

Public Meeting Notice

January 30, 2026

TO: Southern Oregon University Board of Trustees

FROM: Sabrina Prud'homme, University Board Secretary

RE: Notice of Special Meeting of the Board of Trustees

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

Action items on the agenda include an expenditure request for a revenue-generating enrollment marketing initiative.

Information and discussion items on the agenda include an update on SOU's resiliency plan; the university's cash flow projections including assumptions and remedies; related advocacy for the university; and future meetings. The board will also hold an executive session pursuant to ORS 192.660 (2)(i).

The meeting will occur as follows:

Monday, February 02, 2026

3:30 p.m. to 6:00 p.m. (or until business concludes)

Visit governance.sou.edu for the meeting materials.

SOU Ashland Campus, Hannon Library, Meese Room

1290 Ashland Street, Ashland, OR, 97520

To view the proceedings, visit <https://sou.zoom.us/j/86509172509> at the time of the meeting.

If accommodations for persons with disabilities are required, please contact Holly Frazier at (541) 552-8055 or email trustees@sou.edu. Accommodation requests should be made at least 48 hours in advance.



Special Meeting of the Board of Trustees

February 02, 2026

Call to Order / Roll / Declaration of a Quorum



Board of Trustees Meeting

Monday, February 02, 2026

3:30 – 6:00 p.m. (or until business concludes)

Meese Room, Hannon Library, SOU Campus

Zoom: <https://sou.zoom.us/j/86509172509>

AGENDA

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

- | | | | |
|-----------|----------|---|---|
| 3:30 p.m. | 1 | Call to Order/Roll/Declaration of a Quorum | |
| | 1.1 | Welcome and Opening Remarks | Chair Sheila Clough |
| | 1.2 | Roll Call and Declaration of a Quorum | Sabrina Prud'homme, SOU,
Board Secretary |
| | 1.3 | Agenda Review | Chair Sheila Clough |
| | 2 | Action, Information, and Discussion Items | |
| 3:35 | 2.1 | Resiliency Plan Update | President Rick Bailey; Dr.
Casey Shillam, SOU, Provost
and Executive Vice President
for Academic and Student
Affairs; Dr. Carson Howell,
SOU, Vice President for
Finance and Administration |
| 3:55 | 2.2 | Cash Flow Projection Including
Assumptions and Remedies | President Rick Bailey; Dr.
Carson Howell |
| | 2.2.1 | Funding Advocacy for Southern
Oregon University | |
| 5:05 | 2.3 | Expenditure Request for Revenue
Generating Project: Enrollment
Marketing (Action) | President Rick Bailey; Dr.
Casey Shillam; |
| 5:30 | 2.4 | Executive Session Pursuant to ORS
192.660 (2)(i) | Chair Sheila Clough |
| 5:55 | 2.5 | Future Meeting | Chair Sheila Clough |
| 6:00 p.m. | 3 | Adjournment | Chair Sheila Clough |

Resiliency Plan Update

Resiliency Plan

FISCAL YEAR	Labor	S&S	Total	Running Total
FY 25-26	\$ 3,497,179	\$ 1,198,723	\$ 4,695,902	\$ 4,695,902
FY 26-27	\$ 1,767,212	\$ 1,447,000	\$ 3,214,212	\$ 7,910,114
FY 27- 28	\$ 179,497	\$ 212,000	\$ 391,497	\$ 8,301,611
FY 28-29	\$ 162,993	\$ 235,000	\$ 397,993	\$ 8,699,604
TOTALS	\$ 5,606,881	\$ 3,092,723	\$ 8,699,604	

NOTE: This excludes other remissions dollars as shown in the Projected Savings table located on page 61.

Performance to Plan (So Far . .)

Year	Proposed FTE Cuts	Actual FTE Cuts	Proposed Budget Savings	Actual Budget Savings	Notes
FY26	34	23	\$ 4,695,902	\$ 4,531,919	Projected out through end of FY 2026
FY27	5	-	\$ 3,214,212	-	
FY28	0	-	\$ 391,497	-	
FY29	0	-	\$ 397,993	-	
Total Savings Running Total				\$ 4,531,919	

Cash Flow Projection and Assumptions

Southern Oregon University: Cash Flow Forecast & Methodology Narrative

Executive Summary

This narrative outlines Southern Oregon University's approach to liquidity management, distinguishing between standard budgeting and cash flow forecasting. While the university begins the forecast period (February 2026) with a healthy cash position, the forecast reveals significant liquidity risks beginning in mid-2026, culminating in projected cash deficits by March and June of 2027.

Methodology: Profitability vs. Survival There exists a critical distinction between **Budget** and **Cash Flow**. While the budget is designed to forecast profitability and resource allocation, the cash flow forecast is strictly focused on the timing of cash to ensure the survival of daily operations.

- **Focus & Funds:** Unlike the budget, which uses accrual accounting and includes non-cash items like depreciation, the cash flow forecast operates on a cash basis. It specifically tracks all cash in the bank account (including E&G funds, Designated Operations, and Auxiliaries) while excluding endowment funds.
- **Transaction Scope:** The forecast captures transactions that affect immediate liquidity, including debt service payments, asset purchases, and vendor payments, while excluding non-cash internal charges.

Forecast Analysis (Feb 2026 – Jun 2027)

The "Cash Flow Forecast" spreadsheet provides a detailed timeline of the university's liquidity:

- **Strong Start, Rapid Decline:** The forecast begins in February 2026 with approximately **\$24.3 million** in available cash. However, high monthly labor outflows (consistently around \$5.7 million) and variable revenue timing quickly deplete reserves.
- **Breaching the Safety Threshold:** The university has set a cash minimum balance alert of **\$12.68 million**. This threshold consists of restricted cash (fiduciary funds, such as student housing) and proceeds from the recent land sales. By **June 2026**, the ending cash balance drops to **\$11.3 million**, triggering the alert.
- **The "Red Zone" (FY2027):** The outlook for Fiscal Year 2027 is precarious. The cash balance remains below the safety threshold for the entirety of the fiscal year.
 - **Deficit Alerts:** The forecast projects actual cash deficits (negative balances) occurring in **March 2027 (-\$825,689)** and worsening significantly by **June 2027 (-\$7.4 million)**.
 - **Revenue Timing:** The forecast visualizes the "lumpy" nature of State Appropriations (large influxes in April, July, October, January), which temporarily boost liquidity but are insufficient to prevent the end-of-year deficits.

Key Drivers and Assumptions

The forecast relies on several specific revenue and expense assumptions to model these outcomes:

- **Cash Inflows:** Projections are based on the budget office forecast for student enrollment coupled with historical rates of payments on account, state appropriations as we know them today, and projections from the SOU Foundation.
- **Expenses:** The heavy outflow is driven by Labor and OPE (Other Payroll Expenses), salary increases, and general inflation. It also accounts for savings already in process through the Resiliency Plan.

Conclusion

While the Budget view may show a different financial picture, the Cash Flow view highlights an urgent operational reality: the current expense trajectory, combined with the timing of receipts, projects a failure to meet financial obligations by the spring of 2027 without intervention.

Budget vs Cash

	BUDGET	CASH FLOW
PURPOSE	To forecast profitability and allocation of resources	Focuses on timing of cash to ensure survival of daily operations
FOCUS	Income statement transactions, which include cash and non-cash items, and excludes balance sheet transactions.	Can include both income statement and balance sheet transactions, as long as it is transacted with cash.
ACCOUNTING METHOD	Accrual	Cash
TRANSACTIONS INCLUDED/EXCLUDED	<p>Includes non-cash items such as depreciation, accrued expenses, allowance for bad debt, and investment earnings.</p> <p>Excludes balance sheet account transactions such as payments received on accounts or payments to vendors.</p>	<p>Includes debt service payments, purchase/sale of assets, payments received on account, and payment paid to vendors.</p> <p>Excludes non-cash items, deferred revenue, internal charges and payments.</p>
FUNDS INCLUDED	E&G funds only	<p>All cash in the operating bank account.</p> <p>Separate bank accounts exist for the endowments, which are not included here. The distribution from those funds come into the operating account.</p>

Assumptions - Revenue

REVENUE

- Student enrollment (forecast based on historical)
- Student accounts (actual vs billed)
- Foundation dollars (discussions with VPUA)

Assumptions - Expenses

EXPENSES

- Labor and OPE
 - Resiliency Plan
 - Salary increases
- Contract and general inflation
- Debt Service as scheduled

SOUTHERN OREGON UNIVERSITY

Cash flow forecast

Cash Date	1/29/2026	Cash minimum balance alert:	\$ 12,688,755	Color Code	Minimum Balance Alert
Starting cash on hand	\$ 25,398,655	Cash flow Starting date:	Feb 2026		CAN'T MAKE PAYROLL
Less: outstanding payments	\$ (1,067,144)	Special Allocation:	\$ -		
Available cash on hand	\$ 24,331,511				

	End FY2026				Start FY2027								End FY2027				
	2/01/2026	3/01/2026	4/01/2026	5/01/2026	6/01/2026	7/01/2026	8/01/2026	9/01/2026	10/01/2026	11/01/2026	12/01/2026	01/01/2027	2/01/2027	3/01/2027	4/01/2027	5/01/2027	6/01/2027
	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27
Cash on hand (beginning of month)	\$ 24,331,511	\$ 16,554,887	\$ 18,169,515	\$ 17,116,285	\$ 11,300,802	\$ 4,543,257	\$ 6,659,024	\$ 1,042,299	\$ 5,447,163	\$ 7,996,500	\$ 669,209	\$ 4,116,841	\$ 6,214,077	\$ (825,689)	\$ 1,784,762	\$ 320,354	\$ (7,418,358)

Cash receipts

Payment on Accounts Receivable - Students	\$ 1,430,000	\$ 10,012,200	\$ 2,002,440	\$ 1,334,960	\$ 1,788,600	\$ 1,818,300	\$ 1,212,200	\$ 11,635,800	\$ 2,327,160	\$ 1,551,440	\$ 10,909,800	\$ 2,181,960	\$ 1,454,640	\$ 10,183,800	\$ 2,036,760	\$ 1,357,840	\$ 1,818,300
Payment on Accounts Receivable - Grants	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
State Appropriations	\$ -	\$ -	\$ 5,071,694	\$ -	\$ -	\$ 11,266,694	\$ -	\$ -	\$ 7,662,694	\$ -	\$ -	\$ 7,662,694	\$ -	\$ -	\$ 5,258,694	\$ -	\$ -
State Bond Reimbursements - Capital Construction	\$ -	\$ 262,238	\$ 24,946	\$ 13,285	\$ 49,457	\$ 456,395	\$ 849,000	\$ 681,000	\$ 991,000	\$ 346,000	\$ 427,000	\$ 734,000	\$ 640,000	\$ 271,000	\$ 26,000	\$ 14,000	\$ 51,000
Recovery of Accounts Receivable in Collections	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Foundation Reimbursements			\$ 650,000	\$ 1,900,000	\$ 1,000,000			\$ 650,000			\$ 650,000			\$ 650,000			\$ 1,000,000
Other Receipts	\$ 40,436	\$ 80,310	\$ 67,797	\$ 36,475	\$ 22,269	\$ 11,522	\$ 57,047	\$ 50,842	\$ 57,693	\$ 41,429	\$ 22,689	\$ 53,078	\$ 40,436	\$ 80,310	\$ 67,797	\$ 36,475	\$ 22,269
New Initiatives																	
Total cash receipts	\$ 1,910,436	\$ 10,794,748	\$ 8,256,876	\$ 3,724,719	\$ 3,300,326	\$ 13,992,910	\$ 2,558,247	\$ 13,457,642	\$ 11,478,546	\$ 2,378,869	\$ 12,449,489	\$ 11,071,731	\$ 2,575,076	\$ 11,625,110	\$ 7,829,250	\$ 1,848,315	\$ 3,331,569
Total cash available	\$ 26,241,947	\$ 27,349,635	\$ 26,426,391	\$ 20,841,004	\$ 14,601,128	\$ 18,536,167	\$ 9,217,271	\$ 14,499,941	\$ 16,925,710	\$ 10,375,369	\$ 13,118,698	\$ 15,188,573	\$ 8,789,153	\$ 10,799,420	\$ 9,614,012	\$ 2,168,668	\$ (4,086,789)

Cash paid out

Labor & OPE	\$ 5,699,635	\$ 5,686,836	\$ 5,686,836	\$ 5,712,435	\$ 5,333,993	\$ 4,796,802	\$ 4,737,476	\$ 5,032,765	\$ 5,697,944	\$ 5,697,944	\$ 5,697,944	\$ 5,597,564	\$ 5,697,944	\$ 5,684,760	\$ 5,684,760	\$ 5,711,127	\$ 5,345,950
Accounts Payable Disbursements (<\$500,000 annually)	\$ 1,158,268	\$ 1,714,676	\$ 1,758,463	\$ 1,889,054	\$ 679,746	\$ 457,000	\$ 1,622,000	\$ 1,772,000	\$ 1,220,000	\$ 1,158,000	\$ 727,000	\$ 1,080,000	\$ 1,199,000	\$ 1,775,000	\$ 1,820,000	\$ 1,955,000	\$ 704,000
Accounts Payable Disbursements - Aladdin Food Services	\$ 630,206	\$ 668,599	\$ 527,200	\$ 742,040	\$ 592,118	\$ 508,000	\$ 533,000	\$ 137,000	\$ 379,000	\$ 403,000	\$ 355,000	\$ 592,000	\$ 652,000	\$ 692,000	\$ 546,000	\$ 768,000	\$ 613,000
Accounts Payable Disbursements - Insurance	\$ 137,413	\$ 95,130	\$ 137,413	\$ 137,413	\$ 137,734	\$ 135,000	\$ 50,000	\$ 115,000	\$ 147,000	\$ 101,000	\$ 129,000	\$ 139,000	\$ 142,000	\$ 98,000	\$ 142,000	\$ 142,000	\$ 143,000
Accounts Payable Disbursements - P-Card Payments	\$ 367,331	\$ 347,842	\$ 421,092	\$ 415,136	\$ 363,770	\$ 441,000	\$ 319,000	\$ 338,000	\$ 391,000	\$ 405,000	\$ 464,000	\$ 322,000	\$ 380,000	\$ 360,000	\$ 436,000	\$ 430,000	\$ 377,000
Accounts Payable Disbursements - Risepoint	\$ 260,577	\$ -	\$ -	\$ 289,713	\$ -	\$ 227,000	\$ -	\$ 387,000	\$ -	\$ 795,000	\$ -	\$ -	\$ 270,000	\$ -	\$ -	\$ 300,000	\$ -
Accounts Payable Disbursements - La Clinica	\$ 362,904	\$ 500	\$ 349,210	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441,840	\$ 388,318	\$ -	\$ -	\$ 376,000	\$ 1,000	\$ 361,000	\$ -	\$ -
Accounts Payable Disbursements - Ellucian	\$ 30,928	\$ 95,106	\$ 63,017	\$ 65,317	\$ 251,425	\$ 657,000	\$ 35,000	\$ 66,000	\$ 136,000	\$ 176,000	\$ 68,000	\$ 33,000	\$ 32,000	\$ 98,000	\$ 65,000	\$ 68,000	\$ 260,000
Accounts Payable Disbursements - Construction	\$ 262,238	\$ 24,946	\$ 13,285	\$ 49,457	\$ 456,395	\$ 849,000	\$ 681,000	\$ 991,000	\$ 346,000	\$ 427,000	\$ 734,000	\$ 640,000	\$ 271,000	\$ 26,000	\$ 14,000	\$ 51,000	\$ 472,000
Accounts Payable Disbursements - Foundation Projects	\$ 425,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 440,000	\$ -	\$ -	\$ -	\$ -
Accounts Payable Disbursements - Workday	\$ -	\$ 120,379	\$ 67,182	\$ 7,140	\$ -	\$ 1,002,000	\$ 1,000	\$ -	\$ 2,000	\$ -	\$ -	\$ 30,000	\$ -	\$ 125,000	\$ 70,000	\$ 7,000	\$ -
Debt Service																	
Debt Service - State of Oregon (Capital Bonds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,614,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 386,033	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service - OR Dept of Energy (SELP)	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253	\$ 19,253
Debt Service - CHF-Ashland, LLC (Student Housing)	\$ -	\$ -	\$ -	\$ -	\$ 2,048,337	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 672,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,057,015
Debt Service - Workday Financing	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645	\$ 135,645
Other expenses																	
Workday Implementation - Alchemy (not financed)	\$ 197,662	\$ 271,208	\$ 131,509	\$ 77,600	\$ 39,455	\$ 34,469	\$ 41,598	\$ 59,114	\$ 13,528	\$ -	\$ -	\$ -					
Other expenses																	
Subtotal	\$ 9,687,060	\$ 9,180,120	\$ 9,310,106	\$ 9,540,202	\$ 10,057,871	\$ 11,877,143	\$ 8,174,972	\$ 9,052,778	\$ 8,929,210	\$ 9,706,160	\$ 9,001,857	\$ 8,974,496	\$ 9,614,842	\$ 9,014,659	\$ 9,293,659	\$ 9,587,026	\$ 10,126,863
Cash on hand (end of month)	\$ 16,554,887	\$ 18,169,515	\$ 17,116,285	\$ 11,300,802	\$ 4,543,257	\$ 6,659,024	\$ 1,042,299	\$ 5,447,163	\$ 7,996,500	\$ 669,209	\$ 4,116,841	\$ 6,214,077	\$ (825,689)	\$ 1,784,762	\$ 320,354	\$ (7,418,358)	\$(14,213,652)

How Did We Get Here?

- The state funding formula does not serve us well
 - Reduction in student credit hours
- Expenditures are outpacing revenues
 - Special one-time infusions of cash
- Financial policies need to be strengthened and enforced
 - Budget review meetings
- Financial reporting to the Board is insufficient
 - ERP implementation
- Some critical areas are too lightly staffed
 - Turnover of key personnel
 - Personnel cuts

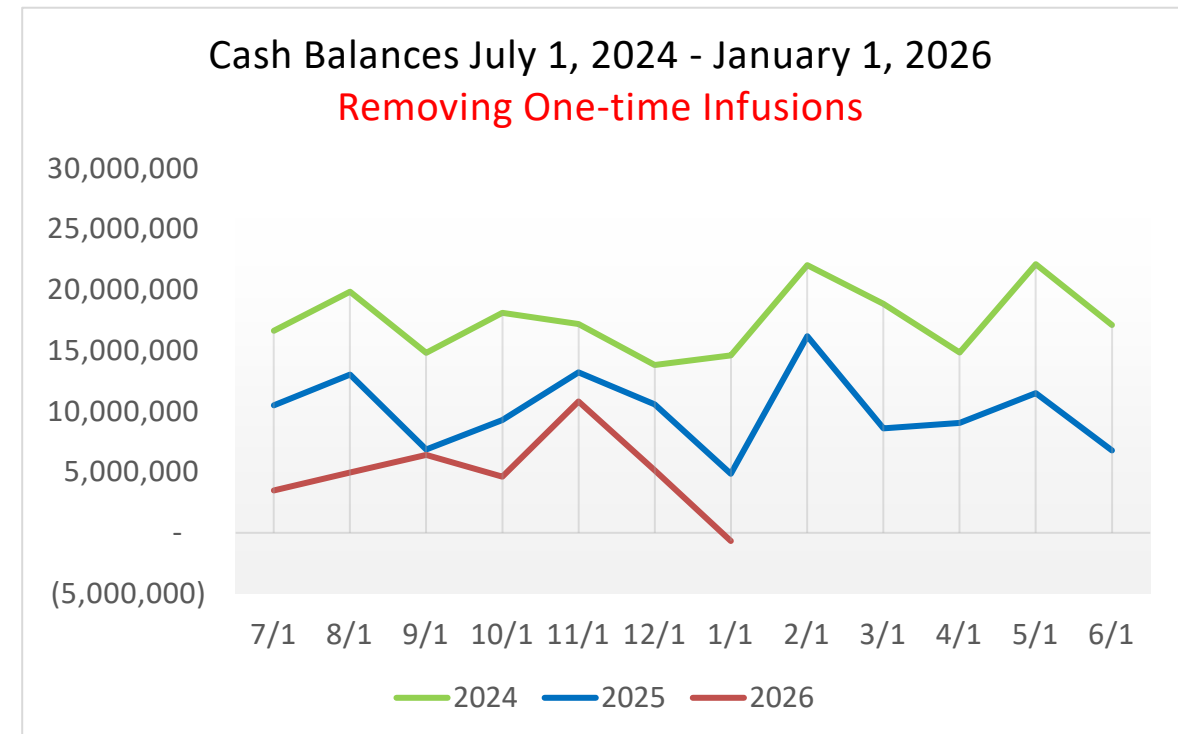
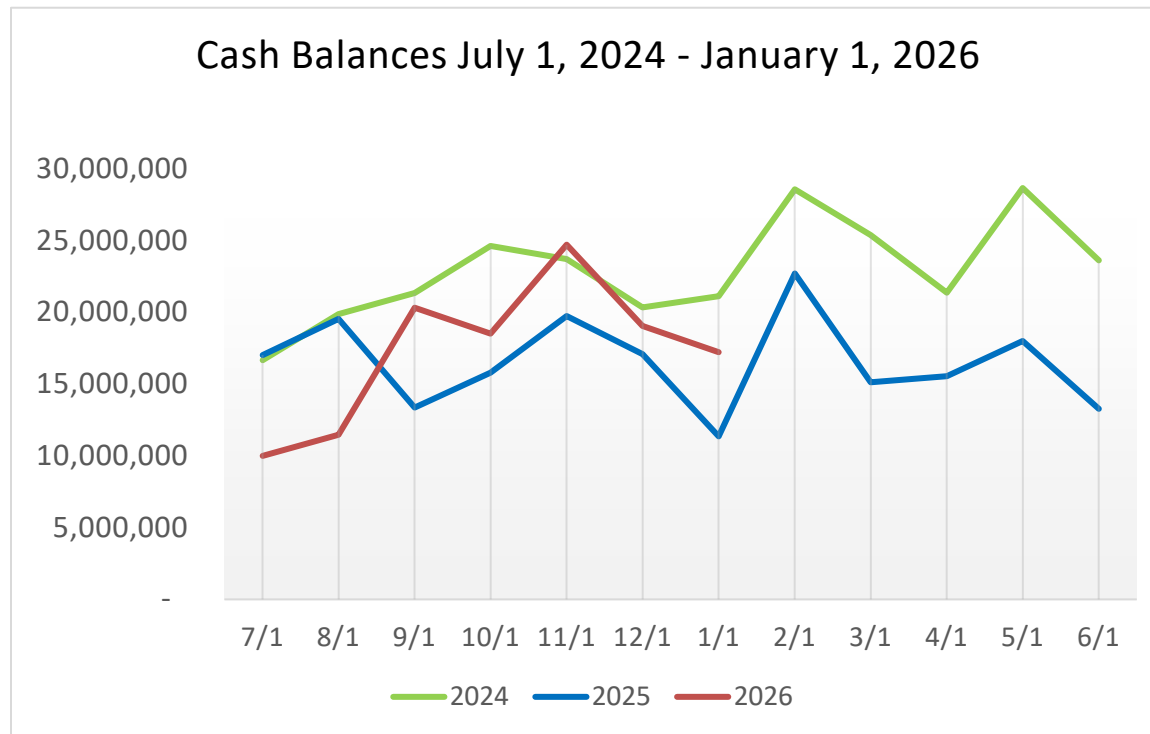
How Did We Get Here?

Special One-time Actual Infusions of Cash

Date	Amount	Special One-time Infusions
August 2023	\$6,495,940	Release of funds to SOU from housing bond
August 2025	\$7,385,937	Employee Retention Credit, net of expenses
December 2025	<u>\$3,988,755</u>	SOU property sales
	\$17,870,632	

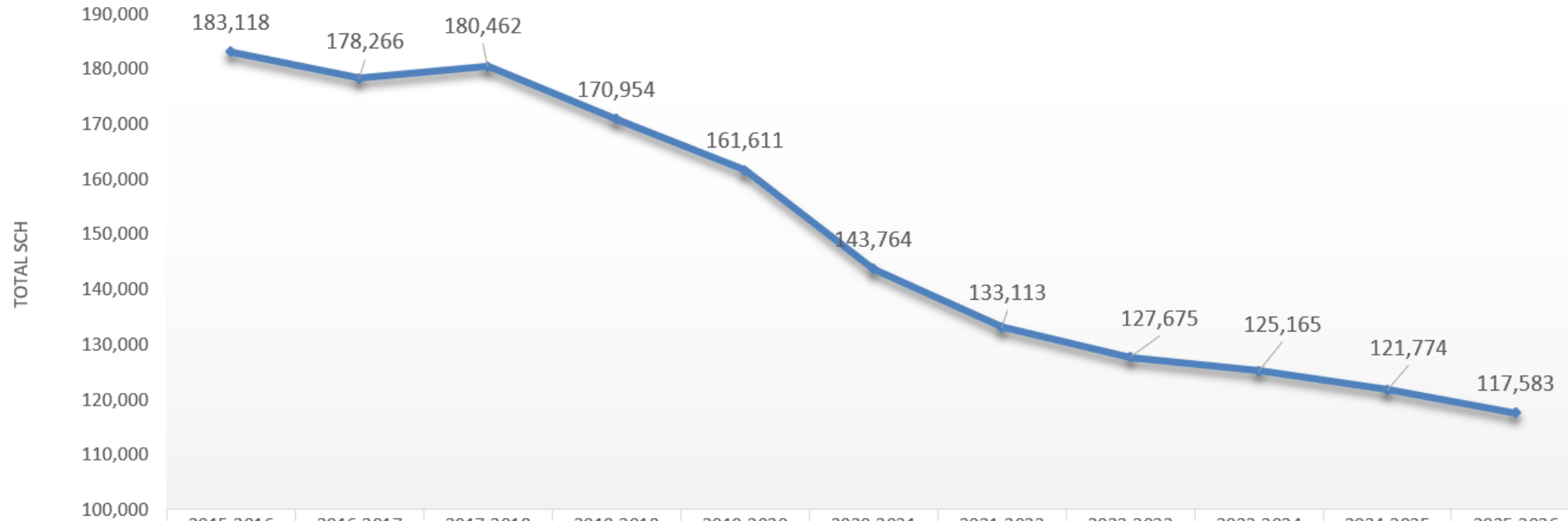
How Did We Get Here?

Special One-time Actual Infusions of Cash



How Did We Get Here?

Total Student Credit Hours (SCH) Per Academic Year (AY)
2015-2016 through 2025-2026 (projected)



	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
AY SCH Total	183,118	178,266	180,462	170,954	161,611	143,764	133,113	127,675	125,165	121,774	117,583
% Change From Prior AY	1.2%	-2.6%	1.2%	-5.3%	-5.5%	-11.0%	-7.4%	-4.1%	-2.0%	-2.7%	-3.4%
% Change Since 2015-16		-2.6%	-1.5%	-6.6%	-11.7%	-21.5%	-27.3%	-30.3%	-31.6%	-33.5%	-35.8%
SCH Change Since 2015-2016		(4,852.00)	(2,656.00)	(12,164.00)	(21,507.00)	(39,354.00)	(50,005.00)	(55,443.00)	(57,953.00)	(61,344.00)	(65,535.00)

ACADEMIC YEARS

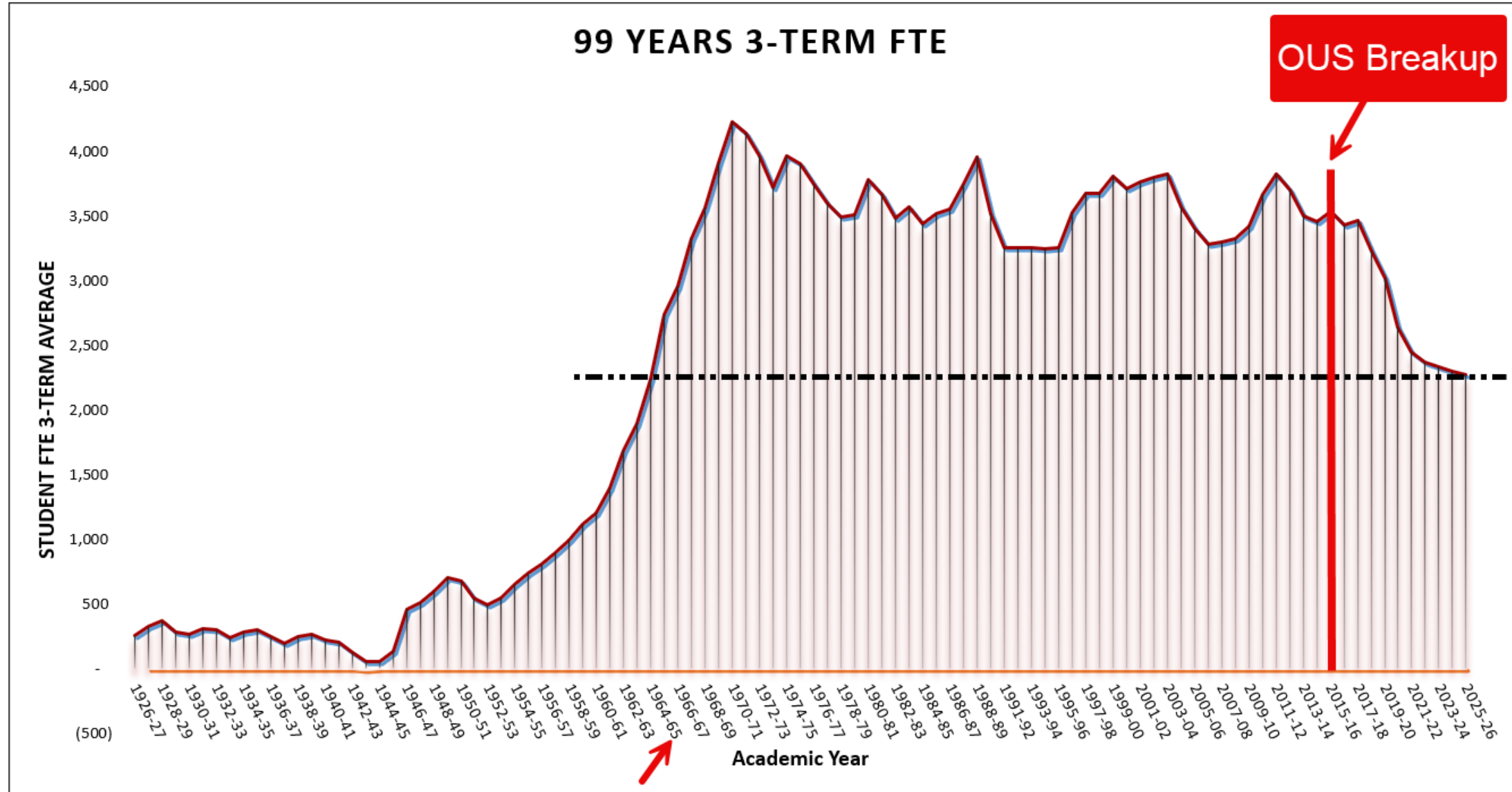
AY SCH Total

% Change From Prior AY

% Change Since 2015-16

SCH Change Since 2015-2016

How Did We Get Here?



SOU academic and administrative leaders have adopted and implemented a number of operational and fiscal measures during the last several years in recognition of the university's vulnerable fiscal state. Additional measures are in progress, especially in student enrollment.

- There is a recognition that all the personnel actions identified and taken in SOU Forward (2022-2025) and those that have already begun with the SOU Resiliency Plan (2025-2028) have fulfilled and are fulfilling the necessary steps to counter the fiscal structural imbalance that had plagued the university for years. But there is also a recognition that even after the completion of the Resiliency Plan, there are still significant cost escalations (PEBB, PERS, utilities, etc) that will always to be addressed.
- We strongly believe that deeper cuts planned at this state would severely erode the university's viability as a regionally responsive public institution.
- Although better visibility into cash flow projections would have allowed the institution to foresee the need for one-time bridge funding sooner, *it would not have substantively changed the actions taken to arrest the trajectory, nor the timeline in which those specific actions were taken.*
- Moving forward, however, the institution must have better awareness of all fiscal matters. To that end, the institution plans to invest in two additional critical positions, one in budget and one in finance, to provide more awareness and quality control in our fiscal management processes.
- We will also require monthly cash flow projection reports, which along with budget-to-actual reports, will provide a more thorough and comprehensive fiscal picture of the institution's health.
- We commit to continuing the implementation of the SOU Resiliency Plan, to ensure that the cost management processes are fully completed on schedule and that all accompanying accountability measures for remaining programs are monitored, adhered to, and enforced as required.
- Hiring Freeze: there is an immediate hiring freeze on any vacant position that does not directly have a positive impact on university financial operations, including student recruitment and retention.
- Travel Freeze: there is a freeze on all travel, with exceptions made by VPs and only in the case of special circumstances.
- Enrollment Marketing: Southern Oregon University is in the midst of developing an Enrollment Marketing Plan aimed at increasing enrollment. We calculate every 1% increase we have in enrollment results in approximately \$400,000 in additional revenue. Here are the steps taken to date and planned for moving forward:
 - The SOU website is undergoing a complete overhaul to focus on student recruitment and enrollment. The website is scheduled to launch in the Q3 of 2026.
 - Provost Shillam has just completed Academic Visioning sessions with the faculty and students. These workshop sessions included identifying aspects of the academic mission, vision, and values for the institution, which will then inform the institution's updated mission, vision and values.

- The notes from the sessions, were shared with the contractor redesigning the website to create an institutional “brand refresh” in spring/summer 2026. This “brand refresh” will refine the unique characteristics of SOU and our programming, aimed at attracting more applicants.
 - We are preparing an RFP with enrollment management/marketing firms specializing in higher education and expect to launch new academic program marketing in summer 2026 for the AY 2027-28 enrollment year.
- As a result of enrollment targets identified in both SOU Forward and the Resiliency Plan, academic program SCH:ELU ratio targets will ensure that all academic offerings are collectively and actively contributing to the overall fiscal health of the institution.
- We anticipate that until the state’s executive and legislative leadership tie the health of public universities to the overall fiscal health of the state’s economy, and that there is a focused prioritization on the Public University Support Fund, this challenging fiscal wave will affect all public universities in Oregon; SOU is simply the first to go through this.
- We are willing to do a fiscal assessment of the possibility of discontinuing summer classes, which would potentially involve stronger academic collaboration with Oregon’s other public universities.

Remedies / Funding Advocacy for SOU

Discussion Item

Expenditure Request for Revenue Generating Project: Enrollment Marketing (Action)

ENROLLMENT MARKETING

Building a sustainable enrollment pipeline through programmatic marketing



CHANGING NATURE OF RECRUITMENT

- Enrollment growth now requires significant increases in applications and targeted engagement
- National data shows institutions need 24% application growth to achieve modest enrollment growth
- Digital marketing ecosystems now require coordinated, personalized, multi-channel engagement



KEY CHALLENGES: 2025-2030



1

Email is less effective due to deliverability and saturation

2

Students expect hyper-personalized digital engagement

3

Campaign speed, channel coordination, and segmentation now drive results

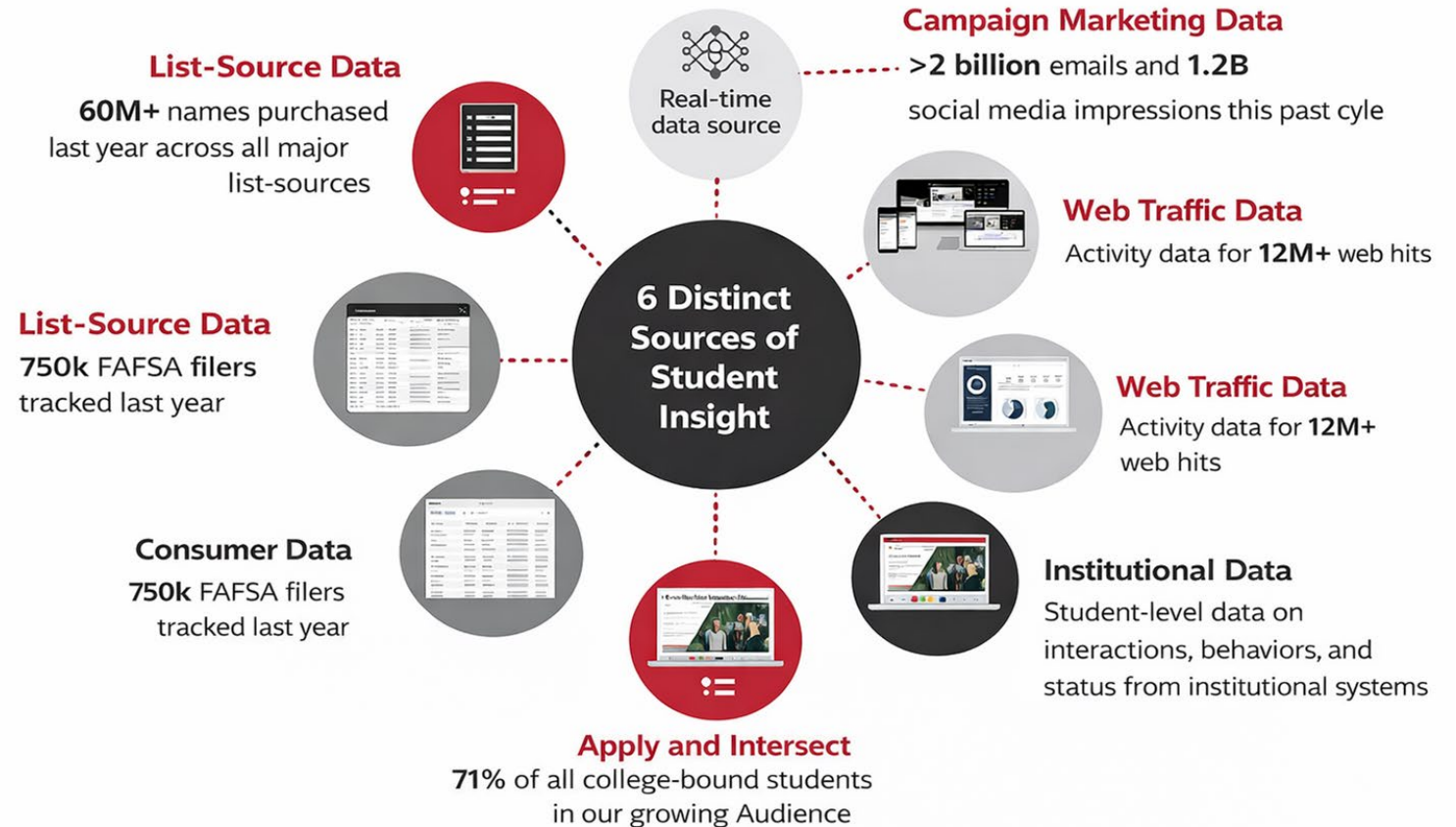
4

Competition for students is increasing due to more applications per student and direct admit models

WHAT PROGRAMMATIC MARKETING WILL ACCOMPLISH

Data-driven recruitment at scale

- Tracks prospective students across email, web, social media, SMS, direct mail, and ads
- Builds predictive funnels based on student behavior and interests
- Engages parents and influencers early in the recruitment process
- Optimizes campaigns continuously using analytics and performance data



FROM BROAD AWARENESS TO PERSONALIZED EXPERIENCE

- Programmatic marketing focuses on individual behavior, segmentation, and enrollment outcomes
- The system guides students from inquiry → application → enrollment with measurable tracking
- Higher investment enables deeper personalization and higher yield potential



INVESTMENT PROPOSAL

UNDERGRADUATE PROGRAMMATIC MARKETING **\$900,000/3 YEARS**

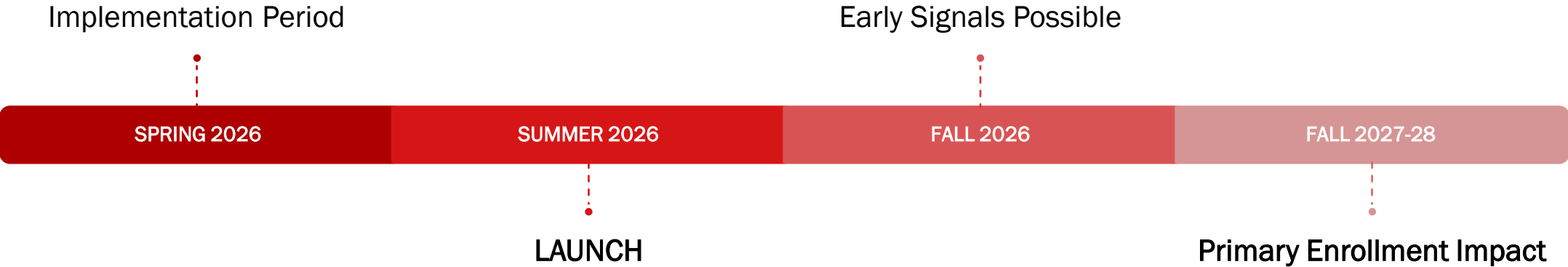
- Year 1: \$300,000
- Year 2: \$300,000
- Year 3: \$300,000

INCLUDES THE FOLLOWING:

- Strategy & ongoing consultation
- Creative development/deployment
- Predictive modeling and analytics
- Analysis & identification of target audiences
- Ongoing optimization and reporting
- Printing and mailing



TIMELINE | *When will we see results?*



Programmatic marketing is a **pipeline investment**, not an **immediate fix**.

BENCHMARKS

- 20% increase in applications
- 16% enrollment lift reported by similar institutions
- Coordinated campaigns outperform fragmented marketing approaches
- Results scale with investment level and segmentation sophistication

Typical outcomes from competing and comparable institutions



PROJECTED RETURN ON INVESTMENT

- Benchmark: 3:1 return on investment
- Projected Potential Return: \$2.25M in additional net tuition revenue by FY29
- Payback to Reserve Account will occur in FY29, FY30, FY31
- If successful, ongoing investment in annual marketing on top of repayment



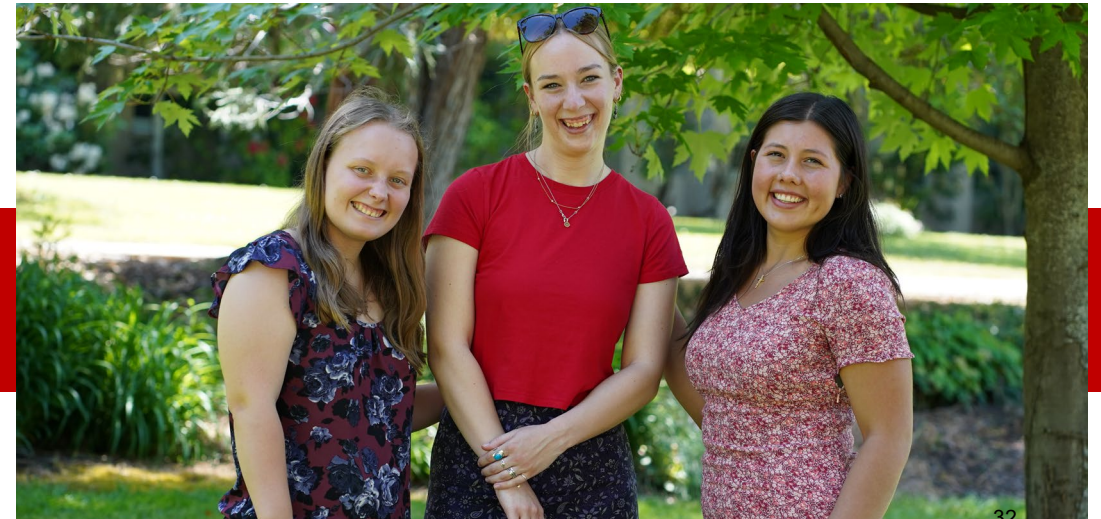
RISKS & MITIGATION

KEY RISKS

- Enrollment response may lag market benchmarks
- External factors (demographics, financial aid, market competition) affect yield

MITIGATION STRATEGIES

- Annual performance reviews and optimization
- Integration with SOU web redesign (launching Q3 2026) and enrollment strategy initiatives



BOARD DECISION REQUESTED

Strategic Enrollment Marketing Investment Approval

- 1** Approve \$900,000 programmatic marketing investment over three years
- 2** Authorize vendor engagement and detailed campaign plan
- 3** Align marketing spend with Board directive to stabilize and grow enrollment
- 4** Position SOU for measurable enrollment recovery and long-term sustainability



Enrollment Projections with Enrollment Marketing Project

Based on past performance data, a 40% increase in applications is needed to result in a 22% increase in enrollment:

Variable	Fall 2024	Fall 2025	2-year Avg	Projected Increase
Applications	3069	2871	2970	4158
Admits	2695 (88%)	2493 (87%)	2594 (87%)	3617
Confirmed	1395 (52%)	1432 (57%)	1414 (55%)	1990
Enrolled	974 (69%)	964 (67%)	969 (68%)	1353
Yield (admit-to-enrolled)	36%	38%	37%	37%

Conservative Projections with new enrollment marketing project:

Variable	Fall 2024	Fall 2025	Fall 2026 (1%↑)	Fall 2027 (12%↑)	Fall 2028 (17%↑)	Fall 2029 (5%↑)
Applications	3069	2871	2,824	3,615 (28%↑)	4,916 (36%↑)	5,408 (10%↑)
Admits	2695 (88%)	2493 (87%)	2,605	2,946	3,446	3,618
Confirmed	1395 (52%)	1432 (57%)	1,463	1,620	1,895	1,990
Enrolled	974 (69%)	964 (67%)	974	1,090	1,275	1,339
Yield (admit-to-enrolled)	36%	38%	37%	37%	37%	37%
Increased Revenue	-	-	\$40,000	\$900,000	\$1,800,000	\$2,700,000

**Southern Oregon University
Board of Trustees**

RESOLUTION

Authorization of Funding for Enrollment Marketing

Whereas, the Board of Trustees of Southern Oregon University (SOU) established the “University Reserve - BOT Approval Required” (the “Reserve”) on January 16, 2026, to fund essential, revenue-generating projects that demonstrate a clear, measurable financial return on investment (ROI);

Whereas, the university identifies a critical need to build a sustainable enrollment pipeline and achieve measurable enrollment recovery through modern, data-driven recruitment strategies;

Whereas, national data and benchmarks from comparable institutions indicate that a coordinated programmatic marketing approach can lead to a 20 percent increase in applications and a 16 percent lift in enrollment;

Whereas, the proposed Undergraduate Programmatic Marketing initiative has a projected potential return of \$2.25M in additional net tuition revenue by FY29, meeting the Board’s requirement for a clear value hypothesis and a measurable ROI; and

Whereas, the university administration has presented a three-year investment plan that aligns with the Board’s directive to ensure repayment of any loan from the stabilize and and prior directives to grow enrollment; Now therefore,

Be it resolved, the Board hereby approves the Strategic Enrollment Marketing Investment as an essential, revenue-generating project.

Authorization of Funding: The Board authorizes a programmatic marketing investment of \$900,000 to be drawn from the Reserve over a three-year period as follows:

- **Year 1:** \$300,000
- **Year 2:** \$300,000
- **Year 3:** \$300,000

Scope of Work: These funds shall be used for vendor engagement, fulfillment of a campaign plan including strategy, creative development, predictive modeling, target audience identification, ongoing optimization, printing, postage, and media buys.

Repayment Schedule: To ensure the Reserve remains a revolving source of capital, the university shall reimburse the Reserve according to the following schedule based on projected tuition revenue:

RESOLUTION

Authorization of Funding for Enrollment Marketing (Continued)

- **FY29:** Partial repayment
- **FY30:** Partial repayment
- **FY31:** Final repayment to ensure full reimbursement of the \$900,000 principal.

Oversight and Reporting: In accordance with provisions of the Reserve's governance, the President or their designee shall provide quarterly reports to the Finance and Administration Committee. These reports must include:

- Quantitative measures of success, such as application growth and enrollment lift;
- The financial performance of the project relative to the projected \$2.25M net tuition revenue; and
- An update on the integration with the SOU web redesign and other mitigation strategies.

Vote:

Date:

Future Meetings

Executive Session

Pursuant to ORS 192.660 (2)(i)

Discussion Item

Adjournment