

# University Hall Meeting

Tuesday, February 22, 2011

**The University that WORKS WITH YOU**



# ...First, Some Good News...

- Truman Scholarship Finalist
- Fall to Winter Freshman Retention
  - Residential Halls
- AAC&U National Recognition of First Year Experience
- Faculty Scholarship—Teaching and Learning
  - On-Line programs
  - Classroom based
  - Ed Nuhfer Workshop
- Over \$1.1 million raised by EOU Foundation
- Hits of the 60's concert
- International Dinner and Show
- Athletes—In the classroom and on the field of competition

# Shared Governance Reports

- ASEOU—Jennifer Forbus
- University Council—Kathryn Shorts
- Faculty Senate—Kathleen Dahl

# Vice President of Finance & Administration transition

- Darlene Morgan, Acting Vice President
- Search Committee
  - Steve Adkison, Chair
  - Kari Day
  - Carol Franks
  - Megan Greenfield, ASEOU Representative
  - Sandy Henry
  - Tom Hermann
  - Stephen Jenkins
  - Ken Watson, Chairperson of B&P
  - Jeff Vermeer
- Search Firm
  - Sharon Tanabe, Storbeck/Pimentel

# BART Review Exercise

## ■ Goals of BART

- Reduce costs incurred by previous leadership
- Protect “Students, People, Programs”
- Reposition EOU for the future

## ■ Process

- Committee structure
- Iterative communication of plans

## ■ Outcomes

- Successful in achieving its overall goals:
  - Costs were reduced
  - Program elimination was minimal
- 35 FTE positions were eliminated (namely administrative faculty and classified staff positions)
- Enrollments began to rebound
- Elements of plan not fully implemented due to effects of early changes

# BART Review Exercise

- Lessons learned from BART
  - Communicate, Communicate, Communicate
  - Need wide spread university support and involvement
  - Fluid environment can create confusion
  - Utilize campus expertise as often as possible
  - Bottom up process, but some decisions must be made at the top
  - Ensure the fit among “structure, strategy and culture”
- Impact on future planning (from BART and other planning efforts)
  - Utilize shared governance instead of separate committee/task force
  - Communication:
    - Wide spread divisional and unit meetings
    - Town Hall Meetings
    - Ad Hoc discussions
    - Web and other methods
  - One team concept
  - Robust data collection and analysis to drive decision making
  - University wide empowerment for ideas and change
  - “Maintain the resolve”

# Current Financial Conditions

- Projections from OUS (January, 2011)
  - 25% (\$4M) decline in state appropriations and Federal Funds
    - 45% of EOU's budget comes from appropriations
  - Increased costs (PEBB, PERS, etc.)
  - Conservative enrollment growth
- Governor's Recommended Budget for 2011-2013
  - State appropriation "marginally" better than previously forecasted
    - No federal funds for OUS (\$3M for EOU)
  - GRB Included:
    - \$6M for rural access funding
    - \$2M for incentive funding
  - Still projecting more than a 20% decline in total state support for EOU
- Current Fiscal Year
  - Projecting an ending 8% fund balance
  - For FY 2010-11, we have absorbed a 14% state appropriation cut via increased enrollments and use of current fund balance (2%)

# Foundational concepts regarding planning

- *OUS Organizing Concepts Pertaining to and Specifically Related to EOU:*
  - OUS is committed to the achievement of statewide education goals via access and affordability
  - High quality programs and student learning/success
  - Provide economic, civic and cultural benefits throughout Oregon
  - Mission differentiation and a balanced portfolio of offerings throughout OUS
  - Adequate and sustainable financial structure for 2011-13 and beyond

# Foundational concepts regarding planning

## ■ *EOU's Organizing Concepts:*

- EOU is entering a “watershed” period of change that will reposition it for the future
- EOU's business models must evolve to meet the new economic and political dynamics
- Change must be managed as well as directed and involve the entire university community
- EOU must engage strategically across multiple dimensions to move forward:
  - Expand in strategic mission-driven areas while restricting other offerings
  - Increase revenues through investments
  - Manage cost reductions with a goal of increasing efficiencies

# Mission Driven Planning

- **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.

# Strategies Employed to Maintain Financial Viability

- Revenue Increases (Goal: \$1.5M-\$2M)
  - Enrollment growth
  - Tuition Increases
  - Non-Resident Tuition
    - The OARs allowing for this advantage are changing:
      - state funding for non-resident students to be phased out contingent on our efforts
      - must charge at least the “average cost of attendance” for non-resident students
  - International Student Recruitment
- Cost Containment (Goal: \$3.5M-\$4M)
  - S&S
  - Personnel
  - Efficiencies
- Strategic use of fund balance, auxiliaries and capital budgets (Goal: \$1.5M)

# Program Review

- Program history and expectations
- Demand for program from external sources
- Demand for program from internal sources
- Quality of inputs to the program
- Quality of outputs of the program
- Size, scope and productivity of the program
- Revenues generated
- Costs of the program
- Total impact and justification of the program
- Future opportunities of the program

(Adapted from Robert Dickenson, *Prioritizing Academic and Service Programs*, 2010)

# Matrix of Investment and Priority

Mission Critical (Strong) ↑ (Weak) ↓	Need to determine the amount of investment needed to reach potential of program.	Need to maintain position. Investments as required.
	Determine exit strategies of program or modifications if opportunities exist.	“Cash Providers” Funds to be used to support other programs
	(Weak)	(Strong)

Health of Program

# Financial Planning and Decision Tree

## Schedule

- Conducted initial meetings with all divisions and units—Jan. - Feb., 2011 
- Tuition Committee recommendation to OUS—April 8, 2011
- Meet with Shared Governance, AAP, SEIU, and Admin Faculty Ex. Board to set planning process for program reductions if needed—March 2011
  - Plan to include dates for:
    - Identifying specific S&S savings targets
    - Identifying specific program/personnel savings targets
    - Distribution of draft plans to campus and discussion with Shared Governance, unions and representative leadership, divisions and units
    - Time frame for comments and recommendations on plans from campus and constituents
    - Personnel/program reductions announcements if needed
- Program Review—Complete by April 15, 2011
- Report on Program Review to Shared Governance Committees—May 2011
- Report on Program Review to AAP, SEIU and Admin. Faculty Executive Board—May 2011
- Implement Planning Process, from March meetings—beginning April 2011
- Report to Budget & Planning to confirm and adjust plan based on legislative actions—September 2011
- Fourth Week Enrollment Numbers—October 21, 2011
- Report to Shared Governance on implementation of plan—November 2011
- Non-Resident Tuition—Implementation in Fall 2012
- On Going and as needed:
  - Campus & Divisional Meetings
  - Communication/reports with employee representative leadership
  - Updates/reports to B&P, Divisional Chairs, Shared Governance, etc.
  - Campus wide communication flow and updates

# University Hall Meeting

Thank you for your time and support

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# Financial Planning Meeting Schedule

- OUS Board Retreat—January 6, 2011
- Chairs of Shared Governance meeting—January 10, 2011
- Budget & Planning—January 11, 2011
- AAP Leadership—January 14, 2011
- Faculty Senate—January 18, 2011
- President’s Council—January 19, 2011
- ASEOU—January 24, 2011
- University Council—January 25, 2011
- Student Forum on Tuition—January 31, 2011
- Budget & Planning—February 1, 2011
- Student Affairs—February 2, 2011
- SEIU—February 2, 2011
- College of Arts and Sciences—February 3, 2011
- Follow up meeting with AAP—February 4, 2011
- Colleges of Education and Business—February 9, 2011
- Finance and Administration—February 11, 2011
- Academic Affairs staff—February, 11 2011
- Athletic Department—February 15, 2011
- Administration Faculty—February 15, 2011
- Budget & Planning—February 15, 2011
- President’s Council—February 16, 2011
- University Advancement—February 17, 2011
- Academic Affairs staff—February 18, 2011
- University Hall—February 22, 2011

