	(8,875,290)	(8,146,659)	(8,178,343)
Student Labor	(1,845,372)	(3,010,633)	(2,296,731)	(3,076,601)
Benefits & OPE	(21,113,444)	(24,724,077)	(22,550,752)	(23,709,774)
LABOR Total	(60,314,792)	(68,158,056)	(62,577,421)	(64,489,773)
SUPPLIES AND SERVICES	(21,092,431)	(26,234,756)	(25,702,443)	(23,019,249)
CAPITAL EXPENSES	(116,636)	(297,594)	(241,487)	(92,936)
TRANSFERS				
Transfers In (excluding Federal Relief Funds)	4,696,910	4,573,710	5,035,473 ▼	3,850,601 ▼
Transfers Out (exlcuding Federal Relief Funds)	(5,354,955)	(4,573,710)	(5,034,112)	(3,850,601)
TRANSFERS Total	(658,045)	(0)	1,360	0
Total Expenditures	(82,181,904)	(94,690,407)	(88,519,991)	(87,601,957)
Federal Relief Funds	3,335,520	3,311,689	3,318,811	⁵ 2,879,038 (B)
Total Revenue - Expenses	1,598,021	(7,483,612)	260,519	(125,385)

**Southern Oregon University
Board of Trustees
Finance and Administration Committee**

**Resolution
Recommended Adoption of Fiscal Year 2023-2024 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, the Finance and Administration Committee of the Board of Trustees has conducted a thorough review and recommends the Board of Trustees of Southern Oregon University adopt the Fiscal Year 2023-2024 budget in the sum of \$87,601,957 inclusive of Education and General [budgeted operations] in the sum of \$67,488,209; an Auxiliaries budget in the sum of \$14,256,140; and Designated Operations and Service Centers in the sum of \$5,857,608.

VOTE:

DATE:

Path Forward

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)

Future Meetings

Adjournment