

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

**Call to Order/Roll/Declaration of a Quorum**

Committee Chair Shaun Franks called the meeting to order at 5:02 p.m. Board Secretary Sabrina Prud'homme called the roll and a quorum was verified.

Committee Members:

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

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

**Public Comment**

No members of the public offered comments.

**Consent Agenda (Action)**

Trustee Thorndike moved to approve the consent agenda consisting of the minutes from the April 18, 2024, meeting and the financial dashboards. Trustee Taitano seconded the motion and it passed unanimously.

**Reports**

Vice President's Report

Dr. Peter Angstadt, SOU's Interim Vice President for Finance and Administration introduced himself to the committee, noting he has been in this position for 15 days. However, he has been adjuncting at SOU for 16 years and is retired from the presidency at Rouge Community College. Dr. Angstadt expects to have a more thorough report at the next meeting, as SOU is facing interesting problems that he and his team will be addressing.

Core Information System Replacement (CISR) Project Update

Hart Wilson delivered an update on Phase 2, Workday Student, of the CISR project. The team continues working on issues, offering more direct contacts for assistance, updating the CISR website, and creating more training and how-to videos. Workday Student is bigger and will take longer than Phase 1 did. Dr. Matt Stillman explained that the team will be in various stages of progressively complex planning, designing, testing, and building. Financial aid and recruiting will be front-loaded in the deployment. President Bailey noted the hardships of CISR and said it would be worthwhile in the end. Dr. Stillman said the implementation ultimately will allow employees to spend more time supporting students.

**Action, Information, and Discussion Items**

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

Chair Franks introduced the topic by explaining that in recent trustee meetings, extensive discussions were held regarding proposed changes to the student fee structure. Josh Lovern and Dr. Matt Stillman reviewed the current student fee structure, which includes

incidental, enrollment, and online delivery fees; although, online delivery fees have been deemed unnecessary. In the proposed structure, four out of five rates will be eliminated, and SOU would consolidate the mandatory enrollment and incidental fees into a single fee.

The newly proposed model suggests a single fee rate of \$104.22 per credit for online and in-person students. This includes a technology services fee set at \$32.75; this fee covers various services including hardware, software support, and Information Technology (IT) infrastructure. The single fee structure eliminates the \$75 online delivery fee for online students, increases the technology fee component to \$32.75 for all students, and would be included in the single fee assessment. The updated tuition schedule will eliminate the existence of differing student fees for all types and modalities of students except for online non-resident students.

Mr. Lovern explained that forums and presentations were held with campus stakeholder groups and the Tuition Advisory Council (TAC) unanimously approved the proposed single fee rate. Responding to Trustee Taitano, he noted that the new single fee assessment will be capped at eight credits. President Bailey and Dr. Stillman explained that the single fee would make courses more affordable after eight credits, and that the new structure could benefit student completions as a result.

Dr. Stillman and Mr. Lovern highlighted a shift in students' course-taking behavior between face-to-face and online courses. Post-COVID, more students are enrolled in a combination of in-person and online courses. With 47 percent of SOU students taking online courses, the new model will address this shift, improve students' understanding of their bill, and improve choices for online education at SOU, which aligns with student behavior and market trends.

In sum, the proposed composite rate is \$104.22 per student credit hour, capped at eight credits. The composite tuition and fees rate of increase is now 4.99 percent. The TAC approved and recommended the single fee assessment structure as proposed, and the assessment would begin fall 2024 if approved by the board. Trustee Shelby emphasized the importance of transparency in student billing and the ease of understanding the single fee. President Bailey acknowledged the entrepreneurial approach of the proposal, of faculty in programming, and the benefits of the single fee for low-credit course-takers. Trustee Thorndike applauded SOU for its willingness to try new things to benefit students.

Trustee Shelby moved to approve the re-establishing of tuition and mandatory fees for the academic year 2024-25 and a single fee assessment of mandatory fees. Trustee Medina seconded the motion and it passed unanimously.

#### Budget Forecast and Detailed Review of Pro Forma

President Bailey, Dr. Peter Angstadt, and Josh Lovern discussed the budget forecast and provided a detailed review of the pro forma, as presented in the materials. The Institutional Budget Committee (IBC) has increased its involvement, contributing to a more comprehensive review process. The Fiscal Year (FY) 2024 soft close information is expected to be available at the September retreat.

Emphasizing variances, regarding Education & General (E&G) revenue, Mr. Lovern highlighted the nonrecurring, one-time revenue of \$1M for TRU+PSU funding included on the pro forma, which is expected to increase to \$2.3M. Additionally, June has not yet closed, which affects projections and accounts for the differences between the dashboards in the consent agenda and the pro forma. The projected change in student credit hours has been adjusted from one percent to three percent due to Free Application for Federal Student Aid (FAFSA) issues; a conservative projection approach will continue. For FY25, there is a one percent increase is planned in labor for unclassified positions, with the potential for additional adjustment.

In Supplies and Services (S&S), expenses have increased by approximately \$2M largely due to SOU's departure from the Public University Fund, Title IX administration expenses, delays in internal charge processing, and recoveries. Overall, the ending fund balance is projected to be \$8.91M this year. Should there be a deficit in FY25, a plan will be developed to address and mitigate the shortfall.

#### FY 2025 Budget Development Process and FY 2025 Temporary Budget and Expenditure Authorization (Action)

Regarding the FY 2025 budget development process, President Bailey introduced the topic noting that the budget management transition from Banner to Workday is proceeding but delays in this process have led to the need to seek the board's temporary spending authority for FY25 under a continuing resolution rather than through a new FY25 budget. This approach would authorize the continuation of spending based on the previous year's budget until SOU can develop the FY25 plan. Josh Lovern explained that the transition to the Workday budgeting program, Adaptive Planning, is extremely complex and time-consuming, requiring much more time to develop a budget during this initial transition period. A notable variance between the FY24 and FY25 budget years includes updates related to labor and other personnel expenses based on the classified employees' contract.

Chair Franks introduced to the board a temporary budget and expenditure authorization to adopt a roll-forward approach. Vice Chair Clough explained that the board once previously authorized spending through a continuing resolution and asked what the "trip wire" would be for any significant unknown expenses. Board Secretary Prud'homme reminded the committee that through the board's delegation of authority, a spending threshold already exists and that expenditures over \$500K require the board's approval. Discussion ensued among trustees regarding when and if the president would need to seek such authorization or keep trustees informed of significant budget updates, such as if a significant drop in student credit hours occurs. The president committed to return to the committee if those circumstances arise.

Trustee Taitano moved to approve the FY 2025 recommendation to the board for a temporary budget and expenditure authorization. Vice Chair Clough seconded the motion, which passed unanimously.

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

President Bailey introduced the item noting that the board took a similar action six months earlier regarding the softball field. The current wrestling program is expecting another 113 students in the fall and currently, there is insufficient space to accommodate

the SOU wrestling program. Two plans were presented for the expansion of SOU's wrestling facilities, providing short and long-term solutions for wrestling and the Athletics Department as a whole. Athletics Director Matt Sayre explained that even with a drop in students, 472 student-athletes are expected next year, which is comparable to the University of Oregon at 518.

Of the two options presented, one is brick-and-mortar, which would turn into a weight room, and the other short-term solution is a bubble dome over a turfed field that would add an extra practice field to SOU. Additionally, benefits would include the ability to rent the dome to the community which would allow a filtered place of practice during Oregon's wildfire season. Responding to Trustee Medina's question, Director Sayre said the dome is fire resistant, and the HVAC is equipped with sensors for safety. He further responded to Trustee Taitano that both the short and long-term solutions would be used by both men and women teams.

Vice Chair Clough moved to approve the expenditure authorization request for the design services contract and SOU wrestling facilities project. Trustee Shelby seconded the motion and it passed unanimously.

### **Future Meetings**

Chair Franks announced that the next meeting of the committee is scheduled to take place on October 17, 2024, at 5:00 p.m. If any trustee has a specific item to suggest for a future meeting, he asked trustees to send it to the board secretary.

### **Adjournment**

Chair Franks adjourned the meeting at 6:54 p.m.

Date: October 22, 2024

Respectfully submitted by,



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Sabrina Prud'homme  
University Board Secretary