

Public Meeting Notice

October 8, 2026

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.

There are two proposed actions on the agenda: the 2027-2028 committee meeting schedule and the exploration of a scope change request for SOU's Creative Industries and Student Success capital project.

There is a vice president's report on the agenda which will cover organizational updates. A financial review and update will consist of an update on the Fiscal Year (FY) 2026 year-end including an external audit update; a review of the latest available Comprehensive Monthly Financial Report, including cash flow projections and a budget update; and any interim updates to assumptions, revenue, and expenditures. The committee will also discuss the SOU Vitality Plan.

The meeting will occur as follows:

Thursday, October 15, 2026
5:00 p.m. to 7:00 p.m. (or until business concludes)
SOU Campus, Hannon Library, Meese Room
1290 Ashland Street, Ashland, OR, 97520
Materials for the meeting are available at governance.sou.edu.

Members of the public may view the proceedings at <https://sou.zoom.us/j/81811673660> 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.

Public Comment

Members of the public who wish to provide live public comments during the meeting are invited to sign up to speak or to submit their comments in writing at least 24 hours in advance of the meeting to the Board of Trustees email address: trustees@sou.edu.

Written comments also may be emailed to trustees@sou.edu, or 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**

October 15, 2026

Call to Order / Roll / Declaration of a Quorum



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

**Thursday, October 15, 2026
5:00 p.m. – 7:00 p.m. (or until business concludes)
Meese Room, Hannon Library, SOU Campus
Zoom: <https://sou.zoom.us/j/81811673660>**

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.

- | | | | |
|-----------|----------|---|--|
| 5:00 p.m. | 1 | Call to Order/Roll/Declaration of a Quorum | |
| | 1.1 | Welcome and Opening Remarks | Chair Liz Shelby |
| | 1.2 | Roll and Declaration of a Quorum | Sabrina Prud'homme,
SOU, Board Secretary |
| | 1.3 | Agenda Review | Chair Liz Shelby |
| 5:05 | 2 | Public Comment | |
| 5:20 | 3 | Vice President's Report | Dr. Carson Howell, SOU,
Vice President for Finance
and Administration |
| | 3.1 | Organizational Updates | |
| | 4 | Action, Information and Discussion Items | |
| 5:30 | 4.1 | Financial Review and Update | Dr. Carson Howell; Josh
Lovern, SOU, Director of
Budget and Planning;
Krista Darrah, SOU,
Controller |
| | 4.1.1 | FY 2026 Year-End and External Audit
Update | |
| | 4.1.2 | Comprehensive Monthly Financial Report
Including Cash Flow Projections and
"Education & General" and "All Funds"
Update, as of August 30, 2026 | |
| | 4.1.3 | Interim Updates to Assumptions, Revenue,
and Expenditures | |

**Southern Oregon University
Board of Trustees
Finance and Administration Committee Meeting
October 15, 2026**

AGENDA (Continued)

6:10	4.2	SOU Vitality Plan: Finance and Administration	President Rick Bailey; Brad Earl and Jennifer Lind, Project Management Contractors
6:35	4.3	Exploration of Scope Change Request for Creative Industries Project (Action)	President Rick Bailey; Dr. Carson Howell; Marc Overbeck, SOU, Director of Government Relations
6:50	4.4	2027-2028 Committee Meeting Schedule and Future Meetings (Action)	Chair Liz Shelby
7:00 p.m.	5	Adjournment	Chair Liz Shelby

Public Comment

Vice President's Report

VPFA Report

- The state funding formula does not serve us well
- Expenditures are outpacing revenues
- Financial policies need to be strengthened and enforced
- Financial reporting to the Board is insufficient
- Some critical areas are too lightly staffed



Financial Review and Update

Audit Update

Audit Status by Unit

Audit Unit	Preliminary Fieldwork	Final Fieldwork	Issuance
CHF-Ashland, LLC (Housing)	n/a	Complete - In QC Review	Early to mid-October
Single Audit	Completed	Nearly complete	Issued jointly with financial statements
IT Review	Completed	Completed	Recommendations Issued
Financial Audit	Completed	Target start date is November 23 (Some basic items started.)	January-March

Links to Financial Reports, as of Aug. 30, 2026

- [Comprehensive Monthly Financial Report](#)
- [Fiscal Year 2026-2029 Cash Flow Projection](#)
- [Education & General Fund and All Funds](#)



Financial Review and Update

E&G Budget Updates

Changes from last reported FY2026 E&G projection:

1. Revenues

- a. **Gross Tuition & Fees:** No changes from the July report
- b. **Less Remissions:** No changes from the July report
- c. **Net Tuition & Fees:** No changes from the July report
- d. **State Operating Appropriations:** No changes from the July report
- e. **State Debt Service Appropriations:** No changes from the July report.
- f. **All Other:** No changes from the July report.

2. Expenses

- a. **Salary & Wages:** No changes from the July report.
- b. **Benefits (Health, Retirement & Other categories):** No changes from the July report.
- c. **Supplies & Services:** Small (-\$5k) change from the July report.
- d. **Capital Expenditures:** No changes from the July report.
- e. **Institutional Student Aid:** No changes from the July report.
- f. **Net Fund Transfers:** No changes from the July report.

3. Net Income and Fund Balance

- a. **Net Income (Loss):** FY2026 remains projected at (\$4.02M) loss; a positive change of 0.13% compared to the loss reported in July.
- b. **Ending Fund Balance:** There are no changes to the Additions/Deductions from the July submission; the nominal roughly \$5k increase is attributable to small coding updates.



	Final Prior FY	FY2026 BUDGET, YTD ACTUALS, END-OF-YEAR PROJECTIONS						
	FY2025	FY2026 BUDGET	FY2026 YTD Actuals (as of 9.15.2026)	YTD Actuals % of Budget	Last Reported Projection (as of 8.18.2026)	Current FY2026 Projection (as of 9.15.2026)	\$ Changes from Last Projection	% Change from Last Projection
Revenues								
Gross tuition and fees	37,008,351	37,945,000	36,834,902	97%	36,834,902	36,834,902		0.0%
Less fee remissions	(5,294,416)	(5,162,000)	(5,393,970)	104%	(5,393,970)	(5,393,970)		0.0%
Net Tuition & Fees	31,713,936	32,783,000	31,440,932	96%	31,440,932	31,440,932		0.0%
State operating appropriations	28,625,062	29,301,951	28,929,606	99%	28,929,606	28,929,606		0.0%
State debt service appropriations	179,160	179,160	179,160	100%	179,160	179,160		0.0%
Indirect cost recovery	308,132	310,000	379,326	122%	379,326	379,326		0.0%
All other	2,003,312	3,690,000	3,574,976	97%	3,574,976	3,574,976		0.0%
Total revenues	62,829,601	66,264,111	64,504,001	97%	64,504,001	64,504,001		0.0%

	Final Prior FY	FY2026 BUDGET, YTD ACTUALS, END-OF-YEAR PROJECTIONS						
	FY2025	FY2026 BUDGET	FY2026 YTD Actuals (as of 9.15.2026)	YTD Actuals % of Budget	Last Reported Projection (as of 8.18.2026)	Current FY2026 Projection (as of 9.15.2026)	\$ Changes from Last Projection	% Change from Last Projection
Expenses								
Salary & Wages	32,615,263	32,300,000	31,805,842	98%	31,805,842	31,805,842	-	0.00%
Benefits: Health	7,979,990	7,483,379	8,142,453	109%	8,142,453	8,142,453	-	0.00%
Benefits: Retirement	8,444,131	7,918,635	8,616,043	109%	8,616,043	8,616,043	-	0.00%
Benefits: Other	3,248,898	3,046,712	3,315,041	109%	3,315,041	3,315,041	-	0.00%
Supplies & Services	14,378,648	14,313,497	14,148,942	99%	14,154,047	14,148,942	(5,104)	-0.04%
Capital Expenditures	-	12,681	26,248	207%	26,248	26,248	-	0.00%
Institutional Student Aid	77,764	-	47,842	0%	47,842	47,842	-	0.00%
Net Fund Transfers	3,118,725	2,496,260	2,428,068	97%	2,428,068	2,428,068	-	0.00%
Total expenses	69,863,419	67,571,164	68,530,478	101%	68,535,583	68,530,478	(5,104)	0.0%

	Final Prior FY	FY2026 BUDGET, YTD ACTUALS, END-OF-YEAR PROJECTIONS						
	FY2025	FY2026 BUDGET	FY2026 YTD Actuals (as of 9.15.2026)	YTD Actuals % of Budget	Last Reported Projection (as of 8.18.2026)	Current FY2026 Projection (as of 9.15.2026)	\$ Changes from Last Projection	% Change from Last Projection
Net Income (Loss)	(7,033,818)	(1,307,053)			(4,031,582)	(4,026,478)	5,104	0.13%
Margin As a % of Revenue	-11.2%	-2.0%			-6.3%	-6.2%		
Fund Balance Information								
Beginning Fund Balance	3,471,769	(3,562,049)			(3,562,049)	(3,562,049)	(0)	0.0%
Additions/(Deductions)		1,500,000			8,840,778	8,840,778	-	0.0%
Ending Fund Balance	(3,562,049)	(3,369,102)			1,247,147	1,252,251	5,104	

Net Income

Follow one published line across fiscal years, from its reported actuals into the newest projection.



	EST Final Prior FY	FY2027 BUDGET, YTD ACTUALS, END-OF-YEAR PROJECTIONS						
	FY2026	FY2027 BUDGET	FY2027 YTD Actuals (as of 8.31.2026)	YTD Actuals % of Budget	Last Reported Projection (as of 7.31.2026)	Current FY2027 Projection (as of 8.31.2026)	\$ Changes from Last Projection	% Change from Last Projection
Revenues								
Gross tuition and fees	36,834,902	34,039,772	2,662,632	8%	34,039,772	34,039,772	-	0.0%
Less fee remissions	(5,393,970)	(4,730,000)	(35,415)	1%	(4,730,000)	(4,730,000)	-	0.0%
Net Tuition & Fees	31,440,932	29,309,772	2,627,216	9%	29,309,772	29,309,772	-	0.0%
State operating appropriations	28,929,606	29,552,520	10,639,747	36%	29,552,520	29,552,520	-	0.0%
	-							
State debt service appropriations	179,160	179,160	44,790	25%	179,160	179,160	-	0.0%
Indirect cost recovery	379,326	395,637	121,148	31%	430,105	430,105	-	0.0%
All other	3,574,976	2,957,723	179,405	6%	2,957,723	2,957,723	-	0.0%
Total revenues	64,504,001	62,394,812	13,612,307	22%	62,429,280	62,429,280	-	0.0%

Expenses

	EST Final Prior FY	FY2027 BUDGET, YTD ACTUALS, END-OF-YEAR PROJECTIONS						
	FY2026	FY2027 BUDGET	FY2027 YTD Actuals (as of 8.31.2026)	YTD Actuals % of Budget	Last Reported Projection (as of 7.31.2026)	Current FY2027 Projection (as of 8.31.2026)	\$ Changes from Last Projection	% Change from Last Projection
Salary & Wages	31,805,842	30,907,892	3,924,222	13%	30,887,875	30,701,258	(186,617)	-0.60%
Benefits: Health	8,142,453	7,244,435	875,925	12%	7,878,122	7,830,524	(47,598)	-0.60%
Benefits: Retirement	8,616,043	7,665,794	926,872	12%	8,336,338	8,285,972	(50,366)	-0.60%
Benefits: Other	3,315,041	2,949,431	356,616	12%	3,207,424	3,188,045	(19,379)	-0.60%
Supplies & Services	14,148,942	15,114,492	3,617,802	24%	15,527,534	15,388,155	(139,379)	-0.90%
Capital Expenditures	26,248	30,000	332	1%	26,248	26,248	-	0.00%
Institutional Student Aid	47,842	-	-	0%	-	-	-	-
Net Fund Transfers	2,428,068	1,286,153	53,509	4%	1,286,153	1,286,153	-	0.00%
Total expenses	68,530,478	65,198,197	9,755,278	15%	67,149,694	66,706,355	(443,339)	-0.7%

	EST Final Prior FY	FY2027 BUDGET, YTD ACTUALS, END-OF-YEAR PROJECTIONS						
	FY2026	FY2027 BUDGET	FY2027 YTD Actuals (as of 8.31.2026)	YTD Actuals % of Budget	Last Reported Projection (as of 7.31.2026)	Current FY2027 Projection (as of 8.31.2026)	\$ Changes from Last Projection	% Change from Last Projection
Net Income (Loss)	(4,026,478)	(2,803,385)			(4,720,414)	(4,277,075)	443,339	9.39%
Margin As a % of Revenue	-6.2%	-4.5%			-7.6%	-6.9%		
Fund Balance Information								
Beginning Fund Balance	(3,562,049)	1,252,251			1,247,147	1,252,251	5,104	0.4%
Additions/(Deductions)	8,840,778	15,000,000			15,000,000	15,000,000	-	0.0%
Ending Fund Balance	1,252,251	13,448,866			11,526,733	11,975,176	448,443	

SOU Vitality Plan

(Public Hyperlink to Reporting Dashbaords Forthcoming)

Exploration of Scope Change Request for Creative Industries Project (Action)

Proposed Capital Project Scope Change

Background Information

Southern Oregon University's Creative Industries/Student Success capital project was developed as a priority investment for the 2025–2027 biennial Agency Request Budget for the Higher Education Coordinating Commission and the Governor's Recommended Budget. The project proposed renovations to the existing Music Building and Digital Media Center to create a Creative Industries Center and a Student Success and Leadership Center. The Board of Trustees of Southern Oregon University authorized the project; it advanced through the state's higher education capital planning process; and the 2025 Legislature subsequently approved approximately \$40.55 million in state-supported bonds for the project. Bond issuance is anticipated in Spring 2027.

The SOU administration seeks the Board of Trustees' approval to explore a strategic scope change for these bond funds. With the board's permission, the university would evaluate a reassignment of the aforementioned capital funding toward acquiring the Shasta and McLoughlin student residence halls.

The Creative Industries/Student Success project remains important to SOU. At the same time, in light of the University's broad and strategic transformation efforts, as well as the legislative budget note mandates for SOU to "achieve long-term structural fiscal balance" and to "evaluate options for [fiscal] sustainability," this scope change would help SOU meet the mandate, preserve the state's existing capital commitment to SOU, eliminate one of the University's largest long-term financial obligations, and strengthen the University's financial position, further positioning SOU to thrive.

Pursuing a scope change requires formal review and state authorization. The administration therefore requests board approval to evaluate the curricular, financial, operational, and strategic implications of this alternative before submitting a formal request to the state. While the Creative Industries and Student Success project remains an important priority, using this state investment to eliminate CHF debt and acquire the Shasta and McLoughlin residence halls provides immediate structural support for SOU's long-term financial sustainability.

2027-2028 Committee Meeting Schedule and Future Meetings (Action)

SOU Board of Trustees
2027-2028 Board and Committee Meeting Schedule

MEETING	Academic and Student Affairs	Finance and Administration	Executive, Audit, and Governance	Board of Trustees
DAY	Third Thursdays (Unless Otherwise Indicated)	Third Thursdays (Unless Otherwise Indicated)	Third Fridays	Third Fridays
FREQUENCY	Four Times Per Year	Six Times Per Year	Four Times Per Year	Five Times Per Year
TIME	1:00- 4:00 p.m.	5:00-7:00 p.m.	9:30-11:30 a.m.	12:00-5:00 p.m.
	January 21, 2027	January 21, 2027	January 22, 2027	January 22, 2027
		March 18, 2027		March 17, 18 or 19, 2027 Date/Time TBD
	April 15, 2027	April 15, 2027	April 16, 2027	April 16, 2027
		May 20, 2027		
	June 16, 2027±	June 16, 2027±	June 17, 2027±	June 17, 2027±
				Retreat September 16-17, 2027 All Day / Time TBD
	October 21, 2027	October 21, 2027	October 22, 2027	October 22, 2027
	January 20, 2028	January 20, 2028	January 21, 2028	January 21, 2028
		March 16, 2028		
	April 20, 2028	April 20, 2028	April 21, 2028	April 21, 2028
		May 18, 2026		
	June 15, 2028	June 15, 2028	June 16, 2028	June 16, 2028
				Retreat September 21-22, 2028 All Day / Time TBD
	October 19, 2028	October 19, 2028	October 20, 2028	October 20, 2028

* Occurs during the week following Commencement

± In observance of the Juneteenth holiday, June 2027 meetings of the board will occur on Wednesday and Thursday instead of Thursday and Friday

Last updated July 2026

Adjournment