



OFFICE OF THE BOARD OF TRUSTEES

Public Meeting Notice

June 13, 2024

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, past meeting minutes, and fiscal year 2024 third quarter investment reports. The committee also will act on re-establishing tuition and mandatory fees for academic year 2024-25 and the single fee assessment of mandatory fees. Additional action items include a fiscal year 2025 temporary budget and expenditure authorization, and an expenditure authorization request for a design services contract for the SOU Wrestling facilities project.

Reports on the agenda include a vice president's report and a Core Information System Replacement Project update.

Information and discussion items include a budget forecast and detailed review of the financial pro forma and the fiscal year 2025 budget development process.

The meeting will occur as follows:

Thursday, June 20, 2024

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/84899916586> 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 ADA or special accommodations are required, please contact Holly Frazier at (541) 552-8055 at least 72 hours in advance.**

Public Comment

Members of the public who wish to provide live 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: 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.



Board of Trustees
Finance and Administration Committee Meeting
June 20, 2024

Call to Order / Roll / Declaration of a Quorum



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

**Thursday, June 20, 2024
5 p.m. – 7 p.m. (or until business concludes)
Meese Room, Hannon Library, SOU Campus
Webinar Link: <https://sou.zoom.us/j/84899916586>**

AGENDA

Persons wishing to provide live public comments 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 (Action) | Chair Franks |
| | 3.1 April 18, 2024, Minutes | |
| | 3.2 Financial Dashboard and Periodic Management Report | |
| | 3.3 Fiscal Year 2024 Third Quarter Investment Reports | |
| 15 min. | 4 Reports | |
| | 4.1 Vice President's Report | Dr. Peter Angstadt, SOU,
Interim Vice President for
Finance and Administration |
| | 4.2 Core Information System Replacement (CISR) Project Update | Hart Wilson, SOU, CISR
Project Manager |
| 20 min. | 5 Action, Information, and Discussion Items | |
| | 5.1 Re-establishing Tuition and Mandatory Fees for Academic Year 2024-25 and Single Fee Assessment of Mandatory Fees (Action) | Dr. Matt Stillman; Josh Lovern |

**Southern Oregon University
Board of Trustees
Finance and Administration Committee Meeting
Thursday, June 20, 2024**

AGENDA (Continued)

35 min.	5.2	Budget Forecast and Detailed Review of Pro Forma	President Bailey; Dr. Peter Angstadt; Josh Lovern
10 min.	5.3	FY 2025 Budget Development Process	President Bailey; Dr. Peter Angstadt; Josh Lovern
	5.3.1	FY 2025 Temporary Budget and Expenditure Authorizations (Action)	
15 min.	5.4	Expenditure Authorization Request: Design Services Contract and SOU Wrestling Facilities Project (Action)	Matt Sayre, SOU, Director of Athletics
5 min.	5.5	Future Meetings	Chair Franks
	6	Adjournment	Chair Franks

Public Comment

Consent Agenda (Action)

**Board of Trustees
Finance and Administration Committee Meeting
Thursday, April 18, 2024
Minutes**

Call to Order/Roll/Declaration of a Quorum

Committee Chair Shaun Franks called the meeting to order at 5:00 p.m. Board Secretary Sabrina Prud'homme called the roll and a quorum was verified.

Committee Members:

Sachta Card	Present	Liz Shelby	Present
Sheila Clough	Present	Julissa Taitano	Present
Shaun Franks, Chair	Present	Bill Thorndike	Present
Christina Medina	Present		

Other Trustees in attendance: Trustee Hala Schepmann and President Rick Bailey

Public Comment

No members of the public offered comments.

Consent Agenda (Action)

Vice Chair Clough moved to approve the consent agenda consisting of the minutes from the March 21, 2024, meeting and the financial dashboard. Trustee Shelby seconded the motion and it passed unanimously.

Vice President's Report

Executive Vice President Neil Woolf thanked Andrew Gay, Rob Patridge, Marc Overbeck, Leon Crouch, Jim McNamara, and Susan Dyssegard for their assistance, among others. With their help, SOU was able to request \$43 million for the Creative Industries capital project. The HECC will visit campuses to take a look at the projects requesting funding. Abatement work on Cascades is scheduled to start soon, before demolition commences.

Moving to organizational changes, Gordon Carrier and John Stevenson were appointed as interim co-directors of SOU's Information Technology (IT) Department. Hart Wilson is leading Phase 2 of the Core Information System Replacement Project and David Raco will continue to lead IT security. Dr. Woolf introduced Stephanie Hannigan and publicly recognized her accomplishment of earning the Chief Financial Officer Accounts Receivable Honor Roll Certificate for FY 2022 and 2023, from the Oregon Department of Administrative Services. Lastly, Dr. Woolf noted that it is a delicate time, as four of nine additional positions impacted by SOU Forward recently were notified.

Responding to Vice Chair Clough's question about IT security, President Bailey noted that cyber-attacks are a real concern, which SOU is taking seriously. An update to trustees regarding this risk is planned for the June 2024 meetings.

Action, Information, and Discussion Items

Mandatory Student Incidental Fees for Academic Year 2024-2025 (Action)

Brayden Clayburn, ASSOU President, updated the board on student fees. A consensus was reached for an \$18 or a 4 percent increase; the Green Tag Fee is capped at \$15; and the Student Recreation Center Fee is unchanged, as it remains level for three years.

Dylan Straley from the Student Fee Allocation Committee (SFAC) reported that ethics training began in February, with reviews conducted every four months. The SFAC presented a budget of \$3,126,712, with a total request of \$3,164,328 including reserves, leaving a \$37,000 deficit. The allocation process is ongoing, aiming for completion by early May. There is a recognized need for a more robust auditing process to ensure transparency and proper use of funds. President Clayburn hopes to implement a simplified auditing form by year-end to aid decision-making and transparency.

President Bailey expressed gratitude for ASSOU's focus on a culture of accountability and thanked Trustee Taitano for her leadership with the fee process as well. Josh Lovern explained that fees are charged per term, used, and any surplus is transferred to reserves, which have grown from a deficit. Vice Chair Clough acknowledged ASSOU's leadership reflecting a well-managed outcome.

Tuition and Mandatory Student Enrollment Fees for Academic Year 2024-2025 (Action)

President Bailey introduced the topic noting that Dr. Casey Shillam chairs the Tuition Advisory Council, which is a thoughtful and contemplative group. He is confident in SOU's recommendation to the board, which is in the middle of the OPU peer group. Dr. Shillam noted that the TAC did a remarkable job of going through significant training, education, scenarios, and impacts to students. The amount of care the group showed was heartening.

Josh Lovern discussed SOU's tuition rate change history, rate comparisons with other OPUs and California regional peer institutions, and provided a composite tuition and fees comparison showing four below SOU and five campuses higher than SOU for 15 credits for the academic year. Reviewing the individual fees, he noted that the enrollment fee includes components such as building debt service, technology infrastructure, and health center fees, resulting in a total increase of \$15 per year to \$267 per term, with a \$5 increase per term for health fees. Regarding health fees, leveraging the La Clinica partnership has enabled stability. Future possibilities include community clinic access and mental health resources but SOU has strong infrastructure through Telus for mental health already. The proposed increase to the one-time matriculation fee is \$50 to \$350 effective AY 25 -26.

Mr. Lovern reviewed the actual cost of attendance. Tuition and mandatory fees was \$8,937, reflecting a composite 4.85 percent increase. Including housing and dining, the total cost was \$26,406, reflecting an increase of 4.22 percent. Vice Chair Clough inquired about the equity lens and potential community impacts, to which President Bailey responded that no communities would be disproportionately affected, though FAFSA delays may impact Pell-eligible students.

Trustee Taitano moved to approve the resolution to recommend tuition and fees for Academic Year 2024-25 to the Board of Trustees for approval. Trustee Thorndike seconded the motion and it passed unanimously.

Budget Update

Dr. Neil Woolf and Josh Lovern provided a comprehensive overview of the budget and in the Education and General Fund highlighted in labor the recent ratification of the classified staff contract, which includes a 15.81 percent increase over five years. He noted that there are implications for future increases for unclassified staff. In Supplies and Services (S&S) full year projections are exceeding budget due to title IV and Clery outsourcing and other factors. The ending fund balance projection was 8.51 percent, down from the 8.63 forecast, largely due to increases in S&S.

FY 2025 Institutional Budget Committee and Process Update

Dr. Neil Woolf presented an update on the FY 2025 Institutional Budget Committee. He noted the committee was reconstituted in the fall to enhance transparency and inclusivity in budget development. Plans for implementing Adaptive Planning and Workday for the FY 26 budget were discussed, with a proposal to mirror the FY 24 budget initially, in the form of a continuing resolution. Vice Chair Clough urged careful planning amidst ongoing system upgrades.

External Budget Review

Bart Hawley from CliftonLarsonAllen provided insights from the external budget review conducted at SOU and the report, which was included in the meeting materials. He highlighted recommendations aimed at automating manual processes and improving budget communication. Additional recommendations included setting target key performance indicators aligned with strategic goals and enhancing oversight through the redefinition of roles within the budgeting process. Discussions underscored the importance of integrating these recommendations to streamline operations and foster efficiency as well as accountability across departments.

Financial Reserves Stability Target (Action)

President Bailey and Dr. Neil Woolf sought the committee's approval to establish a financial operating reserve using a balanced approach. President Bailey noted that for a few months, the committee has been discussing this item, which is considered to be an important step in continuing SOU's journey toward financial stability. Much discussion ensued regarding the target, ensuring it supports financial resilience without hindering investment in strategic priorities, and mission fulfillment. Bailey further emphasized the strategic importance of establishing financial reserves and of foreseeing challenges expected in 2028. Vice Chair Clough raised concerns about SOU's modest reserves compared to other industries, noting implications for operational sustainability.

Trustee Shelby moved to approve the resolution to recommend the board's establishment of a financial operating reserve. Trustee Taitano seconded the motion and it passed unanimously.

Core Information System Replacement (CISR) Project Update

Hart Wilson reported on progress in CISR Phase 2 infrastructure through the Alchemy partnership, which was regarded as outstanding. She highlighted efforts to adopt a student-centric approach and integrate equity considerations into system design as well as operational processes. Ongoing stakeholder engagements and 35 discovery meetings were noted as integral to refining operational efficiencies and aligning IT strategies with institutional goals. Trustees emphasized the importance of including the voice of students in the process and Ms. Wilson said that everything in this phase is all about the students: it is designed for them, SOU will test with them, get their opinions, and have user groups with students; however, the team must get through the nuts and bolts before processes.

Future Meetings

Chair Franks announced that the next meeting of the committee is scheduled to take place on June 20, 2024, at 5:00 p.m. He asked trustees to send their suggestions for future agenda items to the board secretary.

Adjournment

Chair Franks adjourned the meeting at 5:02 p.m.

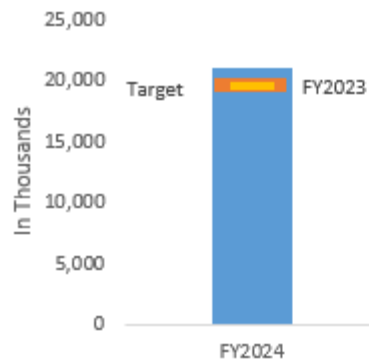
DRAFT

Financial Dashboard

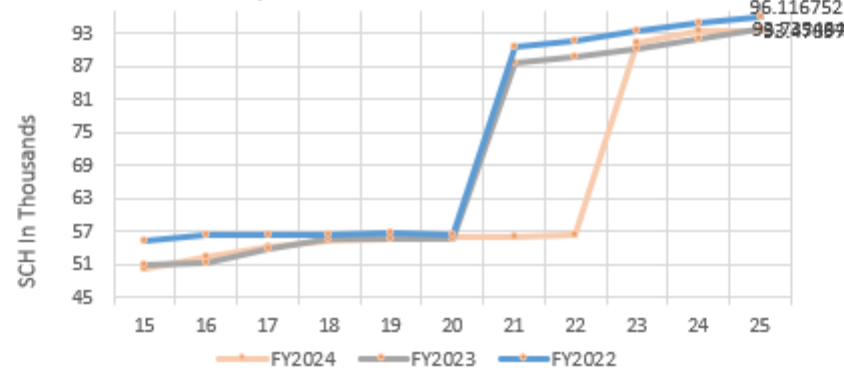
For FY2024

As of May 31, 2024 prior to close numbers

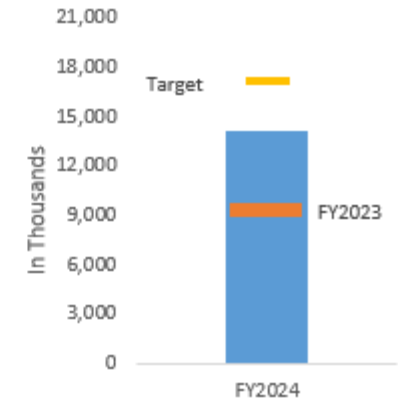
Public University Funds Operating Cash



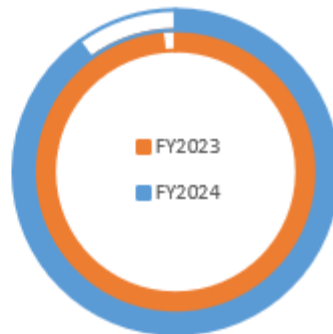
Total Student Credit Hours by Week of the Fiscal Year



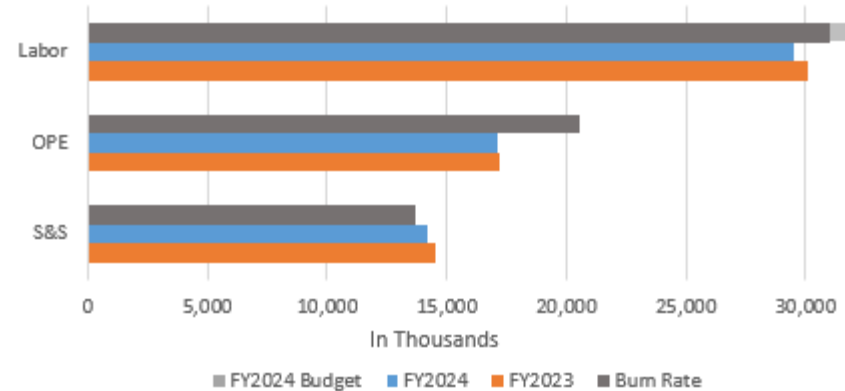
E&G Fund Balance



E&G YTD Revenues



E&G YTD Select Expenses



*Timing difference of Student and Fees revenues.

*Transfers of CHF Ground Lease

Periodic Management Report



As of May 31, 2024
Fiscal Year Ending June 30, 2024

	Year-to-Date			Budget
	Prior YTD	Current YTD	% Change	FY2024
(in thousands except enrollment)	Actual	Actual	compared to last year	Initial Budget
Education & General				
State General Fund	\$ 27,000	\$ 28,862	7%	\$ 29,157
Tuition & Resource Fees, net of Remissions	31,834	27,396	-14%	35,013
Other	2,807	4,685	67%	3,675
Total Revenues	\$ 61,641	\$ 60,944		\$ 67,846
Personnel Services	\$ 47,319	\$ 46,647	-1%	\$ 54,272
Supplies & Services & Capital Outlay	12,903	14,571	13%	13,660
Total Expenditures	\$ 60,222	\$ 61,218	2%	\$ 67,933
Net from Operations	\$ 1,419	\$ (274)	-119%	\$ (87)
Net Transfers In (Out)	719	(2,088)		57
Change in Fund Balance	\$ 2,138	\$ (2,363)	-211%	\$ (30)
Beginning Fund Balance	7,113	5,554	-22%	5,554
Ending Fund Balance	<u>\$ 9,251</u>	<u>\$ 3,192</u>	-65%	<u>\$ 5,524</u>
Ending FB as a % Operating Revenues	15.0%	5.2%		8.1%

FY2024 Q3 Investment Reports

BACKGROUND

The Southern Oregon University (university) investment report for the third quarter (Q3) of FY2024 is presented in the following sections:

- **FY2024 Q3 Southern Oregon University Investment Report** – This section includes a report on the investments of the operating and endowment assets of the university. This report reflects the university's operating assets that are invested by the Oregon State Treasury in the Oregon Short-Term Fund and the university's endowment investments managed by the Oregon State Treasury.
- **FY2024 Q3 Market Commentary** – This section provides a general discussion of the investment markets and related performance data for the third quarter of FY2024 (i.e., January 1 – March 31, 2024).

FY2024 Q3 SOUTHERN OREGON UNIVERSITY INVESTMENT REPORT

The schedule of Southern Oregon University's investments is shown in the investment summary below.

Operating Assets

Southern Oregon University's operating assets are invested in the Oregon Short Term Fund (OSTF). As of March 31, 2024, SOU had \$21.0 million on deposit in the OSTF.

The Oregon Short-Term Fund (OSTF) increased 1.3% for the quarter and 3.6% fiscal year-to-date, equal to its benchmark for the quarter and underperforming its benchmark by 40 basis points for the fiscal year.

The OSTF is benefiting from an inverted yield curve as short-dated maturities, such as 3-month Treasury Bills, provide higher coupons (5.25%) than longer dated maturities, such as 5 year Treasury Bonds (4.50%).

Southern Oregon University Endowment Fund

The SOU Endowment Fund (Fund) increased 5.5% for the quarter and 12.3% fiscal year-to-date, outperforming its policy benchmark by 40 basis points and 60 basis points, respectively. The three-year average return was 3.8%, in line with its benchmark. The five-year return of 8.1% outperformed its benchmark by 40 basis points. The Fund ended the quarter with a balance of \$3.0 million.

The majority of the Fund's assets (76.8%) are allocated to a global equity index strategy, while 23.1% of the portfolio is allocated to an "actively" managed fixed income fund. For the three months ended March 31, 2024, the Blackrock All-Country World Index increased 7.7%, equal to its benchmark. The Western Asset Core Plus Bond Fund returned -1.2%, underperforming the Bloomberg Barclays U.S. Aggregate Bond Index by 0.4%.

Southern Oregon University

Investment Summary as of March 31, 2024

(Net of Fees)

	Quarter Ended 3/31/2024	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation	Policy Allocation Target
SOU Operating Assets									
Oregon Short - Term Fund	1.3%	3.6%	1.9%	2.4%	2.2%	1.7%	\$ 21,038,170	100.0%	N/A
Benchmark - 91 day T-Bill	1.3%	4.0%	2.4%	2.6%	2.0%	1.4%			
SOU Endowment Assets									
BlackRock ACWI IMI B	7.7%	15.7%	9.9%	6.5%	10.8%	8.7%	\$ 2,306,907	76.8%	75.0%
Benchmark - MSCI ACWI IMI Net	7.7%	15.6%	9.7%	6.3%	10.6%	8.4%			
Western Asset Core Plus Bond Fund	-1.2%	2.4%	-0.1%	-4.1%	-0.2%	1.9%	691,582	23.1%	25.0%
Benchmark - Bloomberg Barclays Aggregate Index	-0.8%	2.6%	-0.1%	-2.5%	0.4%	1.5%			
Cash	1.3%	3.6%	1.9%	2.4%	2.2%	1.7%	1,701	0.1%	0.0%
Benchmark - 91 day T-Bill	1.3%	4.0%	2.4%	2.6%	2.0%	1.4%			
Total Endowment Assets	5.5%	12.3%	7.4%	3.8%	8.1%	7.2%	<u>\$ 3,000,191</u>	<u>100.0%</u>	
Policy Benchmark ¹	5.1%	11.7%	6.8%	3.8%	7.7%	N/A			

¹ Policy Benchmark Composition: 75% Morgan Stanley Capital Indices All-Country World Investable Market Index Net , 25% Bloomberg Barclays Aggregate Bond Index.

Note: Outlined returns underperformed their benchmark.

Oregon Short Term Fund

March 31, 2024

Portfolio Characteristics

Market Value 3/31/2024	\$ 169,177,940
Weighted Average Credit Quality	AA
Book Yield (%)	5.21%
Weighted Average Maturity (days)	115 Days
Duration (years)	0.28
Spread Duration (years)	0.60

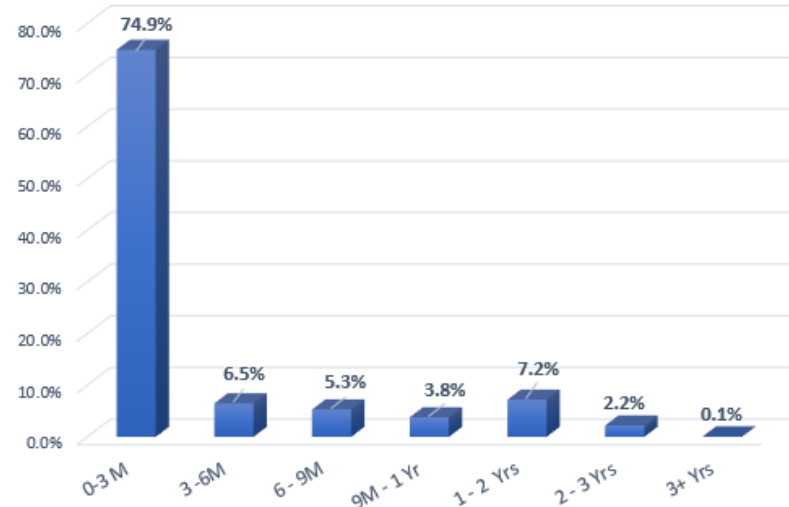
Top 10 Issuers

United States Treasury	29.4%
Royal Bank of Canada	2.3%
Canada Pension Plan Investment Board Capital Incorporated	2.2%
American Honda Finance Corporation	1.7%
Federal Home Loan Banks	1.6%
Toyota Motor Credit Corporation	1.5%
Capital One Multi-Asset Execution Trust	1.4%
CDP Financial Incorporated	1.4%
JPMorgan Chase & Company	1.3%
New York Life Global Funding	1.3%
Total	44.1%

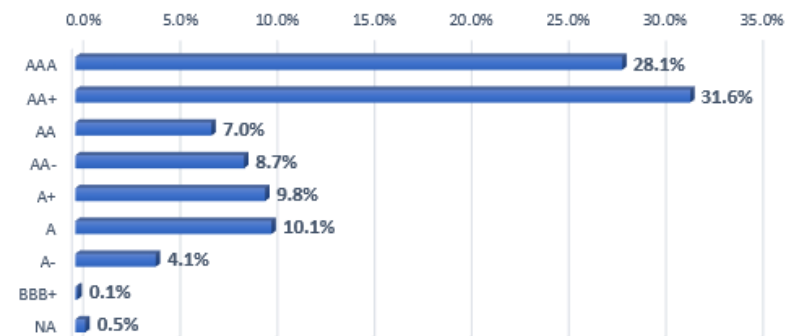
Sector Allocations



Maturity Breakdown



Credit Quality Distribution



Source: Oregon State Treasury

FY2024 Q3 MARKET COMMENTARY

(Prepared by Meketa Investment Group, consultants to the Oregon Investment Council)

Report on Investments – as of March 31, 2024

Economic and Market Update

Resilient economic data drove global equities higher and pushed out the timing of the expected first Federal Reserve rate cut, weighing on bonds.

- Major central banks have largely paused interest rate hikes with expectations that many will still cut rates, but the uneven pace of falling inflation and economic growth could desynchronize the pace of rate cuts.
- In general, inflation pressures have eased in most countries from their pandemic peaks, but some uncertainty remains and levels are still above most central bank targets. Headline inflation in the U.S. rose in March (3.2% to 3.5%) by more than expected, while core inflation was unchanged (3.8%) when it was predicted to decline to 3.7%. Notably, prices in China were up only slightly in March, as the impacts of the recent holiday faded.
- U.S. equity markets (S&P 500 index) rose 10.6% in the first calendar quarter after a very strong fiscal year 2023 (+29.9%). The technology sector continued to perform well, with energy gaining on geopolitical tensions.
- Non-U.S. developed equity markets (Morgan Stanley Capital Indices (MSCI) Europe Australasia Far East (EAFE)) increased 5.8% in the quarter, helped by Japanese equities which hit multi-decade highs. A strengthening U.S. Dollar drove the weaker relative results for U.S. investors with returns in local currency terms 4.2% higher (10.0% versus 5.8%).
- Emerging market equities (MSCI Emerging Markets) (+2.4%) had the weakest equity returns, depressed by China (-2.2%). While policy efforts to support mainland stock prices helped to stabilize Chinese equities, recent efforts by the U.S. to discourage investments in China weighed on results. The stronger dollar also hurt performance in emerging markets for U.S. investors with returns in local currency terms 2.1% higher.
- Rising interest rates weighed on bonds with the broad U.S. bond market (Bloomberg U.S. Aggregate) declining 0.8% for the quarter.

Looking to the rest of this year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, the many looming elections, and the wars in Ukraine and Israel will be key.

In the first calendar quarter, global equity markets continued their strong performance from calendar year 2023 with the U.S. leading the way.

Resilient economic data weighed on bond markets domestically and dashed hopes of a near-term cut in interest rates.

Market Returns¹ March 31, 2024

	Month	Quarter	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
S&P 500	3.20%	10.60%	10.60%	29.90%	11.50%	15.00%	14.10%	13.00%
MSCI EAFE-ND	3.30%	5.80%	5.80%	15.30%	4.80%	7.30%	6.70%	4.80%
MSCI EM-ND	2.50%	2.40%	2.40%	8.20%	-5.10%	2.20%	3.70%	2.90%
MSCI China-ND	0.90%	-2.20%	-2.20%	-17.10%	-18.90%	-6.30%	-0.90%	1.20%
Bloomberg US Aggregate	0.90%	-0.80%	-0.80%	1.70%	-2.50%	0.40%	1.10%	1.50%
Bloomberg US TIPS	0.80%	-0.10%	-0.10%	0.50%	-0.50%	2.50%	2.30%	2.20%
Bloomberg US Corporate High Yield	1.20%	1.50%	1.50%	11.20%	2.20%	4.20%	4.40%	4.40%
ICE BofAML US 3-Month Treasury Bill	0.40%	1.30%	1.30%	5.20%	2.60%	2.00%	1.90%	1.40%
ICE BofAML 1-3 Year US Treasury	0.30%	0.30%	0.30%	3.00%	0.10%	1.20%	1.20%	1.10%
ICE BofAML 10+ Year US Treasury	1.10%	-2.90%	-2.90%	-5.80%	-7.60%	-2.60%	-0.50%	1.30%

¹Source: Oregon State Treasury

U.S. Equities: U.S. equities continued their ascent after a strong finish to calendar year 2023. The gains were driven by strong economic data and corporate earnings, despite signs of interest rates remaining higher for longer. Growth stocks outperformed value stocks across the market cap spectrum. Technology stocks continued to be a key driver of results, with NVIDIA and Microsoft alone contributing nearly 30% of the quarter's gains. Large cap stocks produced almost double the return of their small cap peers during the first quarter of the calendar year. The underperformance of small cap financials contributed to this dynamic as fear of further turmoil for regional banks resurfaced.

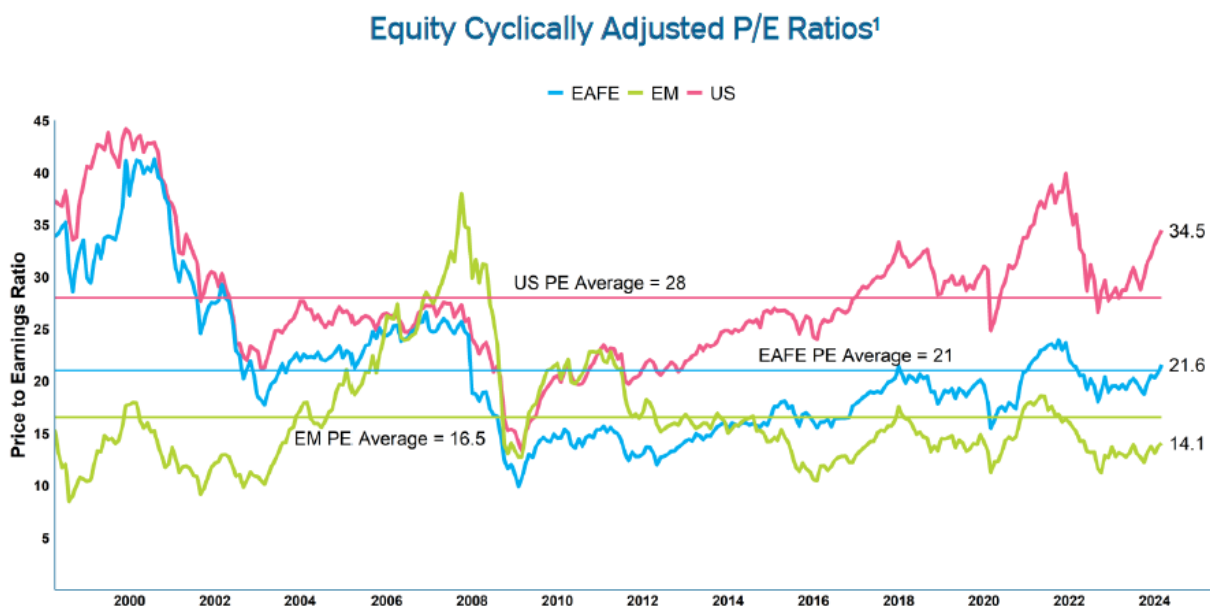
All sectors posted positive returns in the first calendar quarter. The technology sector (13.1%) continued to lead the way due to the influence of the so-called "Magnificent Seven." Technology was followed by energy (11.6%) and financials (11.1%), driven by increased geopolitical tensions and the strong economic environment. Traditionally defensive sectors like consumer staples (5.4%) and utilities (5.2%) joined the rally but trailed other sectors.

Foreign Equity: Developed international equity markets matched the U.S. for the quarter in local terms but the appreciation of the dollar decreased returns for U.S. investors by over 4.0% (5.8% versus 10.0%). Eurozone and U.K. equities had gains for the quarter, but Japan was the real standout performer, with the TOPIX returning 18.1% in local terms and the Nikkei breaking the 40,000 level for the first time.

Emerging market equities again trailed developed markets largely due to China falling 2.2%. Slowing growth, issues in the property sector, and recent efforts by the U.S. to discourage investments into China all weighed on results. Outside of China, interest rate sensitive markets like Brazil were particularly impacted by expectations of delayed interest rate cuts by the Federal Reserve (Fed). Excluding China, emerging markets returned 4.0% in the quarter.

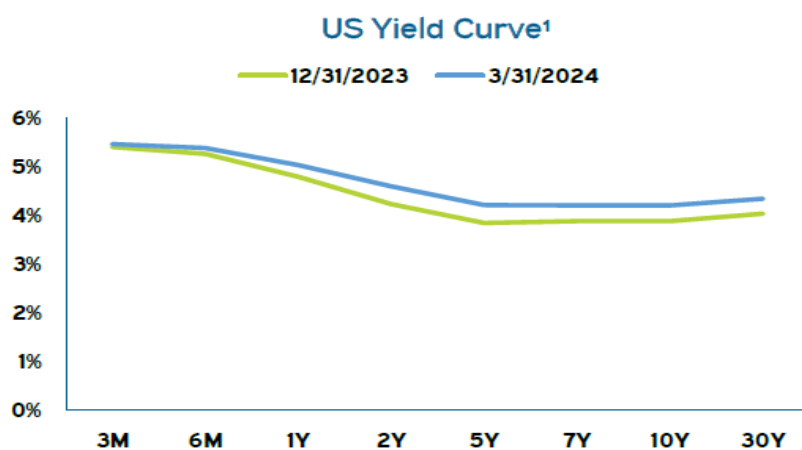
At the end of the first calendar quarter, the U.S. equity price-to-earnings ratio increased further above its 21st century average, as price appreciation exceeded earnings growth. International market valuations also rose in the quarter and remain well below the U.S. In the case of

developed markets, valuations are now slightly above the long-term average, while emerging market valuations remain well below its long-term average.



¹ Source: Bloomberg. U.S. Equity Cyclically Adjusted P/E on S&P 500 Index Source: Robert Shiller, Yale University, and Meketa Investment Group.

Fixed Income: Strong economic growth and inflation readings above forecasts shifted interest rate expectations pushing back the anticipated start date of rate cuts as well as the number of cuts for 2024. In this environment the broad U.S. bond market (Bloomberg Aggregate) fell 0.8% with Treasury Inflation-Protected Securities (TIPS) declining only slightly (0.1%). High yield bonds (1.5%) led the way for the quarter as risk appetite continues to be robust and overall yields remain attractive despite the recent tightening of spreads to Treasury equivalents.



¹ Source: Bloomberg. Data is as of March 31, 2024.

Overall interest rates moved higher over the quarter due to the strong economic data and the related shifts in monetary policy expectations. The more policy sensitive two-year Treasury yield rose from 4.3% to 4.6% in the first calendar quarter while the ten-year Treasury yield increased from 3.9% to 4.2%. The yield curve remained inverted at quarter-end despite a recent flattening trend. The yield spread between the two-year and ten-year Treasury was -0.4% at the end of the quarter.

Year-over-year headline inflation rose in March (3.2% to 3.5%) and came in slightly above expectations. Prices in service sectors, particularly shelter, remain a key driver of inflation, staying above the Fed's 2% average target, with a recent rise in energy prices contributing too. Month-over-month inflation rose 0.4%, which was the same as February, but above expectations of a 0.3% reading. Core inflation (excluding food and energy) remained at 3.8% but also came in above expectations. Core goods prices dropped, while core services including shelter and transportation prices continued to show persistence. Inflation expectations (break-evens) have remained relatively stable despite the significant volatility in inflation.

Overall, the U.S. labor market remains healthy, with the unemployment rate low, wage growth now positive in real terms, and initial claims for unemployment staying subdued. Each of the payroll readings over the quarter exceeded expectations. In March, the number of jobs added in the U.S. was 303,000 compared to a 214,000 forecast. The healthcare (72,000), government (71,000), and construction (39,000) sectors added the most jobs. The unemployment rate fell from 3.9% to 3.8%, while wage growth dropped slightly from 4.3% to 4.1% compared to a year prior, a level well off the 6.0% peak but above inflation levels. Quit rates have declined, and layoffs are stable, with 1.4 available workers per job opening in March.

The Fed has been on hold since July 2023 when it raised rates to a range of 5.25%-5.50%. Markets are now pricing in fewer than two rate cuts this year down from close to seven late last year, as economic data has come in better than expectations and inflation persists. Market pricing for the first-rate cut has also dramatically changed from an original expectation of a March cut to the probability priced below 50% for a rate cut at all remaining Fed meetings in 2024.

The dollar increased by close to 3% over the quarter versus a basket of major trading partners. Strong economic data in the U.S. may delay policy rate cuts this year, which could contribute to continued upward pressure on the dollar as other countries pivot to rate cuts.

Summary-Key Trends:

- According to the International Monetary Fund (IMF), global growth this year is expected to match the 2023 estimate at around 3.1% with most major economies predicted to avoid a recession. Continued strong economic growth does run the risk of inflation and interest rates staying higher for longer.
- Key economic data in the U.S. is still coming in above forecasts with expectations dramatically evolving for the timing and pace of interest rate cuts. If data remains strong the Federal Reserve may keep rates elevated increasing the risk of an economic slowdown.
- Outside the U.S. we could see other central banks start cutting rates ahead of the Fed, with the European Central Bank (ECB), particularly in focus. The risk of policy errors remains elevated as central banks try to further reduce inflation toward targets while not tipping their economies into recession.
- U.S. consumers could feel pressure as certain components of inflation (e.g., shelter)

remain high, borrowing costs are elevated, and the job market may weaken.

- A focus for U.S. equities going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and on-going weakness in the real estate sector which could spill over into key trading partners' economies. Japan's recent tightening of monetary policy along with changes in corporate governance in the country could influence relative results.

Vice President's Report

Core Information System Replacement Project Report

Workday Update



- Continuing to work out the kinks
- Offering more direct contacts for assistance
- Updating website
- Creating more guides and how-to videos

WorkdayStudent



- Bigger and longer than first phase
- Extensive integration
 - Admissions
 - Catalog
 - Schedule
 - Financial aid
 - Student financials
 - Advising
 - Student records
- Early, continuous testing
- Faculty and student advisory groups

Year		2023						2024										2025										2026																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
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Move to Production 1		Move to Production 2	Customer Uptake 4	Customer Uptake 5
Customer Uptake 1	Customer Uptake 2	Customer Uptake 3		
Recruiting & Admissions Application Fees & Tuition Deposits Academic Units & Levels Student Core Program of Study Profiles Calendars and Educational Institutions	Verifications, Awarding & Packaging for New Students ISIRs Course Catalog	Registration & Advising Student Conversion (All) Verifications, Awarding & Packaging for Continuing Students Fee Calculations, Sponsors, & Waivers Class Schedule Historical Conversion	Payments Cashiering Integration Payment Plans	Student Financials Balances Disbursement & R2T4 Grading Graduation Transcript Generation End-of-term Processing

Move to Production (MTP): when configuration is moved to the Production Tenant

Customer Uptake Milestone: when the institution starts using the feature and is transacting in Workday

Project Map

Plan

Fall 2023 – Spring 2024

Academic Foundations
Admissions
Records, Curriculum, & Advising
Financial Aid
Student Financials

Design

Test

Build

Summer 2024 – Winter 2025

Tenant #1 — June-August 2024
Tenant #2 — September-November 2024
Tenant #3 — December 2024-February 2025
Tenant #4 — March-April 2025

Deploy

Fall 2025 – Winter 2026

Academic Foundations &
Admissions — September
2025
Records, Curriculum, Advising,
Financial Aid & Student
Financials — March 2026

Test End-
to-end

Spring 2026 – Fall 2026

Records, Curriculum, Advising,
Financial Aid & Student
Financials — September 2026

Re-establishing Tuition and Mandatory Fees for Academic Year 2024-25 and Single Fee Assessment of Mandatory Fees (Action)

Roadmap for Discussion

- Technical & financial updates necessary to launch the proposed Single Fee
 - Update to Single Fee rate
 - Update to Tech Fee
 - Update to Tuition Schedule
- Stakeholder Communications
 - TAC support for Single Fee
- Cost of Attendance
- Affected Students

Current Fee Assessment

Incidental Fees

- Student Incidental
- Green Tag
- Rec Center

Enrollment Fees

- Health
- Building
- Technology

Online Delivery Fee (per SCH)

New Single Fee Assessment

Incidental Fees

- Student Incidental
- Green Tag
- Rec Center

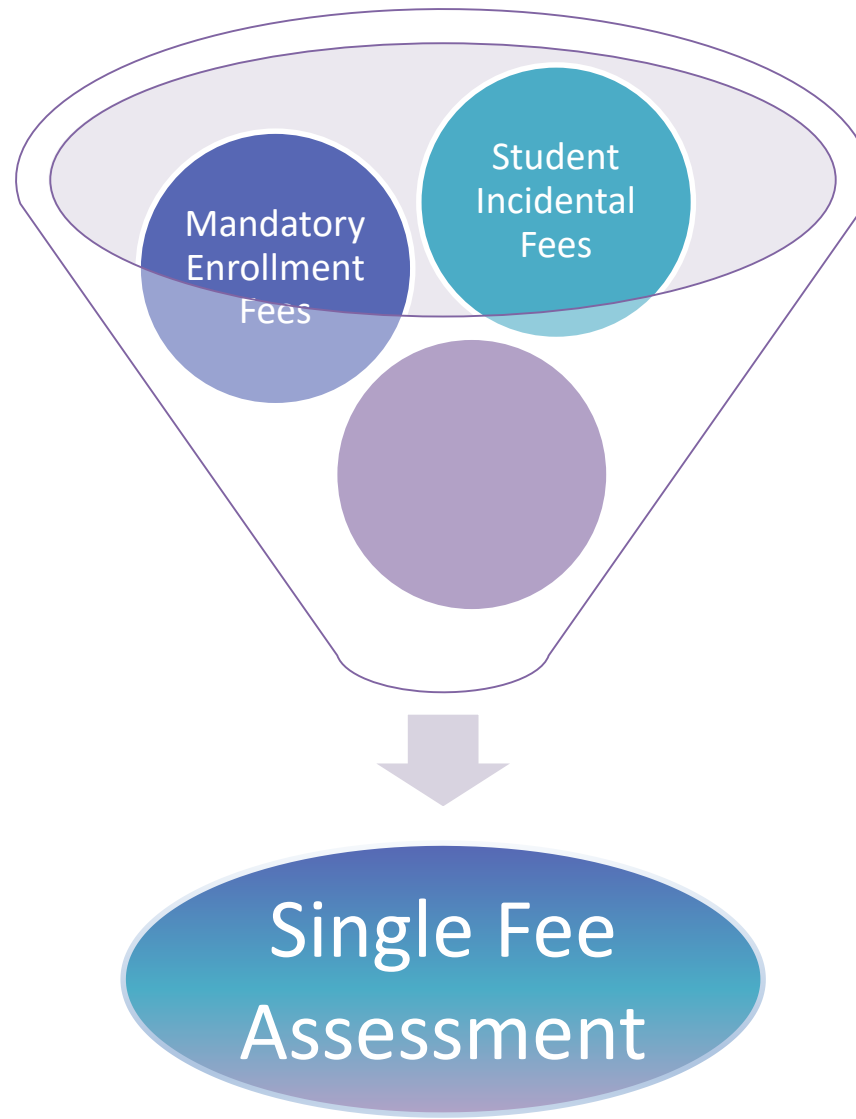
Enrollment Fees

- Health
- Building
- Technology

~~Online Delivery~~

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er SC~~

New Single Fee Assessment



UPDATE: Single Fee Price

- Single Fee originally proposed at \$105 per SCH
- To maintain goal of staying below the 5% HECC threshold, the single fee was recalculated based on all fees adopted in April
- Proposed Single Fee is **\$104.22 per SCH**
 - Eliminates Online Delivery Fee (\$75 per SCH)
 - Requires a small increase to the Tech Fee

UPDATE: Technology Services Fee

- Formerly called “Technology Infrastructure Fee”
- The “Tech Fee” is used to
 - Support software and course delivery for students
 - Support IT infrastructure and mitigate IT risk
- Elimination of the Online Delivery Fee (\$75 per SCH) requires an increase in the Technology Services Fee of \$4.75 from the April adopted rate of \$28 to \$32.75
- Update to Tech Fee portion of Single Fee sufficient to maintain revenue expectations

Single Fee Assessment - Impact to Tuition Schedule

PROPOSED FY25				Academic Year 2024-25 (FY25)			
Undergraduate Tuition Rate per SCH	Current	Res: 4.99% Non-Res: 3.50%	% Change from Prior AY	Difference Per SCH	Difference Per Term @ 12 SCH	Difference Per AY @ 36 SCH	Annual Tuition Cost
01-WUE SCH	\$323	\$339	4.95%	\$16.00	\$192.00	\$576.00	\$12,204.00
02-UG Resident SCH (incl. EXRES)	\$215	\$226	5.12%	\$11.00	\$132.00	\$396.00	\$8,136.00
02.2-UG JackJo Pledge	\$160	\$168	5.00%	\$8.00	\$96.00	\$288.00	\$6,048.00
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04.3-UG Online SCH WUE	\$323	\$339	4.95%	\$16.00	\$192.00	\$576.00	\$12,204.00
Graduate Tuition Rate per SCH		Res: 4.99% Non-Res: 3.73%	% Change from Prior AY	Difference Per SCH	Difference Per Term @ 9 SCH	Difference Per AY @ 27 SCH	Annual Tuition Cost
05-GR Resident SCH (incl. EXRES)	\$539	\$566	5.01%	\$27.00	\$243.00	\$729.00	\$15,282.00
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07.0-GR AP MBA Online SCH	\$430	\$430	0.00%	\$0.00	\$0.00	\$0.00	\$11,610.00
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07.3-GR AP MS.Ed Online SCH	\$369	\$369	0.00%	\$0.00	\$0.00	\$0.00	\$9,963.00
08-GR - MEDU SCH	\$462	\$462	0.00%	\$0.00	\$0.00	\$0.00	\$12,474.00

Stakeholder Communications

The SOU Single Fee

ASSOU President's Cabinet **Business Faculty**
Faculty Senate **Board of Trustees** Super Cabinet
Student Fee Committee (SFC) **Jim Pinkard & Team**
Institutional Budget Committee (IBC) Staff Assembly
Tuition Advisory Council (TAC) **HECC**
New ASSOU Leadership

TAC Update

- Recorded ZOOM session
- Three Questions:
 1. Do you support moving to the Single Fee Assessment?
 2. Do you support renaming the Technology Infrastructure Fee to “Technology Services Fee”?
 3. Do you support increasing the Technology Services Fee to \$32.75 to help launch the single fee assessment plan?

Undergraduate Resident Cost of Attendance for AY 2024-25

Tuition	Current per Term	Current Per AY	Proposed per Term @12 SCH	Proposed Per AY	\$ ▲ Per Term / Per Credit	\$ ▲ per AY	% ▲
Resident Undergrad	\$2,580	\$7,740	\$2,712.00	\$8,136.00	\$11.00	\$396.00	5.12%
Mandatory Enrollment & Incidental Fees							
Student Incidental & Green Tag	\$426	\$1,278	\$444.00	\$1,332.00	\$18.00	\$54.00	4.23%
Student Rec Center	\$118	\$354	\$118.00	\$354.00	\$0.00	\$0.00	0.00%
Student Health Services	\$187	\$561	\$187.00	\$561.00	\$0.00	\$0.00	0.00%
Building Debt-Service Fee	\$50	\$150	\$52.00	\$156.00	\$2.00	\$6.00	4.00%
Technology Infrastructure Free	\$25	\$75	\$28.00	\$84.00	\$3.00	\$9.00	12.00%
Composite Fees:	\$806	\$2,418	\$829.00	\$2,487.00	\$23.00	\$69.00	2.85%
Composite Tuition and All Fees:	\$3,386	\$10,158	\$3,541.00	\$10,623.00	\$34.00	\$465.00	4.58%
HECC - Tuition & Mandatory Enrollment Fees:	\$2,842	\$8,526	\$2,979	\$8,937	\$16	\$411	4.82%
Housing/Meals							
Shasta Double	\$3,316	\$9,948	\$3,449	\$9,657	\$230	\$0	4.00%
Red Plan	\$2,100	\$6,300	\$2,184	\$6,300	\$50	\$150	4.00%
Composite Housing/Meals Change:	\$5,416	\$16,248	\$5,633	\$16,898	\$280	\$839	4.00%
Cost of Attendance*							
Resident Undergrad	\$8,802	\$26,406	\$9,174	\$27,521	\$314	\$1,304	4.22%

UPDATE: Undergraduate Resident Cost of Attendance for AY 2024-25

Tuition	Current per Term	Current Per AY	Proposed per Term @12 SCH	Proposed Per AY		\$ ▲ Per Term / Per Credit	\$ ▲ per AY	% ▲
Resident Undergrad	\$2,580	\$7,740	\$2,712.00	\$8,136.00		\$11.00	\$396.00	5.12%
Mandatory Enrollment & Incidental Fees								
Student Incidental & Green Tag	\$426	\$1,278	\$444.00	\$1,332.00		\$18.00	\$54.00	4.23%
Student Rec Center	\$118	\$354	\$118.00	\$354.00		\$0.00	\$0.00	0.00%
Student Health Services	\$187	\$561	\$187.00	\$561.00		\$0.00	\$0.00	0.00%
Building Debt-Service Fee	\$50	\$150	\$52.00	\$156.00		\$6.00	\$6.00	4.00%
Technology Services Fee	\$25	\$75	\$32.75	\$98.25		\$7.75	\$23.25	31.00%
Composite Fees:	\$806	\$2,418	\$833.75	\$2,501.25		\$27.75	\$83.25	3.44%
Composite Tuition and All Fees:	\$3,386	\$10,158	\$3,545.75	\$10,637.25		\$38.75	\$479.25	4.72%
HECC - Tuition & Mandatory Enrollment Fees:	\$2,842	\$8,526	\$2,984	\$8,951		Academic Year % Change:		4.99%

833.75 / 8 =
104.22

Recommendation:

- Support an increase to Technology Services Fee to \$32.75
 - \$4.75 increase from original \$28
- Necessary to switch to the Single Fee assessment plan

Comparative Fee Schedule (per term)

CR	Face-2-Face			Online		
	24-25 Adopted	24-25 Proposed	Change	24-25 Adopted	24-25 Proposed	Change
1	\$548.21	\$104.22	(\$443.99)	\$75.00	\$104.22	\$29.22
2	\$567.75	\$208.44	(\$359.31)	\$150.00	\$208.44	\$58.44
3	\$586.27	\$312.66	(\$273.61)	\$225.00	\$312.66	\$87.66
4	\$798.14	\$416.88	(\$381.26)	\$300.00	\$416.88	\$116.88
5	\$802.26	\$521.10	(\$281.16)	\$375.00	\$521.10	\$146.10
6	\$806.37	\$625.32	(\$181.05)	\$450.00	\$625.32	\$175.32
7	\$809.46	\$729.54	(\$79.92)	\$525.00	\$729.54	\$204.54
8	\$813.57	\$833.75	\$20.18	\$600.00	\$833.75	\$233.75
9	\$817.69	\$833.75	\$16.06	\$675.00	\$833.75	\$158.75
10	\$821.80	\$833.75	\$11.95	\$750.00	\$833.75	\$83.75
11	\$826.94	\$833.75	\$6.81	\$825.00	\$833.75	\$8.75
12	\$829.00	\$833.75	\$4.75	\$900.00	\$833.75	(\$66.25)
13	\$829.00	\$833.75	\$4.75	\$975.00	\$833.75	(\$141.25)
14	\$829.00	\$833.75	\$4.75	\$1,050.00	\$833.75	(\$216.25)
15	\$829.00	\$833.75	\$4.75	\$1,125.00	\$833.75	(\$291.25)
16	\$829.00	\$833.75	\$4.75	\$1,200.00	\$833.75	(\$366.25)

Fee Scenarios by Course Modality

SCENARIO (Fees only)	24-25 Adopted	24-25 Proposed	(per term) CHANGE
1 CREDIT FACE TO FACE	\$548.21	\$104.22	-\$443.99 SAVINGS
4 CREDITS FACE TO FACE	\$798.14	\$416.88	-\$381.26 SAVINGS
8 CREDITS FACE TO FACE	\$813.57	\$833.75	\$20.18 INCREASE
12 CREDITS FACE TO FACE	\$829.00	\$833.75	\$4.75 INCREASE
16 CREDITS FACE TO FACE	\$829.00	\$833.75	\$4.75 INCREASE
1 CREDIT ONLINE	\$75.00	\$104.22	\$29.22 INCREASE
4 CREDITS ONLINE	\$300.00	\$416.88	\$116.88 INCREASE
8 CREDITS ONLINE	\$600.00	\$833.75	\$233.75 INCREASE
12 CREDITS ONLINE	\$900.00	\$833.75	-\$66.25 SAVINGS
16 CREDITS ONLINE	\$1,200.00	\$833.75	-\$366.25 SAVINGS
4 CREDITS ONLINE + 4 FACE TO FACE	\$1,098.14	\$833.75	-\$264.39 SAVINGS
8 CREDITS ONLINE + 4 FACE TO FACE	\$1,398.14	\$833.75	-\$564.39 SAVINGS
12 CREDITS ONLINE + 4 FACE TO FACE	\$1,698.14	\$833.75	-\$864.39 SAVINGS
8 CREDITS FACE TO FACE + 4 ONLINE	\$1,113.57	\$833.75	-\$279.82 SAVINGS

Tuition + Fee Scenarios with Course Modality Examples

SCENARIO (Tuition + Fees; UG Res)	24-25 Adopted	24-25 Proposed	CHANGE
1 CREDIT FACE TO FACE	\$774.21	\$330.22	-\$443.99 SAVINGS
4 CREDITS FACE TO FACE	\$1,702.14	\$1,320.88	-\$381.26 SAVINGS
8 CREDITS FACE TO FACE	\$2,621.57	\$2,641.75	\$20.18 INCREASE
12 CREDITS FACE TO FACE	\$3,541.00	\$3,545.75	\$4.75 INCREASE
16 CREDITS FACE TO FACE	\$4,445.00	\$4,449.75	\$4.75 INCREASE
1 CREDIT ONLINE	\$301.00	\$330.22	\$29.22 INCREASE
4 CREDITS ONLINE	\$1,204.00	\$1,320.88	\$116.88 INCREASE
8 CREDITS ONLINE	\$2,408.00	\$2,641.75	\$233.75 INCREASE
12 CREDITS ONLINE	\$3,612.00	\$3,545.75	-\$66.25 SAVINGS
16 CREDITS ONLINE	\$4,816.00	\$4,449.75	-\$366.25 SAVINGS
4 CREDITS ONLINE + 4 FACE TO FACE	\$2,906.14	\$2,641.76	-\$264.38 SAVINGS
8 CREDITS ONLINE + 4 FACE TO FACE	\$4,110.14	\$3,545.75	-\$564.39 SAVINGS
12 CREDITS ONLINE + 4 FACE TO FACE	\$5,314.14	\$4,449.75	-\$864.39 SAVINGS
8 CREDITS FACE TO FACE + 4 ONLINE	\$3,825.57	\$3,545.75	-\$279.82 SAVINGS

Bands of Affected Students

	Fall 23	Winter 24	Spring 24	Averages
Headcount per term	3,165	3,003	2,837	3,002
At least 1 SCH Online	1376	1483	1369	1,409
Exclusively Online	326	274	279	293
% Taking Online	43.5%	49.4%	48.3%	47.0%
% Only Online	10.3%	9.1%	9.8%	9.8%
% Only of Total Online	23.7%	18.5%	20.4%	20.8%

*Only fee generating headcounts counted.

Count of ONLINE ONLY Students per term				
SCH	Fall 23	Winter 24	Spring 24	AVERAGE
1	2	0	2	1.3
2	3	2	0	1.7
3	5	2	2	3.0
4	78	68	74	73.3
5	4	2	3	3.0
6	5	7	10	7.3
7	7	4	5	5.3
8	75	58	51	61.3
9	2	5	2	3.0
10	11	2	6	6.3
11	5	6	3	4.7
12	82	78	85	81.7
13	14	8	6	9.3
14	9	11	14	11.3
15	3	5	2	3.3
16	14	11	10	11.7
17	2	3	1	2.0
18	1	0	0	0.3
19	0	0	1	0.3
20	3	2	1	2.0
21	1	0	0	0.3
22	0	0	0	-
23	0	0	1	0.3

Effects to Neediest Students

- Proposed model does not disadvantage PELL eligible students
 - More students will have access to campus services
- New Student Aid Index [FAFSA] means SOU will have significantly more PELL eligible students than ever before
- Financial Aid prepared to work with individual students if they are negatively impacted in any way

Effects to Online Students

Current Online Only Students Taking 8 or Fewer SCH:

- SOU will assess student financial need and provide assistance for unmitigated impacts
- Consulting with academic programs to best address their predominantly online student populations

Summary for Single Fee

- Proposed composite rate is \$104.22 per student credit hour, capped at eight (8) SCH
- HECC composite tuition and fees rate of increase is now 4.99%
- TAC has approved and recommends the single fee assessment structure as proposed
- Assessment would begin Fall 2024



ACADEMIC YEAR 2024-25 TUITION RATES RECOMMENDATION
For July 1, 2024 through June 30, 2025

Date: June 11, 2024

To: The Board of Trustees of Southern Oregon University Board of Trustees

From: Richard J. Bailey, Jr., Ph.D., President

DESCRIPTION OF FUNDS

Tuition Rates as authorized and collected according to ORS 352.102. Rates include:

Undergraduate Tuition Rate per SCH	Current AY 2023-24	Res: 4.99% Non-Res: 3.50%	% Change from Prior AY	Difference Per SCH	Difference Per Term @ 12 SCH	Difference Per AY @ 36 SCH	Annual Tuition Cost
01-WUE SCH	\$323	\$339	4.95%	\$16.00	\$192.00	\$576.00	\$12,204.00
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07.3-GR AP MS.Ed Online SCH	\$369	\$369	0.00%	\$0.00	\$0.00	\$0.00	\$9,963.00
08-GR - MEDU SCH	\$462	\$462	0.00%	\$0.00	\$0.00	\$0.00	\$12,474.00
Other Categories Tuition Rate per SCH		4.99%	% Change from Prior AY	Difference Per SCH	Difference Per Term @ 12 SCH	Difference Per AY @ 36 SCH	Annual Tuition Cost
09-Staff	\$64	\$67	4.69%	\$3.00	\$45.00	\$135.00	\$2,412.00
10-Waived Tuition SCH	\$0	\$0	0.00%	\$0.00	\$0.00	\$0.00	\$0.00
11-Course Based Tuition SCH	\$121	\$127	4.96%	\$6.00	\$90.00	\$270.00	\$4,572.00
12-Adv Southern Credit SCH	\$53	\$56	5.66%	\$3.00	\$45.00	\$135.00	\$2,016.00
13-Early Entry Credit SCH	\$107.50	\$113	5.12%	\$5.50	\$82.50	\$247.50	\$4,068.00

PRESIDENT'S RECOMMENDATION

[X] Approve [] Disapprove

Richard J. Bailey, Jr., Ph.D.,
President

06/11/2024

Date



MANDATORY ENROLLMENT FEES RECOMMENDATION
For July 1, 2024 through June 30, 2025 & Summer Term 2024

Date: June 11, 2024
To: The Board of Trustees of Southern Oregon University
From: Richard J. Bailey, Jr., Ph.D., President

DESCRIPTION OF FUNDS

Mandatory Enrollment Fees as authorized and collected according to ORS 352.102. Fees include:

BUILDING DEBT SERVICE	
Building Debt Service Fee Per Term for Academic Year 2024 - 25	\$52.00
Building Debt Service Fee Per Term for Prior AY 2023 - 24	\$50.00
\$ Change Per Term from Prior Year:	\$2.00
% Change from Prior Year:	4.00%
Building Debt Service Fee - Summer Term 2024	\$39.00
Building Debt Service Fee Prior Summer Term 2023	\$37.50
\$ Change from Prior Year:	\$2
% Change from Prior Year:	4.00%
<u>Programs Supported</u>	<u>Est. AY Collections</u>
Building Debt-Service Reserve	\$393,900
TECHNOLOGY SERVICES FEE	
Technology Infrastructure Fee Per Term for Academic Year 2024 - 25	\$32.75
Technology Infrastructure Fee Per Term for Prior AY 2023 - 24	\$25.00
\$ Change Per Term from Prior Year:	\$7.75
% Change from Prior Year:	31.00%
Technology Infrastructure Fee for Summer Term 2024	\$24.55
Technology Infrastructure Fee Prior Summer Term 2023	\$18.75
\$ Change from Prior Year:	\$6
% Change from Prior Year:	30.93%
<u>Programs Supported</u>	<u>Est. AY Collections</u>
Technology Infrastructure	\$248,081
STUDENT HEALTH SERVICES FEE	
Health Services Fee Per Term for Academic Year 2024 - 25	\$187.00
Health Services Fee Per Term for Prior AY 2023 - 24	\$187.00
\$ Change Per Term from Prior Year:	\$0.00
% Change from Prior Year:	0.00%
Health Services Fee for Summer Term 2024	\$140.25
Health Services Fee for Prior Summer Term 2023	\$133.00
\$ Change from Prior Year:	\$7.25
% Change from Prior Year:	5.45%
<u>Programs Supported</u>	<u>Est. AY Collections</u>
Student Health and Wellness Center and Programs	\$1,416,525

PRESIDENT'S RECOMMENDATION

[X] Approve [] Disapprove

Richard J. Bailey, Jr., Ph.D.,
President

06/11/2024

Date



MANDATORY STUDENT INCIDENTAL FEES – JOINT RECOMMENDATION

For July 1, 2024 through June 30, 2025 & Summer Term 2024

Date: April 9, 2024
To: The Board of Trustees of Southern Oregon University
From: Associated Students of Southern Oregon University (ASSOU)

DESCRIPTION OF FUNDS

Mandatory Incidental Fees as authorized and collected according to ORS 352.105. Fees include:

STUDENT INCIDENTAL FEE

Incidental Fee Per Term for Academic Year 2024 - 25	\$430
Incidental Fee Per Term for Prior AY 2023 - 24	\$412
\$ Change Per Term from Prior Year:	\$18
% Change from Prior Year:	4.37%
Incidental Fee - Summer Term 2024	\$92
Incidental Fee - Prior Summer Term	\$88
\$ Change from Prior Year:	\$4
% Change from Prior Year:	4.37%

Programs Supported

Athletics (Incidental Fee Supported Programs), Campus Recreation (Incidental Fee Supported Programs), Student Life & Educational Activities, Indirect Budget Authority Support (e.g. OCA Art Gallery), Building/Equipment Reserves & General Liability Easements, Incidental Fee Reserve

	<u>Est. AY Collections</u>
Student Incidental Fee	\$3,257,250

GREEN TAG FEE

Green Tag Fee Per Term for Academic Year 2024 - 25	\$14
Green Tag Fee Per Term for Prior AY 2023 - 24	\$14
\$ Change Per Term from Prior Year:	\$0
% Change from Prior Year:	0.00%

Programs Supported

	<u>Est. AY Collections</u>
Green Tag Projects	\$106,050

RECREATION CENTER FEE

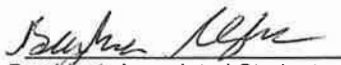
Recreation Center Fee Per Term for Academic Year 2024 - 25	\$118
Recreation Center Fee Per Term for Prior AY 2024 - 25	\$118
\$ Change Per Term from Prior Year:	\$0
% Change from Prior Year:	0.00%

Programs Supported

	<u>Est. AY Collections</u>
Recreation Center (Building, Debt Service, Core Salaries, etc.)	\$893,850

JOINT RECOMMENDATION

☒ Approve ☐ Disapprove


President, Associated Students
of Southern Oregon University
Brayden Clayburn

4-10-24
Date

☒ Approve ☐ Disapprove


President, Southern Oregon University
Dr. Richard Bailey

04/11/2024
Date

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

**RESOLUTION
Tuition and Fees for Academic Year 2024-25 and
Collection of the Single Mandatory Student Fee**

Whereas, the Southern Oregon University Board of Trustees (“the board”) has the authority to establish tuition and mandatory enrollment fees in accordance with applicable laws and policies, including the Board Statement on Delegation of Authority;

Whereas, the board previously adopted a process for Establishing Tuition and Mandatory Fees;

Whereas, the board authorizes the collection of mandatory student incidental fees which have been recommended jointly by the president of the university and the recognized student government, and established in accordance with Oregon Law;

Whereas, the university’s Tuition Advisory Council, which is comprised of representatives from various campus constituencies including but not limited to students, student government, faculty, and staff, has recommended to the university president tuition and mandatory enrollment fees for Academic Year 2024-25;

Whereas, after considering numerous factors including but not limited to historical tuition and fee trends, comparative data of peer institutions, the university’s budget and projected costs, anticipated funding including anticipated state appropriation levels, and applicable fee recommendations, the University President has provided the board tuition and mandatory enrollment fee recommendations for consideration;

Whereas, the president and the board consider a number of factors, including the desire to: create affordable access to programs and courses; encourage a diverse student body; maintain quality academic programs; encourage enrollment, persistence, and graduation of students; maintain the university infrastructure necessary to support the academic, cultural and physical development of its students; and support the educational goals of the State of Oregon;

Whereas, each component of the mandatory incidental and enrollment fees is billed discretely, and an Online Delivery Fee is assessed to online courses billed to students on a per credit hour basis;

Whereas, the board endeavors to eliminate separate online tuition rates and the corresponding online delivery fee for undergraduate resident, graduate resident, graduate non-resident, and Western Undergraduate Exchange online students;

Whereas, the board endeavors to assess a single mandatory fee rate for students, a new single composite fee will be assessed and billed to students irrespective of course

modality starting at one (1) student credit hour with a cap at eight (8) student credit hours; and

Whereas, the president has recommended to the Finance and Administration Committee that the proposed tuition and mandatory fees schedules be submitted to the full Board of Trustees for consideration and approval; Now, therefore,

Be it resolved, that the Finance and Administration Committee of the Board of Trustees of Southern Oregon University hereby recommends the Board of Trustees approve the mandatory student incidental fees, the mandatory enrollment fees, and tuition rates schedules as presented on June 20, 2024, to become effective July 1, 2024. With this approval, the committee further recommends the Board of Trustees authorize the collection of tuition and a single mandatory student fee for the 2024-2025 academic year, as presented.

VOTE:

DATE: June 21, 2024

Budget Forecast and Detailed Review of Pro Forma

FY 2024 Budget Update

- Pro forma model being updated to Workday logic – noticeable changes to other personnel expenses (OPE)
- Labor impacts for FY24 were within budget
- FY24 Soft close information available at September retreat

Education and General (E&G) Revenues

Education and General

(in thousands of dollars)

REVENUES

	2021-23 Biennium	2023-25 Biennium			2025-27 Biennium	
	2022-23 Actual (000's)	2023-24 FY24 Budget (000's)	2023-24 Est FY24 (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)
Total State Funding (SSCM,ETSF,SELP,BenNav)	27,001	28,157	27,879	29,002	30,158	31,373
Tuition	33,178	34,711	33,937	34,442	36,774	38,093
Fees	4,254	4,157	4,033	4,255	4,474	4,670
Raider Aid (remissions)	(4,002)	(4,055)	(4,301)	(4,024)	(4,296)	(4,450)
<i>Oth tuition & fee adjustments</i>		200	200			
Tuition, net of Raider Aid	33,430	35,013	33,869	34,673	36,951	38,313
<i>Non-Recurring 1-Time Revenue</i>		1,000	1,000	1,000	1,000	
Misc. Other Revenue	3,933	3,675	4,446	3,730	3,982	4,125
TOTAL REVENUES	64,364	67,846	67,195	68,404	72,091	73,811

JUNE UPDATE TO REVENUE PROJECTIONS & OBSERVATIONS

- Slight increase to Misc. Other Revenue for FY24 from CHF (Housing) land lease
- FY25 Tuition projection **decrease** from last update based on collective discussions between Budget, Registrar, and Admissions
 - Now using conservative -3% for SCH projections
 - Larger enrollment discussion in ASAC

E&G Labor



(in thousands of dollars)

EXPENSES & TRANSFERS

Personnel Services

	2021-23 Biennium	2023-25 Biennium			2025-27 Biennium	
	2022-23 Actual (000's)	2023-24 FY24 Budget (000's)	2023-24 Est FY24 (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)
Faculty	(14,626)	(14,539)	(14,065)	(14,675)	(14,792)	(15,259)
Unclassified Staff	(10,229)	(10,174)	(9,970)	(9,815)	(9,780)	(10,002)
Classified Staff	(6,845)	(7,335)	(7,054)	(7,263)	(7,779)	(8,119)
Students, GA's, etc	(1,365)	(1,787)	(1,361)	(1,670)	(1,676)	(1,759)
Salaries Sub-total	(33,065)	(33,835)	(32,451)	(33,423)	(34,027)	(35,138)
PERS & ORP (Retirement Pgms)	(7,890)	(8,323)	(7,684)	(7,940)	(8,173)	(8,547)
PEBB (Healthcare)	(7,907)	(8,651)	(7,920)	(8,035)	(8,308)	(8,591)
Other (FICA, SAIF, OPL, etc.)	(2,683)	(3,423)	(2,971)	(3,157)	(3,249)	(3,398)
OPE Sub-total	(18,480)	(20,397)	(18,575)	(19,132)	(19,731)	(20,536)
Vacancy Adj.		250				
Other Adj. to Labor		(260)			(377)	(842)
Net Personnel Services	(51,545)	(54,241)	(51,025)	(52,555)	(54,135)	(56,516)

JUNE UPDATE TO LABOR PROJECTIONS & OBSERVATIONS

- Faculty – tracking as anticipated
- Unclassified COLA planning still in process
- Classified salary projections now updated
 - FY24 projection (green column) showing slight increase from April
- **NEW:** Starting FY24, all OPE estimates have been completely recalculated using Workday methodology
 - Composite allocation vs. per employee
 - Significant savings from budget

Supplies & Services

Education and General

(in thousands of dollars)

	2021-23 Biennium	2023-25 Biennium			2025-27 Biennium	
	2022-23 Actual (000's)	2023-24 FY24 Budget (000's)	2023-24 Est FY24 (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)
<u>Supplies & Services (S&S)</u>						
S&S Expenses	(12,863)	(12,292)	(14,487)	(12,231)	(12,527)	(12,840)
AP Program Share (AP)	(1,104)	(1,128)	(1,309)	(1,219)	(1,199)	(1,124)
Capital Expenses (CapEx)	(99)	(240)	(87)	(246)	(251)	(257)
Total S&S, CapEx, AP	(14,066)	(13,660)	(15,884)	(13,695)	(13,977)	(14,222)

JUNE SUPPLIES & SERVICES (S&S) PROJECTIONS & OBSERVATIONS

- S&S Full fiscal year projections are currently exceeding budget
 - Some large unexpected increases include:
 - Title IV & Clery outsourcing
 - Investment charges related to PUF move
 - Professional Services
 - Legal related to La Clinica
 - Assessments
 - Delay in internal charge processing & recoveries
- AP Program share increasing
 - More revenue = more revenue share
 - Program growth

Transfers

Education and General

(in thousands of dollars)

	2021-23 Biennium	2023-25 Biennium			2025-27 Biennium	
	2022-23 Actual (000's)	2023-24 FY24 Budget (000's)	2023-24 Est FY24 (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)
Budgeted Transfers (In & Out)	(3,304)	(2,822)	(2,822)	(2,734)	(2,817)	(2,940)
<i>Transfers Adjustments</i>						
Transfers Net (excluding relief funds)	(3,304)	(2,822)	(2,440)			
Federal Relief Funds Transferred to E&G	3,312	2,879	2,879			
Transfers Net (In & Out of E&G)	8	57	439	(2,734)	(2,817)	(2,940)

TRANSFERS PROJECTIONS & OBSERVATIONS

- Slight reduction from last update
 - Possibly related to conversion timing
 - Monitoring over the summer

Reminder:

- Final year of Federal HEERF support as offset of expenses
 - Extra monitoring of regular operations post-HEERF for all transfers out of E&G
 - Detailed examination of transfers to commence during Workday transition

E&G Fund Balance

Education and General

(in thousands of dollars)

FUND BALANCE

	2021-23 Biennium	2023-25 Biennium			2025-27 Biennium	
	2022-23 Actual (000's)	2023-24 FY24 Budget (000's)	2023-24 Est FY24 (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)
Change in Fund Balance	(1,239)	1	343	(581)	372	883
Beginning Fund Balance	6,886	5,883	5,647	5,990	5,409	5,781
Ending Fund Balance	5,647	5,884	5,990	5,409	5,781	6,664
% Operating Revenues	8.77%	8.67%	8.91%	7.91%	8.11%	9.03%
Gross Tuition Contribution Ratio	50.6%	51.2%	51.1%	49.9%	50.8%	52.2%
Net Tuition Dependency Ratio	51.9%	51.6%	50.4%	50.7%	50.8%	51.9%
Days of Operations	29.91	30.37	31.35	28.62	29.76	33.35
Months of Operations	1.00	1.01	1.05	0.95	0.99	1.11

JUNE UPDATE FUND BALANCE PROJECTIONS & OBSERVATIONS

- Current fund balance projections slightly increased from April
 - Largely due to updates to change in OPE projection model
- SCH decline projected for FY25 – FY27 (FAFSA debacle)
- Possible updates over the summer will alleviate fund balance use in FY25
- Continued monitoring to ensure $R \geq C$

Education and General <div>(in thousands of dollars)</div>		2021-23 Biennium	2023-25 Biennium				2025-27 Biennium	
		2022-23 Actual (000's)	2023-24 FY24 Budget (000's)	2023-24 Est FY24 (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)	
REVENUES								
Total State Funding (SSCM,ETSF,SELP,BenNav)		27,001	28,157	27,879	29,002	30,158	31,373	
Tuition		33,178	34,711	33,937	34,441	36,041	38,092	
Fees		4,254	4,157	4,033	4,254	4,384	4,670	
Raider Aid (remissions)		(4,002)	(4,055)	(4,301)	(4,023)	(4,210)	(4,450)	
Oth tuition & fee adjustments			200	200				
Tuition, net of Raider Aid		33,430	35,013	33,869	34,672	36,215	38,312	
Non-Recurring 1-Time Revenue			1,000	1,000	1,000	1,000		
Misc. Other Revenue		3,933	3,675	4,446	3,730	3,903	4,125	
TOTAL REVENUES		64,364	67,846	67,194	68,403	71,276	73,810	
EXPENSES & TRANSFERS								
Personnel Services								
Faculty		(14,626)	(14,539)	(14,065)	(14,675)	(14,792)	(15,259)	
Unclassified Staff		(10,229)	(10,174)	(9,970)	(9,815)	(9,780)	(10,002)	
Classified Staff		(6,845)	(7,335)	(7,054)	(7,263)	(7,779)	(8,119)	
Students, GA's, etc		(1,365)	(1,787)	(1,361)	(1,670)	(1,676)	(1,759)	
Salaries Sub-total		(33,065)	(33,835)	(32,451)	(33,423)	(34,027)	(35,138)	
PERS & ORP (Retirement Pgms)		(7,890)	(8,323)	(7,684)	(7,940)	(8,173)	(8,547)	
PEBB (Healthcare)		(7,907)	(8,651)	(7,920)	(8,035)	(8,308)	(8,591)	
Other (FICA, SAIF, OPL, etc.)		(2,683)	(3,423)	(2,971)	(3,157)	(3,249)	(3,398)	
OPE Sub-total		(18,480)	(20,397)	(18,575)	(19,132)	(19,731)	(20,536)	
Vacancy Adj.			250					
Other Adj. to Labor			(260)			(377)	(842)	
Net Personnel Services		(51,545)	(54,241)	(51,025)	(52,555)	(54,135)	(56,516)	
Supplies & Services (S&S)								
S&S Expenses		(12,863)	(12,292)	(14,487)	(12,231)	(12,527)	(12,840)	
AP Program Share (AP)		(1,104)	(1,128)	(1,309)	(1,219)	(1,175)	(1,124)	
Capital Expenses (CapEx)		(99)	(240)	(87)	(246)	(251)	(257)	
Total S&S, CapEx, AP		(14,066)	(13,660)	(15,884)	(13,695)	(13,953)	(14,222)	
1x Cost Reductions, Savings, Outside Support					As Modeled	As Modeled	As Modeled	
Recurring S&S Cuts					0	0	750	
Personnel and S&S before Transfers		(65,611)	(67,901)	(66,909)	(66,250)	(68,088)	(69,988)	
Net from Operations Before Transfers		(1,247)	(56)	285	2,153	3,188	3,822	
Budgeted Transfers (In & Out)		(3,304)	(2,822)	(2,822)	(2,734)	(2,817)	(2,940)	
Transfers Adjustments								
Transfers Net (excluding relief funds)		(3,304)	(2,822)	(2,440)				
Federal Relief Funds Transferred to E&G		3,312	2,879	2,879				
Transfers Net (In & Out of E&G)		8	57	439	(2,734)	(2,817)	(2,940)	
TOTAL EXPENSES & TRANSFERS		(65,603)	(67,845)	(66,470)	(68,985)	(70,905)	(72,928)	
TOTAL EXPENSES (excluding Federal Relief)		(68,907)	(70,667)	(69,292)				
FUND BALANCE								
Change in Fund Balance		(1,239)	1	342	(582)	371	882	
Beginning Fund Balance		6,886	5,883	5,647	5,989	5,408	5,779	
Ending Fund Balance		5,647	5,884	5,989	5,408	5,779	6,661	
% Operating Revenues		8.77%	8.67%	8.91%	7.91%	8.11%	9.02%	
Gross Operating Contribution Ratio		50.6%	51.2%	51.1%	49.9%	50.8%	52.2%	
Net Tuition Dependency Ratio		51.9%	51.6%	50.4%	50.7%	50.8%	51.9%	
Days of Operations		29.91	30.37	31.35	28.61	29.75	33.34	
Months of Operations		1.02	1.01	1.04	0.95	0.99	1.11	

FY 25 Budget Development Process

FY 2025

- Adaptive Planning implementation in full swing
- Team taking holistic approach to configuration
- Implementation will also involve FY 2025 budget development for October adoption
- Continuing resolution / temporary authorization at FY 2024 levels until October

FY 2025 Temporary Budget and Expenditure Authorizations (Action)

FY 2025 Temporary Budget and Expenditure Authorization Summary of Proposed Action

The Southern Oregon University Board of Trustees has the responsibility of approving a budget and related expenditure authorizations for each fiscal year (FY). The upcoming fiscal year for the University begins on July 1, 2024, and ends on June 30, 2025.

In March of 2023 the go-live date of Phase 1 (Human Resources, Payroll, and Finance modules) of the Core Information System Replacement (CISR) Project was delayed six months in order to decompress overlapping project phases; address significant workload issues; and support a better-quality implementation of the Workday system. The budget module of Workday, Adaptive Planning, was planned to begin 6 months following the implementation of Phase 1. As a result, the original go-live date of July 1, 2023, was delayed until January 1, 2024. The new schedule requires the implementation of Adaptive Planning to begin later as well.

The delay stems from shifting the implementation of the Workday Foundational Data Model, Human Resources, Payroll, and Finance modules. The budget model, Adaptive Planning, is reliant on the successful implementation of those and was always scheduled to begin implementation after those modules were live. The six (6) month shift of going live with Workday to January of 2024 created an overlapping conflict with SOU's regular budget cycle and implementation of Adaptive Planning, pushing the kick-off start date to the end of April 2024.

As a result, it is proposed that the Board approve revising the timing related to adopting the FY25 budget.

Specifically, the University seeks temporary approval from the Board for initial expenditure authorizations for FY25 at levels commensurate with those of FY24. The final FY25 Education and General Fund (also known as "budgeted operations"), auxiliary, and designated operations budgets as well as transfers, will be presented for the board's action at its October meeting after Adaptive Planning is successfully launched with the FY2025 Budget development happening concurrently.

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

**Resolution
FY 2025 Temporary Budget and Expenditure Authorization**

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

Whereas, ORS 352.107(1)(a) provides that the Board of Trustees may acquire, receive, hold, keep, pledge control, convey, manage, use, lend, expend and invest all monies, 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 monies without appropriation or expenditure limitation approval from the Legislative Assembly;

Whereas, ORS 352.087(2) requires, and the Board of Trustees finds, that the budget of Southern Oregon University be prepared in accordance with generally accepted accounting principles;

Whereas, 352.087(3) provides that the Board of Trustees may perform any other acts that in the judgment of the Board of Trustees are required, necessary or appropriate to accomplish the rights and responsibilities granted to the Board and the University by law;

Whereas, the Board of Trustees wishes to approve a budget and related expenditure authorizations for fiscal year 2025 (FY 2025) prior to July 1, 2024;

Whereas, the Board of Trustees will delay approval of the final FY 2025 budget and expenditure authorization until full development of the FY 2025 budget occurs; and,

Be it resolved, the Finance and Administration Committee has conducted a thorough review and recommends the Board of Trustees of Southern Oregon University approve and adopt the following:

1. An Education and General operating budget equivalent to FY 2024 (in the sum of \$67,488,209) is temporarily adopted for FY 2025. During FY 2025, the University President and Vice President for Finance and Administration (VPFA) may expend or authorize the expenditure of this sum, subject to applicable law;
2. An Auxiliaries budget equivalent to FY 2024 (in the sum of \$14,256,140) is temporarily adopted for FY 2025. During FY 2025, the University President and

Vice President for Finance and Administration (VPFA) may expend or authorize the expenditure of this sum, subject to applicable law;

3. A Designated Operations budget equivalent to FY 2024 (in the sum of \$5,857,608) is temporarily adopted for FY 2025. During FY 2025, the University President and Vice President for Finance and Administration (VPFA) may expend or authorize the expenditure of this sum, subject to applicable law;
4. At its next regularly scheduled meeting, currently scheduled to occur on October 18, 2024, the Board of Trustees will review and adopt permanent expenditures budget inclusive of Education and General [budgeted operations], Auxiliaries, and Designated Operations budgets for FY 2025.

VOTE:

DATE: June 21, 2024

Expenditure Authorization Request: Design Services Contract and SOU Wrestling Facilities Project (Action)

SOU Wrestling Facility Summary of Proposed Action

The SOU wrestling teams will enroll over 110 student-athletes next fall. They are without sufficient and dedicated practice space. SOU's Creative Arts remodel proposal, which will be submitted as the top capital project for the spring 2025 legislative session. In the future, this will open up the Digital Media Center (DMC) for use as a wrestling facility. However, a near-term, temporary fix is needed.

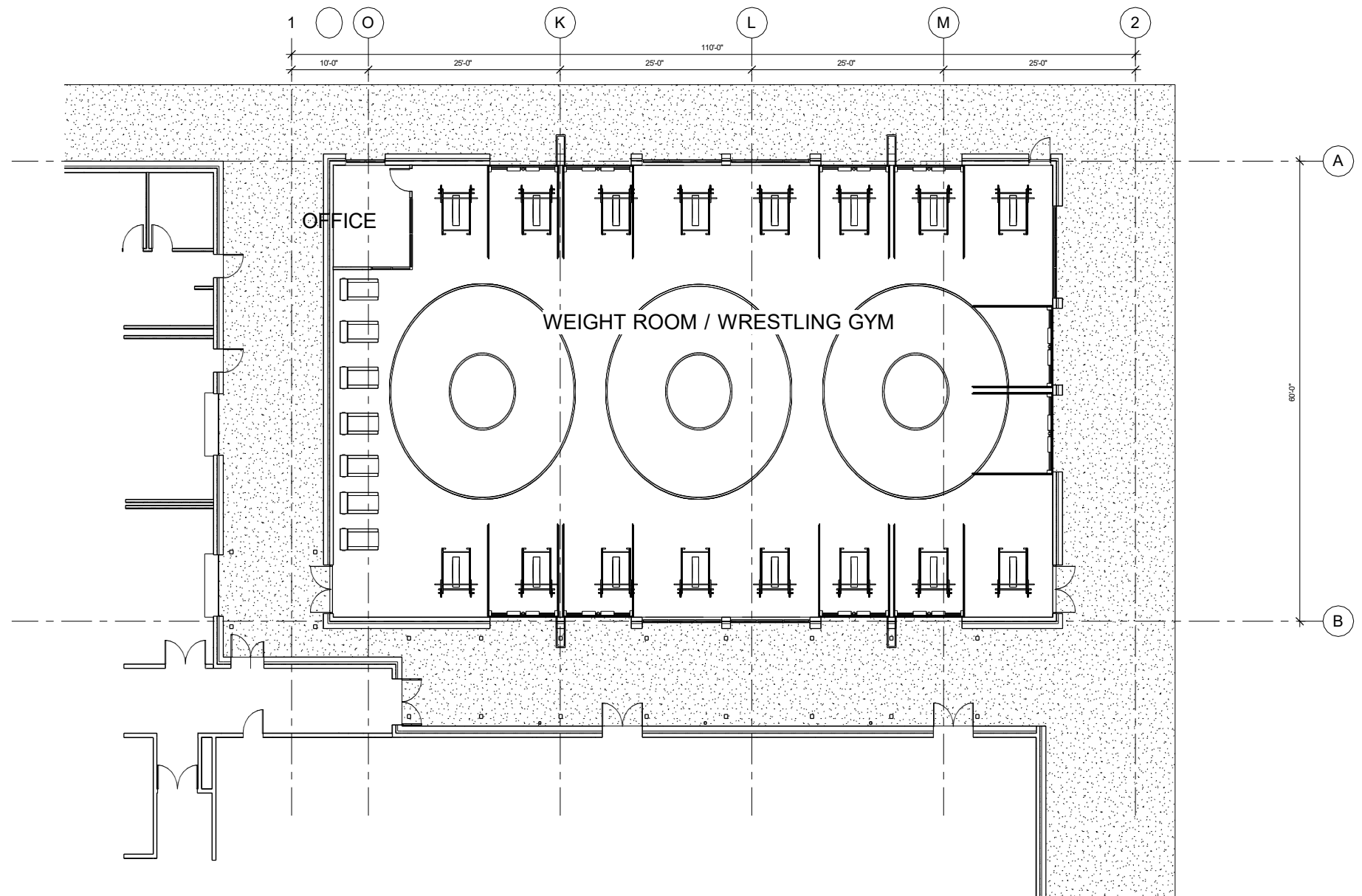
The Office of Civil Rights, through Title IX equity, mandates that each athletic team in an intercollegiate athletic program has access to safe, exclusive and adequate practice facilities. Anything short of equity could result in non-compliance. The wrestling teams have been without adequate practice facilities for over four years. Optimistic estimates for the completion of the Creative Arts project, if funded by the state, are another four years.

Subsequently, the total number of student-athletes attending SOU will climb to 472 this fall, and the 19 programs have outgrown SOU's 2,600 square-foot weight room.

Short-term fix options for both issues are as follows:

- 1) Build a 7000 square-foot brick and mortar facility off the back of the Recreation Center, allowing wrestling to use it immediately as a wrestling room, then as a weight room for all programs when the Creative Arts remodel allows for the DMC to transition into a wrestling room; or
- 2) Invest in a 30,000+ square-foot enclosed turf and court-sport pressurized fabric dome that can be utilized as a wrestling practice facility, weight room and field house. The basic intent is to provide wrestling an exclusive space from October through June, then open the dome as a smoke-free indoor practice space for outdoor teams July through September. Again, once the DMC is converted to a wrestling facility, the dome would function exclusively as a weight room and field house.

The university is evaluating which option would be most durable, cost effective, quickest to build, and meet the needs of our wrestling teams immediately and other teams long term. SOU will seek to engage the services of an architect and get cost estimates from a reputable construction company. Other considerations include city restrictions, location identification, and site preparation costs. Coaches and department staff (beginning with wrestling) will be surveyed for preference, as well as potential donor interest.









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

RESOLUTION

**Expenditure Authorization for Design Services Contract and Conditional
Approval of SOU Wrestling Team Facilities**

Whereas, the Athletics programs at Southern Oregon University (SOU) are deemed to be advantageous to the academic environment, cultural and physical development of the students, and the recruitment and retention of students at SOU;

Whereas, the university's Athletics program seeks to provide facilities and resources for its student-athletes and coaches to achieve success;

Whereas, the university seeks to create a new SOU Wrestling Team facility for the primary use of the University's wrestling and sports teams, the capital project for which will be supported by private philanthropy with no material impact on the University's operating or capital projects budgets;

Whereas, following a competitive request for proposals process, the university wishes to award a contract for the exploratory design services for the proposed SOU Wrestling Facility valued at or near \$300,000;

Whereas, following the university's policies and procedures, the university seeks approval to complete the SOU Wrestling Facilities capital project at an estimated cost between \$2,000,000 and \$4,000,000, or that can reasonably be fundraised;

Whereas, the Board of Trustees of Southern Oregon University retains sole authority for the approval of a capital project budget that is anticipated to exceed \$500,000 when restricted bond funds, restricted public grant funds, or restricted gift funds have not been secured for the entire cost of the project;

Whereas, the Board retains sole authority for gifts to the University that create obligations on the part of the University for which there is no established funding source and for gifts with a value exceeding \$1,000,000 which involve the construction of facilities not previously approved; and

Be it resolved, the Finance and Administration Committee refers this matter to the full Board of Trustees recommending approval of the following:

1. Resolved, the Board of Trustees authorizes the expenditure for a design services contract for the proposed SOU Wrestling Facility in the amount of \$300, 000. The source of funds for this contract shall be philanthropic gift funds.
2. Resolved, the Board of Trustees provides a conditional approval to complete this capital project with a budget not to exceed \$4,000,000, provided the following conditions are met:
 - A. The design services contract is fulfilled and an estimate of the full cost requirements for all project expenses is received; and
 - B. The university receives a signed commitment of philanthropic donor funding, or transfer of funds from the SOU Foundation meeting the cost requirement and with no material impact on the University's operating or capital projects budgets.

Be it further resolved, that this conditional approval will not include the naming of any outdoor building or spaces. The board retains sole authority for the approval of the naming of university buildings or outdoor areas in recognition of individuals or organizations and for the naming of a university building or outdoor spaces required by any gift to the university.

VOTE:

DATE:

Future Meetings

Adjournment