

University Hall Meeting:
*Positioning Eastern for Mission
Fulfillment and Financial
Sustainability*

Monday, May 2, 2011

Eastern Oregon University



Planning Principles

- Open, Inclusive and Transparent
- Base decisions on mission, core themes and goals
- To not repeat this again in two years!
- Involve expertise on campus
- Engage shared governance
- Stick to the plan

Guiding Thoughts

Flying the Plane While Rebuilding the Engine

“In time of crisis, we cannot run away to the comfort of the way we’ve always done things. If we do not take charge of our future, it will be determined for us.” (pg. 12)

- We Must:
 - Live within our means
 - Plan for the future, not just today
 - “Change or Perish”

Why are we going through this?

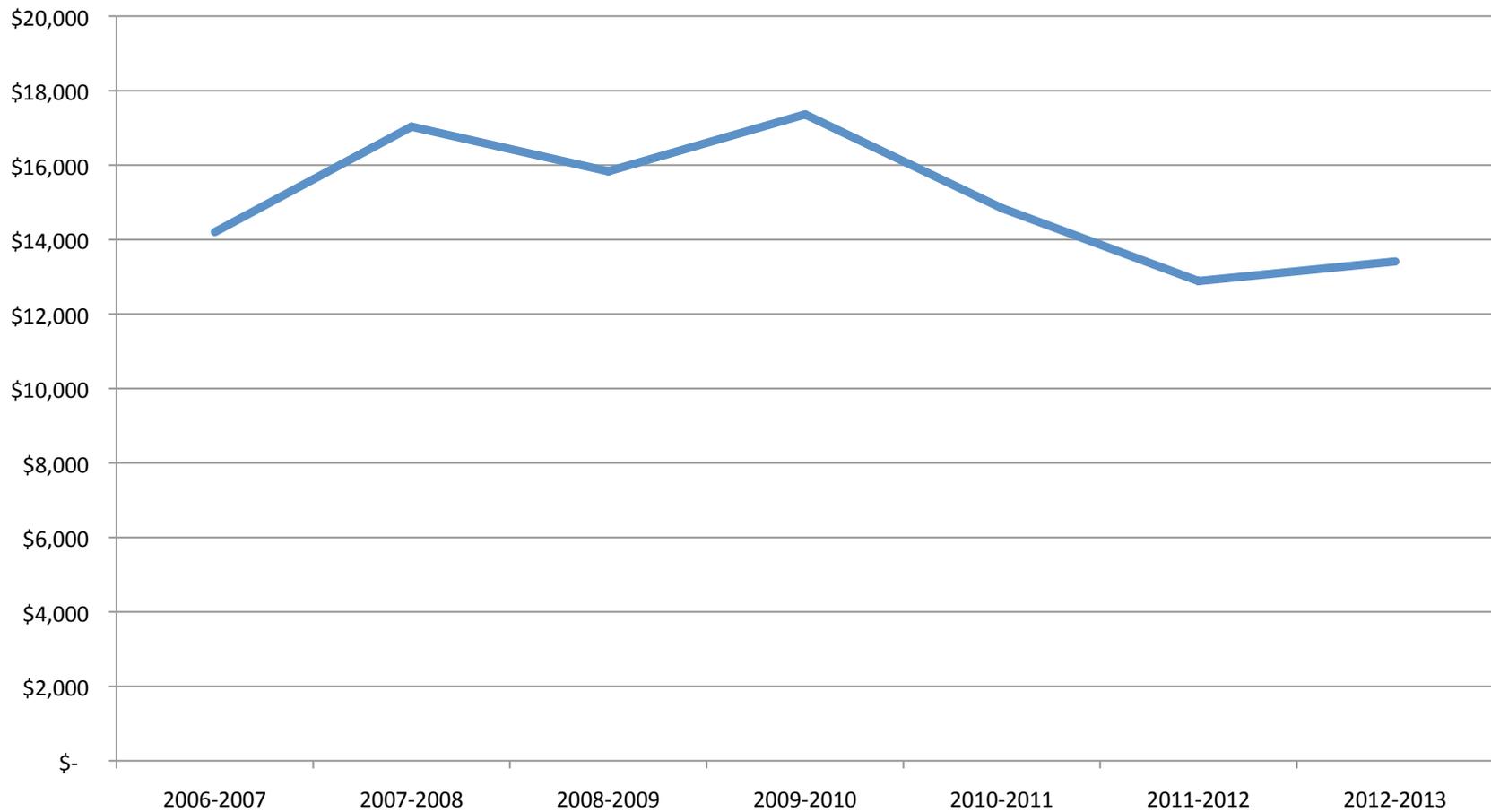
- EOU's Success:
 - Enrollments are up
 - Retention is up
 - Graduation rates are up
- State's Fiscal Crisis
 - Governor's Recommended Budget
 - Ways and Means Co-Chair's Budget

The Financial Hydraulics

- 45 percent of our revenues come from the State
- 85 percent of our revenues are personnel related
- Expected decreases of state-funding have a velocity affect on us because of growth: “damned if you do and damned if you don’t...”

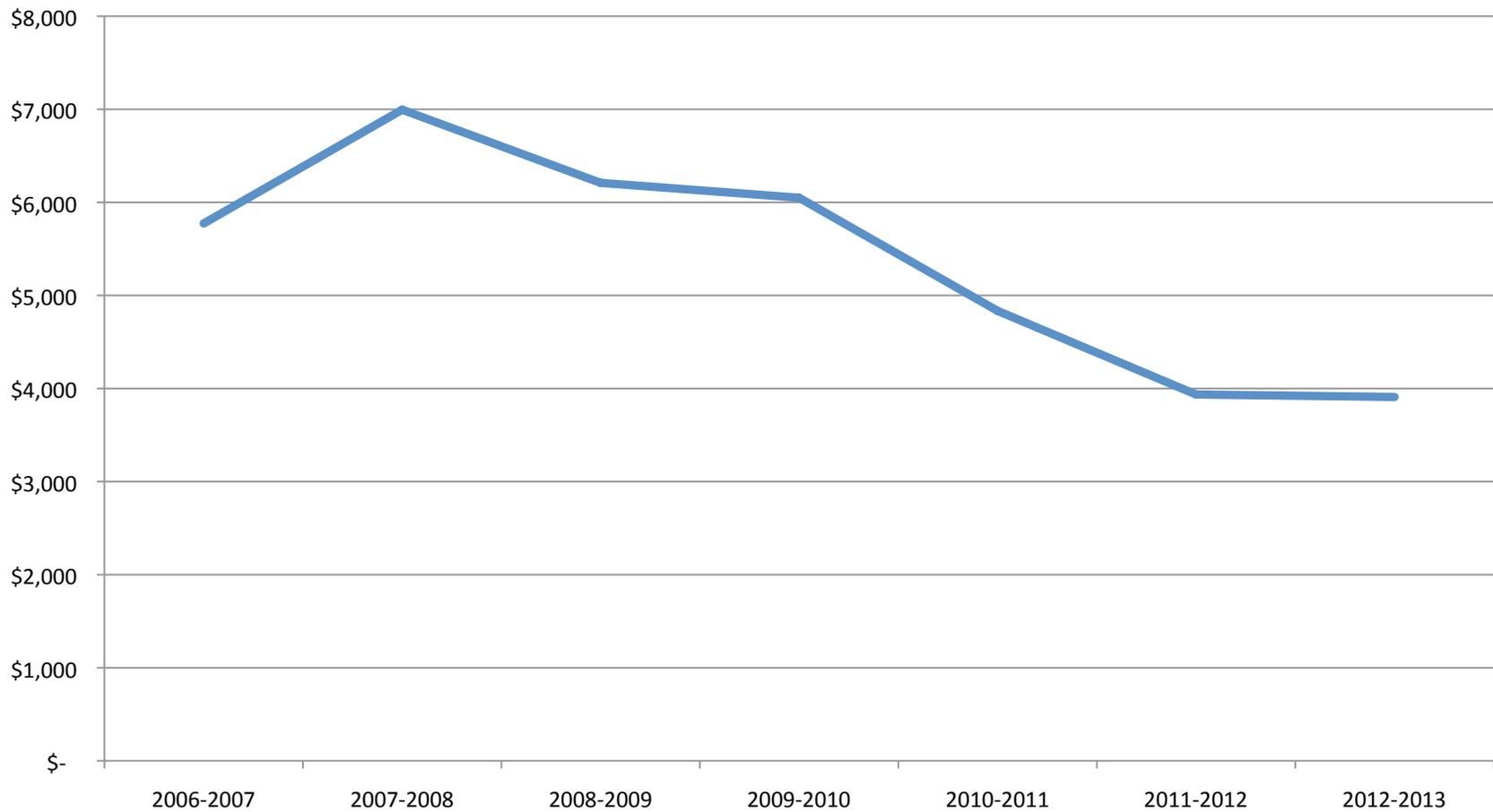
Total State Funding

(2011-2013 projected)

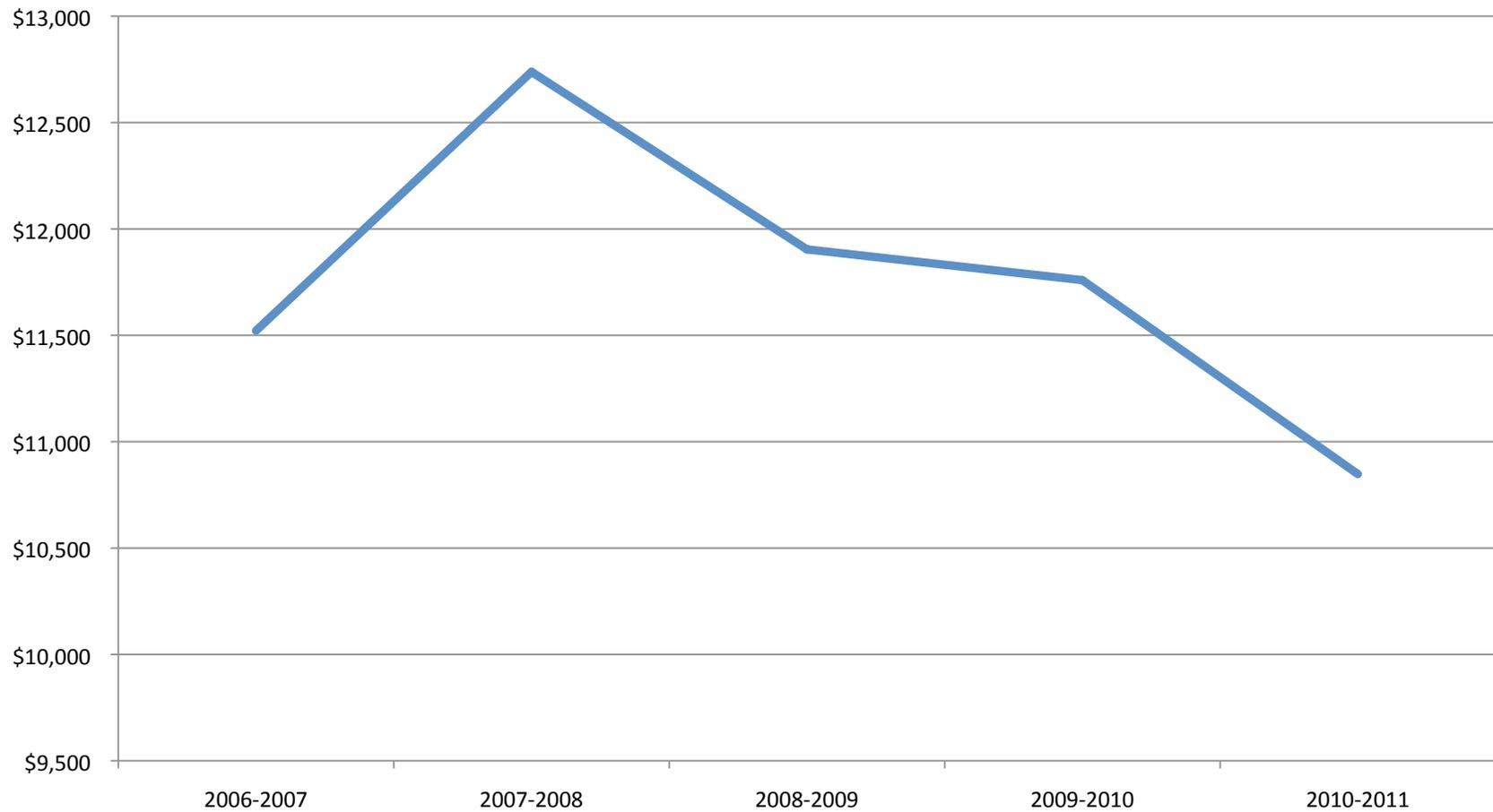


State Funding Per Student FTE

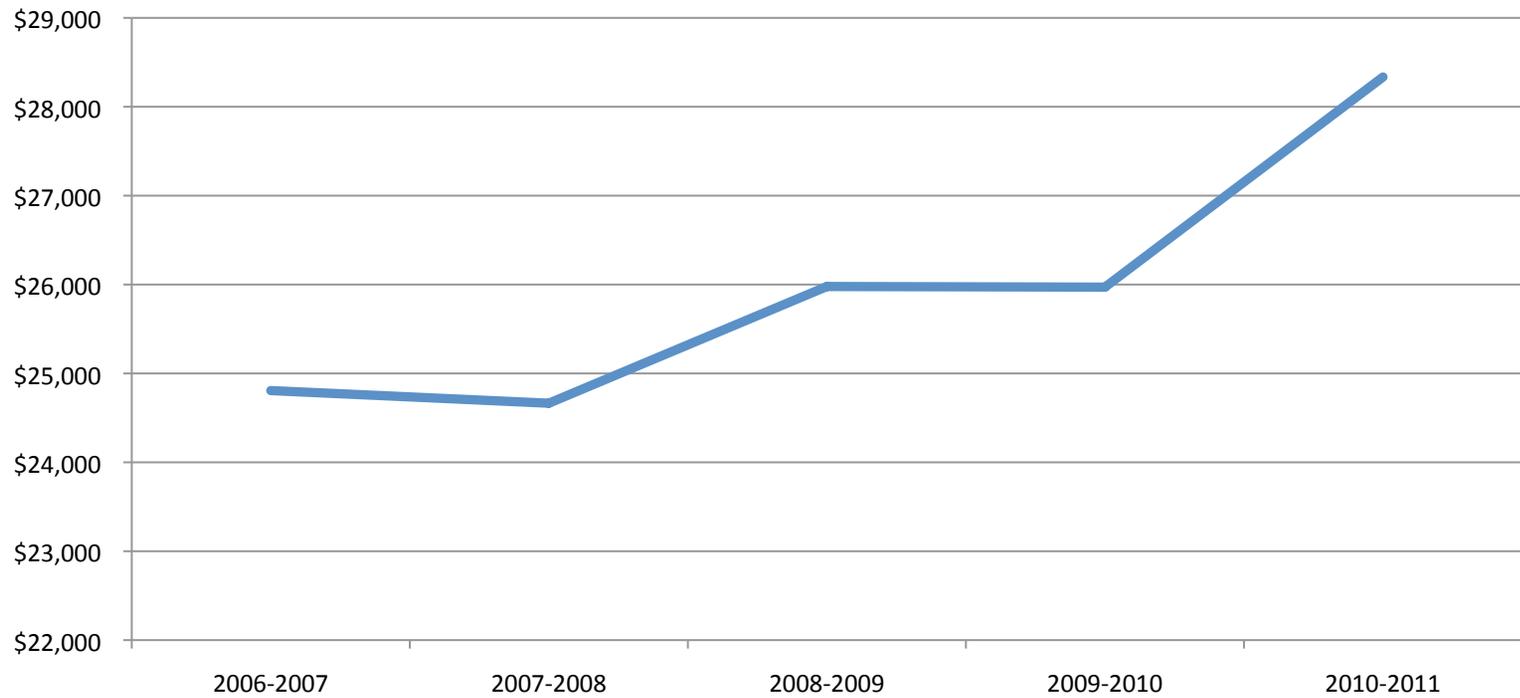
(2011-2013 Projected)



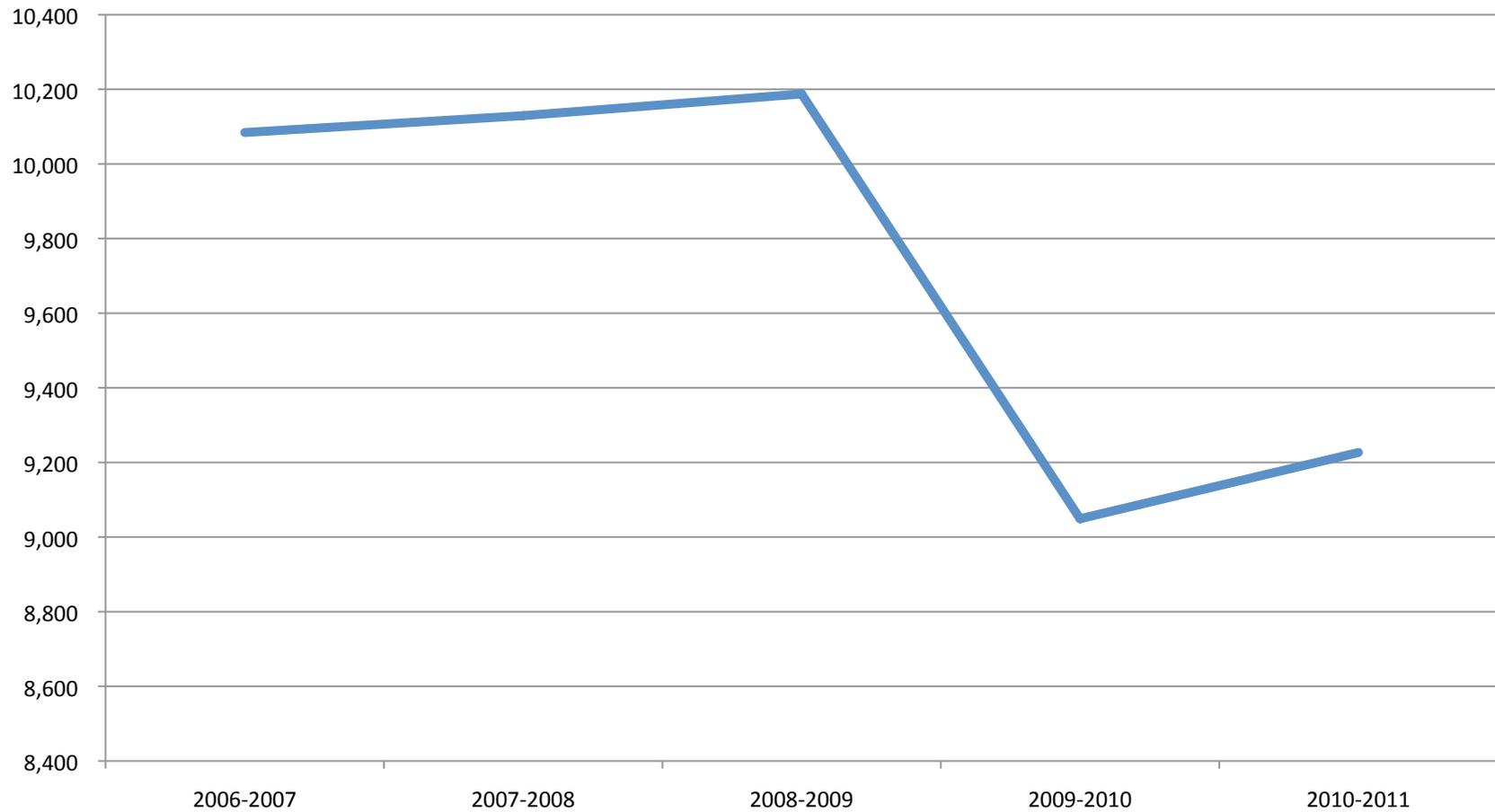
Revenue Per Student



Personnel Costs



Personnel Costs Per Student FTE



Strategic Paradigm

- This is NOT a cost cutting exercise
- This is about positioning EOU to:
 - Achieve its goals and mission
 - Serve our students and our communities
 - Maintain a commitment to our core values
 - Provide a stable and viable financial foundation for proper planning, execution and assessment of our efforts

As a result...

- Not “across the board”
- Not “targeting” one area or another
- Decisions facilitated by Mission and Core Themes
- The unequivocal use of Administrative Review and Academic Program Review
- A living plan to be evaluated systemically
- We are expecting feedback now, and in the future
- “Measure Twice, Cut Once”

Mission and Core Theme Driven

EOU guides student inquiry through integrated, high-quality liberal arts and professional programs that lead to responsible and reflective action in a diverse and interconnected world.

As an educational, cultural and scholarly center, EOU connects the rural regions of Oregon to a wider world. Our beautiful setting and small size enhance the personal attention our students receive, while partnerships with colleges, universities, agencies and communities add to the educational possibilities of our region and state.

Mission and Core Theme Driven

- **Theme 1:** EOU has high quality liberal arts and professional programs that prepare students for the world beyond college.
- **Theme 2:** EOU is a regional University with a deep sense of commitment to students where they are.
- **Theme 3:** EOU is the educational, cultural and economic engine of eastern Oregon.
- **Theme 4:** EOU provides personal, student-centered experience in both the curricular and co-curricular program.

Changes in Planning

- Budget and Forecasting Horizon
- The Composite Financial Index
- Contingency and Reinvestment Fund planned into the budget
- Utilization of the Budget and Planning Committee
- Web updates for transparency

Increases in Revenues

Total Projection in new Revenues: \$3 million

- Enrollment growth
- Tuition modeling
 - Resident increases
 - Non-Regional Rates
 - Out of Country
 - Out of Region

Decrease in Cost Structure

- Reductions in non-instructional activities: \$1.742 million
 - Flattening of Administrative Positions \$585,000
 - Administrative Unit Review Salary Reductions \$513,000
 - Elimination of Non-Essential Overtime \$130,000
 - Implementation of Energy Audit Finding \$ 64,000
 - Campus Closure for Energy Conservation \$450,000
- Reductions in instructional related activities: \$1.838 million
 - Early Retirement Program and Adjustments to the On-Line Adjunct Salary Scale \$1,000,000
 - Academic Program Review Salary Reductions \$838,000
- Total Reduction in Service & Supply \$292,000
- Total Annual Cost Reductions \$3.872 million

Steps from here...

- We expect feedback and ideas
 - Shared Governance Meetings
 - Employee Representatives
- Email/Web Form
- Assisting those who are directly impacted

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