

Board of Trustees

Orientation

April 3, 2015



EASTERN OREGON
UNIVERSITY



Part 1.

Structure, Roles and Responsibilities

Former Statewide Education Structure –
Tim Seydel

New Statewide Structure – Tim Seydel

EOU Internal Structure – Chris Burford &
Lara Moore



Former Statewide Structure - Prior to 2013





Former Statewide Structure – What Happened?

- Senate Bill 270
- House Bill 4018
- Boards for “Bigs” (2014)
 - University of Oregon, Oregon State University, Portland State University
- Boards for Technical and Regional Universities (TRUs) (2015)
 - Eastern Oregon University, Western Oregon University, Oregon Tech and Southern Oregon University
- Oregon Education Investment Board (OEIB)
- Higher Education Coordinating Commission (HECC)



Former Statewide Structure – What Happened?

The University of Oregon launched a bill to enable it to have its own governing board. Shortly thereafter, Portland State and Oregon State requested have their own boards as well. With the three major universities advocating strongly for boards, the outcome was inevitable.

The outcome ended the Oregon University System (OUS) which had supported the four Technical and Regional Universities (TRUs), including Eastern, for over 80 years.

In the aftermath, several options were considered for governing the TRU institutions, including:

1. Keeping a downsized OUS to govern just them,
2. Making them branch campuses of Oregon State,
3. Creating a new multi-campus university consisting just of them, and
4. Allowing each TRU to have the option to have an individual institutional board, with some shared services still centrally provided by the state.



Former Statewide Structure – What's Next?

In the end, the final option was what the legislature made available. After that, the only way to maintain joint oversight of the TRUs would have been if all had rejected that choice. Some TRU schools, though, wanted to go on their own, which left the others no choice. Each school surveyed its constituents and by March of 2014 each TRU had requested to have its own board appointed.

The past year has been spent preparing for that transition. On July 1, 2015 the State Board of Higher Education (SBHE) and the agency it operated (the Oregon University System (OUS)) will cease to exist. This EOU board's authority will vest on that date.

After that date, certain shared services will continue to be provided by a newly created shared services entity. Other services formerly provided by the Oregon University System (OUS) will be provided directly by the individual institutions. All of the costs of those additional services will be paid by the state.



Former Statewide Structure – What's Next?

When the SBHE closes, all the legal rights and obligations of the SBHE will transfer to the individual TRU institutions:

“All of the duties, functions, powers and lawfully incurred rights and obligations of the State Board of Higher Education that pertain to a university with a governing board are transferred to and vested in the governing board. The transfer shall include but not be limited to all applicable contractual rights and obligations and title to all applicable records, property, supplies and materials, including equipment, books and papers. For the purpose of succession to these rights and obligations, the governing board is considered to be a continuation of the State Board of Higher Education and not a new authority, and the governing board must exercise such rights and fulfill such obligations as if they had not been assigned or transferred, except as otherwise provided by law.”



Former Statewide Structure – What's Next?

Over the years, the SBHE has adopted over 500 regulations, policies and procedures which have governed Oregon universities.

On July 1, 2015:

“the lawfully adopted rules and policies of the State Board of Higher Education pertaining to a university with a governing board that are in effect on the effective date of this 2013 Act *continue in effect until lawfully superseded or repealed by the standards or policies of the governing board or the university*. References in rules or policies of the State Board of Higher Education to the state board or an officer or employee of the state board *are considered to be references to the governing board or an officer or employee of a university with a governing board*.”

Section 170(8), Chapter 768, Oregon Laws 2013 (SB 270).

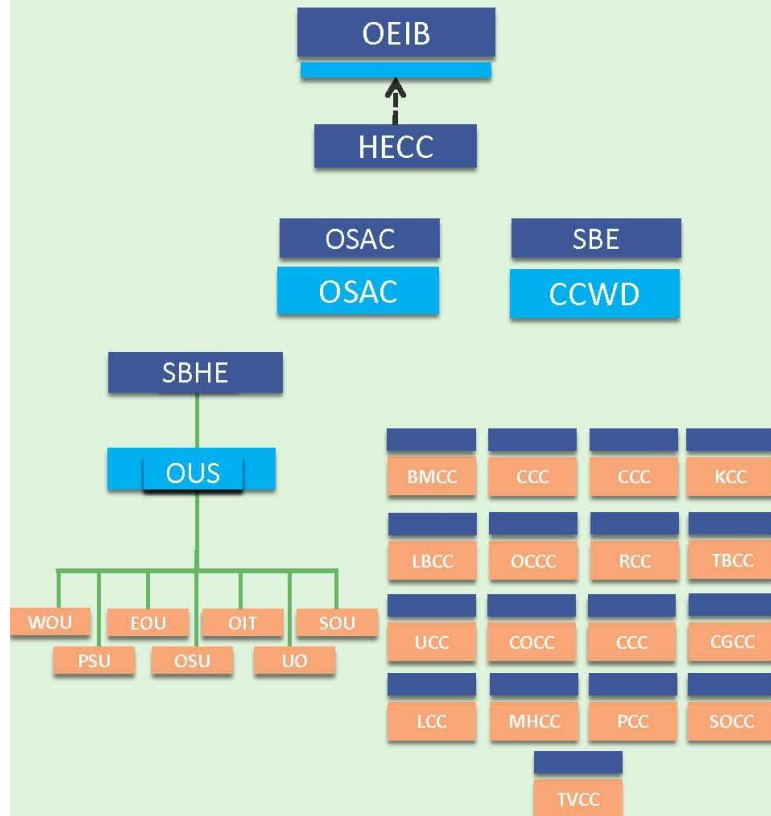


Former Statewide Structure – What's Next?

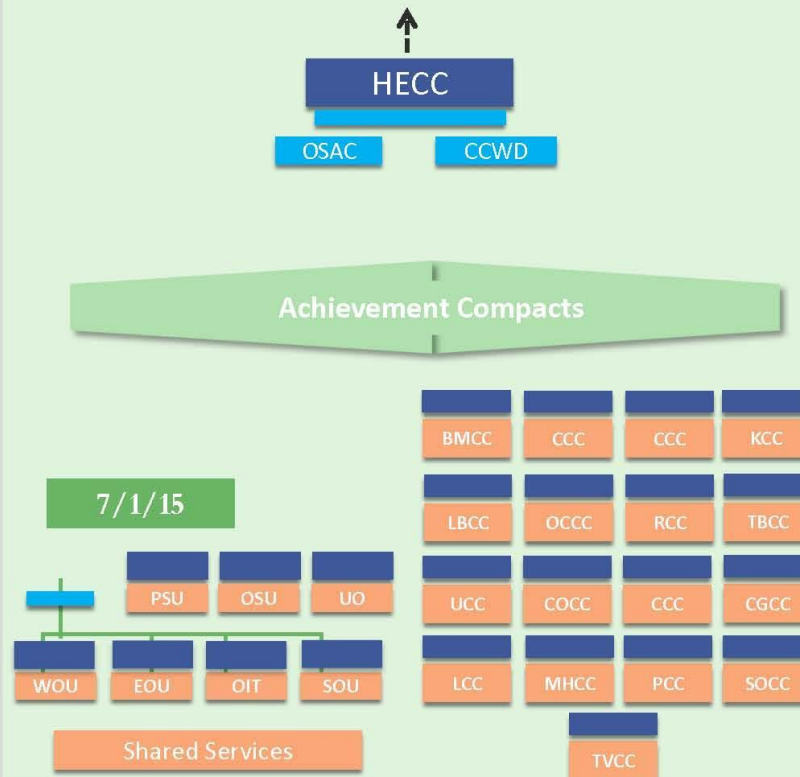
Central management by the SBHE involved many compromises. Many of the over 500 regulations promulgated by the SBHE, were never adopted with a school like EOU in mind, and don't work well for us. Others will remain essential to the proper functioning of the university. The EOU administration recognizes the need to review and evaluate these legacy regulations, to see which ones to recommend that the EOU Board amend or repeal. The internal process of evaluating these regulations, though, has not yet begun.



Postsecondary Before 2013 (full diagram)



Postsecondary Post 2013 (full diagram)



- Institution
- Board/Council
- Agency



New Statewide Structure – Oregon Higher Education (Simplified)

Governor & Legislature

Oregon Education Investment Board

Higher Education
Coordinating Commission

Eastern Oregon University
Board of Trustees

President



New Statewide Structure – Oregon Education Investment Board (OEIB)

- Created in 2011 to oversee an effort to build a unified system for investing in and delivering public education from birth to college & career.
- Each university submits an Annual Assessment Plan to the OEIB.
- Set to sunset in February 2016 unless reauthorized.
- Seeks to link all segments of the educational experience together to ensure each student is poised for a promising future.
- **Priorities:** Equity, Outcomes, Transitions & Barriers
- **Investments.** Making recommendations to the Governor and legislature as to how the state can resource education to produce the best outcomes for students.



New Statewide Structure – Higher Education Coordinating Commission (HECC)

- HECC connects and coordinates policy and funding recommendations across postsecondary education in Oregon.
 - Funding allocations (public colleges and universities)
 - Program/degree approval (public colleges and universities, some privates)
 - Mission approval (public universities)
 - Student/consumer protection (some privates)
 - Data and reporting (all institutions)
 - Strategies for coordination (all institutions)
 - Oregon Opportunity Grant
- Collaborates to advance P-16 education with OEIB, Oregon Department of Education (ODE), campuses, policymakers, and educational partners
- Leadership, support, and connections to workforce development
- Annually, submits to the legislature an evaluation of each Oregon university.



New Statewide Structure – Status of Universities with Governing Boards

352.033 Status of university with a governing board. A university with a governing board is a *governmental entity* performing governmental functions and exercising governmental powers. *A university with a governing board is not considered a unit of local or municipal government or a state agency, board, commission or institution* for purposes of state statutes or constitutional provisions. [2013 c.768 §2a]



New Statewide Structure – Status of Universities with Governing Boards

352.039 Goals and mission of university with a governing board. (1) A university with a governing board is *created to carry out public missions and services* in keeping with principles of public accountability and fundamental public policy, guided by the legislative findings in ORS 351.001 and 351.003 and consistent with the goals and mission described in ORS 351.006 and 351.009.

(2) A university with a governing board is *an independent public body with statewide purposes and missions and without territorial boundaries*. A university with a governing board shall exercise and carry out all of the powers, rights and privileges, within and outside this state, that are expressly conferred upon the university with a governing board, or that are implied by law or are incident to such powers, rights and duties. [2013 c.768 §2b]



New Statewide Structure – Legislative Findings re Universities with Governing Boards

352.025 Legislative findings. (1) The Legislative Assembly finds that the State of Oregon will benefit from having public universities with governing boards that:

- (a) Provide transparency, public accountability and *support for the university*
- (b) Are close to and closely *focused on the individual university*.
- (c) Do not negatively impact public universities that do not have governing boards.
- (d) *Lead to greater access and affordability* for Oregon residents and do not disadvantage Oregon students relative to out-of-state students.
- (e) Act in the best interests of both the university and the State of Oregon as a whole.
- (f) Promote the academic success of students in support of the *mission of all education beyond high school* as described in ORS 351.009.



New Statewide Structure – Legislative Findings re Universities with Governing Boards

352.025 Legislative findings. (2) The Legislative Assembly also finds that:

(a) Even with universities with governing boards, *there are economy-of-scale benefits to having a coordinated university system.*

(b) Even with universities with governing boards, *shared services may continue to be shared among universities.*

(c) Legal title to all real property, whether acquired before or after the creation of a governing board, through state funding, revenue bonds or philanthropy, shall be taken and held in the name of the State of Oregon, acting by and through the governing board.

(d) The Legislative Assembly has *a responsibility to monitor the success of governing boards* at fulfilling their missions, their compacts and the principles stated in this section. [2013 c.768 §1]



New Statewide Structure – Role of the EOU Board

Established by the procedures described in section 168a of SB 270 (2013) (as amended by section 1 of HB 1018 (2014)) and in ORS 352.076.

The Board assumes responsibility for EOU on July 1, 2015. Its duties include:

- Adopting bylaws, appointing its officers, and meeting at least quarterly.
- Adopting a university mission statement and submitting it to the HECC.
- Entering into an Achievement Compact with OEIB each fiscal year;
- Seeking approval of the HECC for any significant changes to the university's academic programs; the HECC evaluates these for: 1) consistency with the EOU mission and 2) their effect on the efficiency of the statewide system.
- By April 1 of even-numbered years, submitting a budget to HECC for the biennium starting with July 1 of the following year.
- Setting the process for determining tuition and mandatory enrollment fees.
- Hiring and supervising the EOU President.
- Its authority over the university is limited only by state law.



New Statewide Structure – Role of the President

ORS 352.096(2):

- The president of the university is the president of the faculty.
- The president is also the executive and governing officer of the university, except as otherwise provided by statute or action of the governing board.
- Subject to the supervision of the governing board, the president of the university has authority to direct the affairs of the university.



New Statewide Structure – Role of the Faculty

ORS 352.146:

- The president and professors constitute the faculty and as such have the immediate government and discipline of a university with a governing board and the students therein, except as otherwise provided by law or action of the governing board.
- The faculty may, subject to the supervision of the governing board and [the HECC], prescribe the course of study to be pursued in the university and the textbooks to be used. [2013 c.768 §18]



EOU Internal Structure – Administrative (Simplified)

President

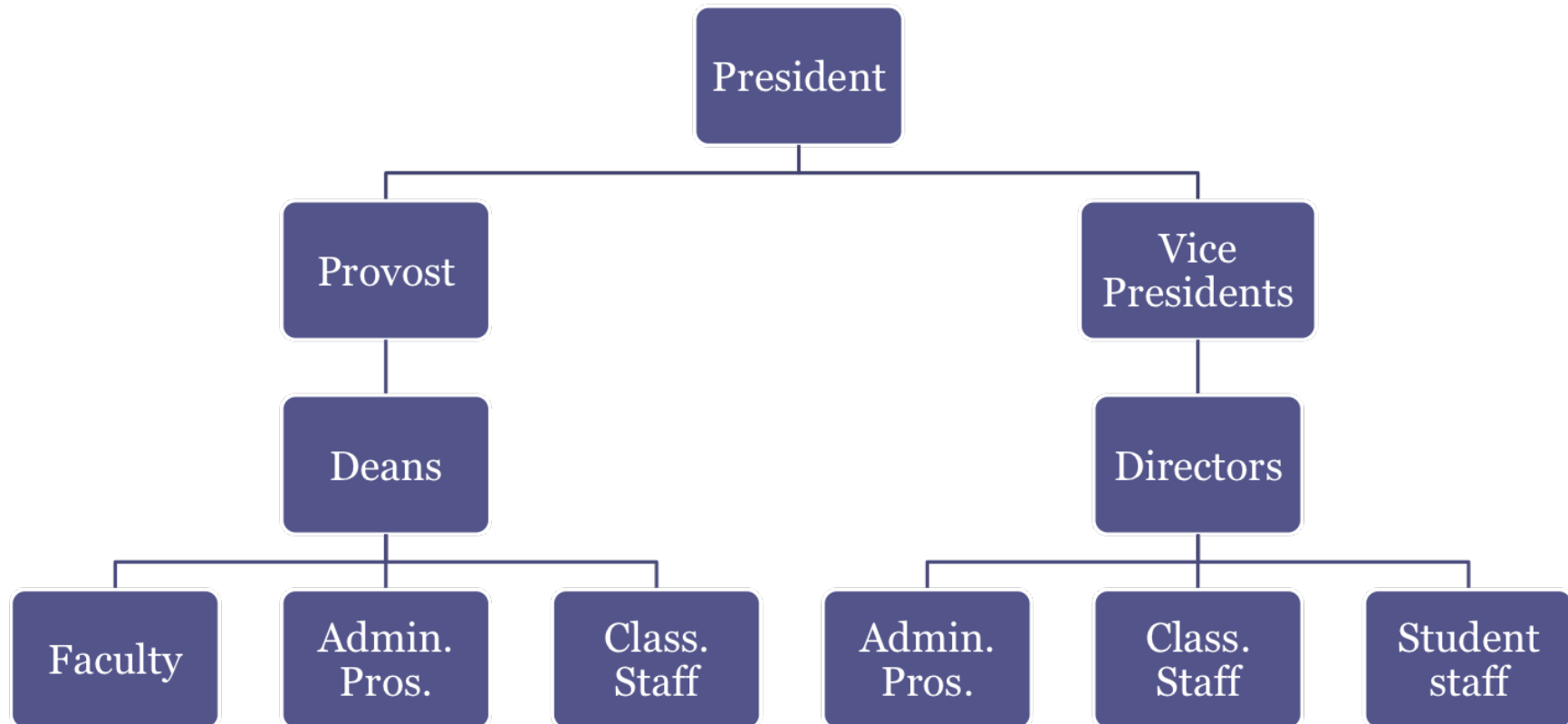
Provost and
Vice Presidents

Deans, Directors, and
Admin. Professionals

Faculty, Classified Staff & Student
Employees



EOU Internal Structure – Administrative (Slightly less Simplified)





EOU Internal Structure – Communication Systems (Simplified)

President

Provost and/or
President's Cabinet

Faculty Senate, University
Council, and ASEOU

10 Constitutional Committees



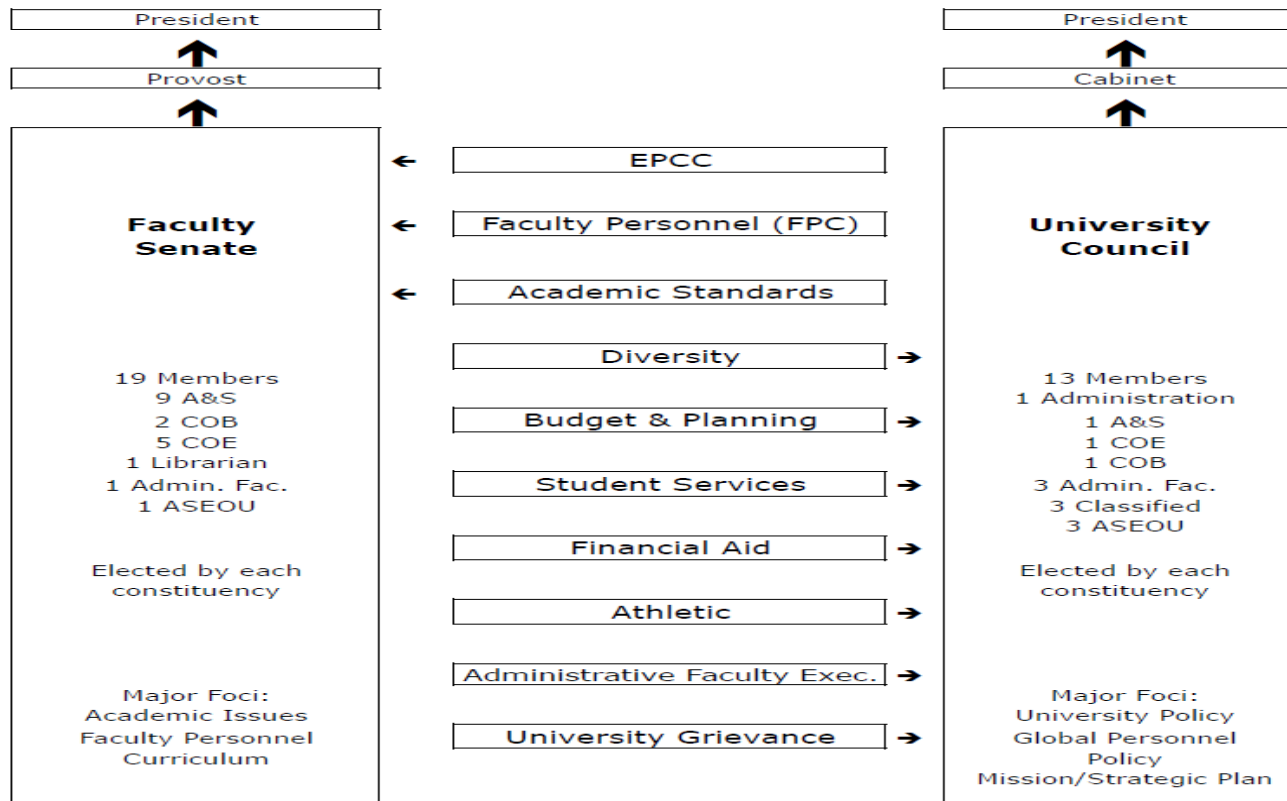
EOU Internal Structure – Communication Systems (Shared Governance)

- The University's Shared Governance structure is intended to improve decision making by enabling many members of the university community to participate in making recommendations about decisions that impact them.
- It allows an orderly way for the university to use its greatest asset, the talents of its community members, to improve decision making.
- From one university to another, there is great variety as to what issues are discussed through shared governance systems, reflecting the norms of the individual academic community.
- In almost all cases the role of the Shared Governance bodies is advisory, and their recommendations are made to the Provost or the "President's Cabinet" (essentially, the Vice Presidents and Provost).
- In this regard, its recommendations carry less force than the products of collective bargaining contracts with the unions, which carry the force of law.



EOU Internal Structure – Communication Systems (Shared Governance)

Shared Governance Model





EOU Internal Structure – The Ten Foundational Committees

“The committees of the University shall serve as the foundation of the shared governance system at Eastern Oregon University.” EOU Constitution, Article V.

Educational Policy and Curriculum Committee (EPCC)

- Develops and makes recommendations on curricular policy, programs and course offerings. Reports to Faculty Senate.

Faculty Personnel Committee (FPC)

- Recommends policies regarding evaluation, tenure and promotion of faculty.
- Plays a role in the tenure review process, making recommendations to the Provost. Reports to Faculty Senate.

Academic Standards Committee

- Develops, recommends, and interprets academic policy
- Hearing board for all matters student academic standing. Reports to Senate.



EOU Internal Structure – The Ten Foundational Committees

“The committees of the University shall serve as the foundation of the shared governance system at Eastern Oregon University.” EOU Constitution, Article V.

Diversity Committee

- Makes recommendations regarding diversity policy and plans, monitors progress. Reports to University Council.

Budget and Planning Committee

- Advises on budget matters, including long range planning and capital improvements. Reviews budgets and recommends priorities. Reports to University Council.

Financial Aid Committee

- Develops, recommends, and advises on Financial Aid policy.
- Hearing board for student Financial Aid appeals. Reports to University Council.



EOU Internal Structure – The Ten Foundational Committees

“The committees of the University shall serve as the foundation of the shared governance system at Eastern Oregon University.” EOU Constitution, Article V.

Student Affairs Committee

- Advises, develops and makes recommendations regarding all aspects of student activities (other than intercollegiate athletics), including co-curricular activities, residence life, housing, food services, behavior and enforcement policies.
- Oversees student organizations and clubs (but not ASEOU).
- Oversees hearing dealing with student behavior and academic dishonesty. Reports to University Council.
- Traditionally has been chaired by an ASEOU Director.



EOU Internal Structure – The Ten Foundational Committees

“The committees of the University shall serve as the foundation of the shared governance system at Eastern Oregon University.” EOU Constitution, Article V.

Athletic Committee

- Advises regarding intercollegiate athletics.
- Approves academic policies regarding intercollegiate athletics.
- Monitors team schedules for compliance with policy. Reports to Council.

Administrative Professional Executive Committee (APEC)

- Represents and Advocates for the Administrative Faculty.
- Recommends policy changes to the President’s Cabinet.

University Grievance Committee

- Hears grievances from any member of the university community who asks.
- Makes recommendations to Provost and President re grievance procedures.



EOU Internal Structure – Faculty Senate

Faculty Senate Bylaws - Article II, Purpose:

The purpose of the Faculty Senate is as follows.

1. To discuss and to take action as provided by Oregon law on any University issue the Faculty deems necessary.
2. To make recommendations to the Provost on any issue of academic concern to Eastern Oregon University;
3. To consider and act upon the recommendations of the:
 - a. Educational Policy and Curriculum Committee,
 - b. the Academic Standards Committee, and
 - c. the Faculty Personnel Committee;
4. To review the actions of the University Council and if necessary, by majority vote, to request their reconsideration by the council; and
5. To serve as the faculty voice for recommendations to the University President on any matter of concern to the University.



EOU Internal Structure – University Council

University Council Bylaws, from Article I, Scope and Purpose:

- “The University Council strives to thoughtfully and thoroughly consider diverse views and assist in the formation of policy and planning designed to better serve our students and the region while strengthening the mission and aims of the University.”
- “The University Council considers the activities of the University that affect the common interests of faculty, staff and students, with particular attention to university policy and strategic planning. “
- “In its advisory role to the President and his or her Cabinet, the University Council may propose and approve initiatives and general policies as well as express its opinions, make recommendations, and request information through appropriate channels from any member of the University administration.”



EOU Internal Structure – Associated Students of Eastern Oregon University (ASEOU)

ASEOU Constitution, Preamble:

We, the students of Eastern Oregon University, . . . do establish this Constitution in order that we may fully employ the advantages of shared governance to achieve our core mission of advancing the educational, social, and cultural experience of students at Eastern Oregon University.

ASEOU Mission (from ASEOU website):

The Associated Students of Eastern Oregon University, ASEOU, strives to represent the interest, welfare, and will of the student body. ASEOU supports the teamwork, diversity, and excellence of our peers while seeking solutions to their issues. As leaders, we take pride in the advancement of the educational, social, and cultural experience of each individual to create a student centered University.

ASEOU officials participate in several shared governance committees and ad hoc committees. The ASEOU is responsible for allocating the student activity fee funding.



EOU Internal Structure – Associated Students of Eastern Oregon University (ASEOU)

Structure of the ASEOU Student Government:

- Reports to and works with the Vice President for Student Services.
- Most powers are vested in the ASEOU Senate, consisting of 8 senators.
- The ASEOU President has veto power over Senate decisions, which the senate can override by a $\frac{2}{3}$ vote.
- The ASEOU President can vote in the Senate to break ties.
- The 3 member Judicial Board resolves student government disputes.
- Four Directors:
 - Director for Political Affairs
 - Director for Campus Affairs
 - Director for Diversity
 - Director for Financial Affairs / Student Fee Committee Chair
- The Senators and President are popularly elected.

From Article II of the ASEOU Constitution



Faculty Union: AAP

Associated Academic Professionals, American Federation of Teachers Local 6200, AFL-CIO (AAP)

EOU and OUS (or its successor) recognize the AAP as the sole and exclusive bargaining representative for teaching and library faculty who hold rank. The collective bargaining agreement is negotiated every three years and provides contractual understandings regarding the rights of members, union rights, management rights, types of appointments, leaves, compensation, insurance and retirement, responsibilities of members, grievance and arbitration processes, and contract management. The current 3-year contract expires June 30, 2016 and negotiations will commence in January 2016.



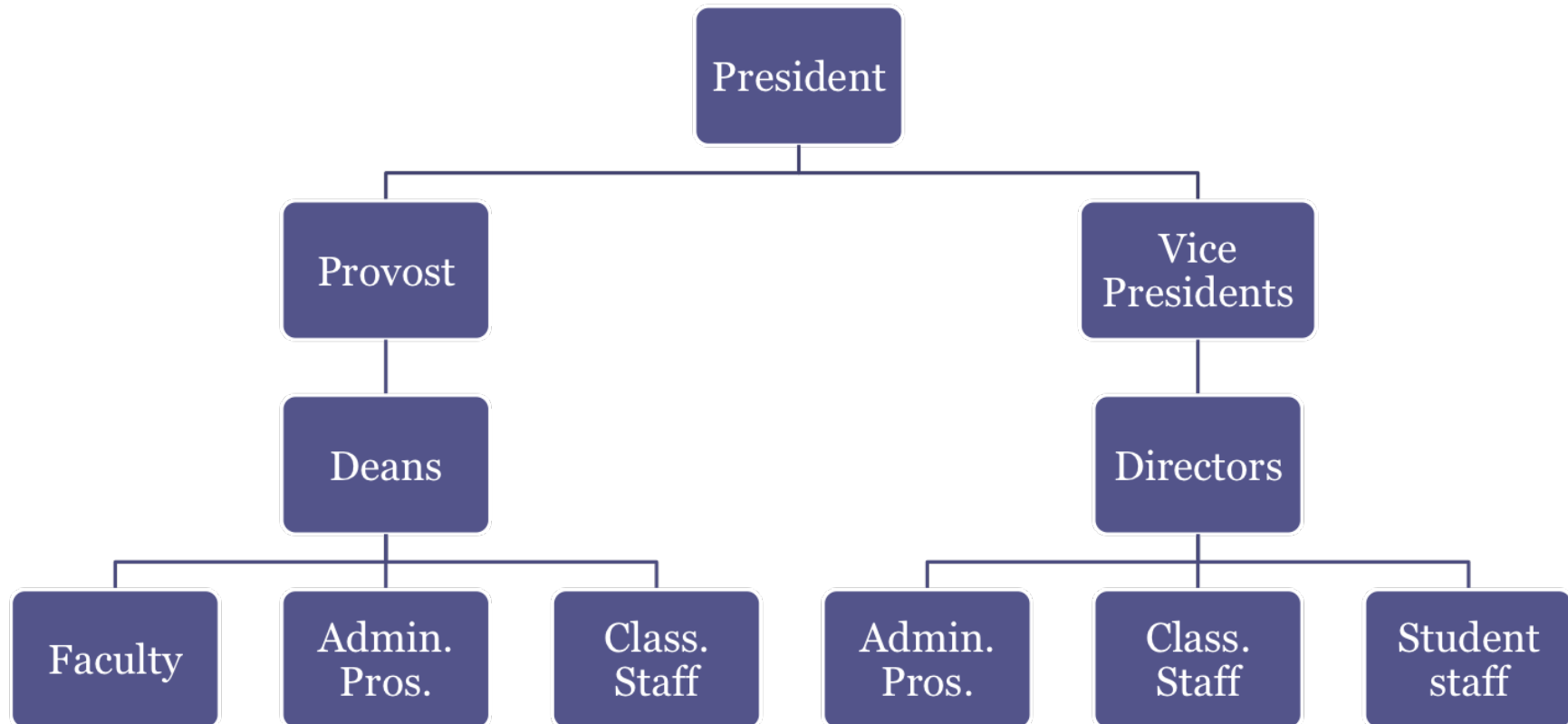
Classified (Staff) Union: SEIU

Service Employees International Union Local 503, Oregon Public Employees Union (SEIU)

EOU and Oregon University System (OUS) recognize the SEIU as the exclusive bargaining representative for all classified employees. The collective bargaining agreement applies to all seven Oregon public university campuses and is negotiated every two years and provides contractual understandings regarding the rights of members, union rights, management rights, types of appointments, leaves, compensation, insurance and retirement, responsibilities of members, grievance and arbitration processes, and contract management. The current collective bargaining agreement expires June 30, 2015, negotiations commenced at the beginning of February, 2015.



EOU Internal Structure – Administrative (Slightly less Simplified)





Employment Categories

- Faculty
- Administrative Professionals (includes executive leadership)
- Classified Staff
- Student Employees



Employment Categories – Faculty

- Types: Tenured, tenure-track, fixed-term, and adjunct
- Employment Representation: Faculty union - Associated Academic Professionals
- Contract bargained directly with EOU management
- Number of tenured or tenure-track: 78
- Number of fixed term: 32
- Number of adjunct: 74



Employment Categories – Administrative Professionals

- Management, supervisors, and those who deal with confidential information pertaining to collective bargaining (executive support staff, admissions, academic and financial aid advisors, coaches and assistant coaches, regional center directors)
- Employment Representation: Unrepresented
- Number of Administrative Professionals: 98



Employment Categories – Classified Staff

- Hourly employees
- Representation: Service Employees International Union (SEIU)
- Contract bargained between Oregon public universities SEIU and Oregon public universities management
- Number of classified staff: 102 F/T – 12 P/T



Part 2.

Overview of Standards for Success

Achievement Compact - Sarah Witte

Accreditations - Sarah Witte

Board Conditions and Deliverables -

Jay Kenton / Chris Burford



Achievement Compact

The Achievement Compact reflects a set of well-vetted measures developed by the OEIB which will be the basis for outcomes-based funding.

The primary focus is on completion of undergraduate and advanced degrees by Oregonians.

Measures emphasize strengthening the K-12 and community college pipelines to university as a statewide goal for achieving 40-40-20 with particular focus on educator preparation.



Achievement Compact Measures

- **Completion**
- **Quality**
- **Connections**
- **Local Priorities** (optional)
- **State Investment** (Education & General Fund)



Completion Outcomes

Includes all Oregonians and Disadvantaged Oregonians (as defined by under-represented racial or ethnic students or Pell eligible students)

- # bachelors awarded to Oregonians
- # bachelors awarded to rural Oregonians
- # advanced degrees awarded to Oregonians



Quality Outcomes

Includes all Oregonians and Disadvantaged Oregonians:

- % if undergraduate alumni reporting “extremely satisfied” or “somewhat satisfied” with university contribution to abilities and skills in the following areas: Written Communication, Verbal Communication, Critical Thinking, Knowledge in field of study or major
- Undergraduate alumni rating of overall quality of education
- Employer satisfaction for new teachers



Connections Outcomes

Includes all Oregonians and Disadvantaged Oregonians

- # and % of newly admitted Oregon freshmen entering with HS dual credit or other early college credit
- # of bachelor's degrees awarded to transfer students from Oregon community colleges



Local Priorities (optional)

- Niche Programming:
 - Fire Services Administration (statewide)
 - Science/Technology/Engineering/Mathematics (STEM)
 - Mathematics Education
 - Dual Language Education
 - Bachelor's of Applied Science in Business Administration
- Collaborative partnerships to meet regional needs in:
 - Allied health fields (GO STEM, NEOAHEC, OHSU)
 - Computer science (ETIC, NSF S-STEM)
 - Laboratory science (ETIC, NSF S-STEM)
 - Early college credits (Eastern Promise, BMCC, TVCC)



Accreditation: Type, Purpose, Scope

Regional accreditation is a process of quality assurance and institutional improvement. It recognizes an institution's performance, integrity, and quality; it merits the confidence of the educational community and the public; and it qualifies an institution and its students access to federal funds to support teaching, research, and student financial aid. Regional accreditation is affirmed for an entire institution, which serves as an umbrella for more specialized accreditation.

Specialized accreditation is a system for quality assurance for recognizing a professional education program for its performance, integrity, and quality that entitles them to the confidence of the educational community and the public. Accreditation status means the program meets nationally accepted standards.



Regional Accrediting Agency

Northwest Commission on Colleges and Universities (NWCCU)

NWCCU is recognized by the US Department of Education as the regional authority on educational quality and institutional effectiveness for AK, ID, MT, NV, OR, UT, WA. It establishes accreditation criteria and evaluation procedures by which institutions are reviewed.

NWCCU is on a 7-year cycle, with required reviews in years 1, 3, and 7. The next comprehensive review/site visit is 2018.



NWCCU Accreditation Standards

- **Standard One: Mission, Core Themes, and Expectations**

Standard One examines institutional purpose and intentions. It requires a clear statement of institutional mission , articulation of mission fulfillment, and identification of core themes within that mission. It also requires a delineation of core theme objectives, each with assessable indicators of achievement and rationale for the selection of those indicators.

Y1 Report submitted September 2011

- **Standard Two: Resources and Capacity**

Standard two assesses institutional inputs. It requires an evaluation of major institution functions, resources, and infrastructure to enable a determination of the institutions potential to succeed in fulfilling its mission.

Y3 Report submitted September 2013 (Standards One-Two)



NWCCU Accreditation Standards, cont.

- **Standard Three: Planning and Implementation**

Standard Three evaluates planning for the institution as a whole as well as planning to achieve the objectives of its core themes.

- **Standard Four: Effectiveness and Improvement**

Standard Four evaluates the results of the institution's efforts. It assesses achievement of core theme objectives and achievement of goals or outcomes of programs and services. It also evaluates the institution's use of assessment results for improvement.

- **Standard Five: Mission Fulfillment, Adaptation, and Sustainability**

Standard Five evaluates fulfillment of institutional mission in light of the institution's own expectations (see Standard One). It assesses the institution's capacity to monitor its environment and its ability to forecast and adapt to patterns, trends, and circumstances with the potential to influence institutional viability and sustainability.

Y7 Report due September 2018 (Standards One-Five)



Specialized Accreditation: Business

International Assembly of Collegiate Business Education (IACBE) is the accrediting body for EOU's College of Business. IACBE accredits only business programs. Its accreditation process includes evaluation of the principles of the teaching and learning processes and an assessment of the outcomes of that process. 7-year cycle; the next comprehensive visit is 2020.



Specialized Accreditation: Education

Teacher Standards and Practices Commission (TSPC) is the accrediting body for EOU's College of Education. TSPC accredits education programs in Oregon. TSPC sets the standards and practices that foster public trust in the quality of the teaching, learning, and assessment processes in programs of education. TSPC is on a 7-year cycle; the next comprehensive visit is 2020.



Board Conditions and Deliverables

SB 270 (2013), as amended by HB 1018 (2014), required TRU institutions that wanted a governing board to notify the State Board of Higher Education (SBHE) and Governor between March 1, 2014 and May 15, 2014.

Within 45 days, the SBHE had to either:

- Endorse the creation of the governing board
- Endorse the creation of the board *with conditions*, or
- Not endorse the creation of the board.

SBHE endorsed the requests of OIT and WOU.

The requests of EOU and SOU were endorsed with conditions.



Board Conditions and Deliverables

- The “conditions” mean that the boards of EOU and SOU have all the authority of the boards at the other schools, *but*
- The EOU and SOU Boards have until December 30, 2017 to resolve certain problems at their institutions, as measured by specific conditions.
- Failure to satisfy the conditions could result in radical changes to the schools, such as elimination of the governing boards, or making the schools branch campuses of another institution.
- EOU and SOU have to report their progress to the HECC on June 30, 2015, December 31, 2015, and December 30, 2017.



Board Conditions and Deliverables

**According to the Statement of Conditions for EOU and SOU
Approved by the SBHE at Special Meeting # 878, May 16, 2014:**

“HECC shall have the authority and responsibility at any point to recommend to the Governor that governance of the university be modified should there be:

- substantial evidence of lack of progress toward plans,
- negative trend lines
- or other factors indicating that a university is failing in its mission
- or is no longer fiscally viable.

The Governor has authority to act based on such recommendations.”



Board Conditions and Deliverables

June 30, 2015 - Initial (or Mission) Review

By **May 5, 2015**, EOU and SOU must submit to the SBHE a Mission Review report consisting of “a narrative and supporting evidence of what they are doing to:

- Clarify and strengthen the institution’s mission
- Foster a competitive niche, and
- Provide a pathway to long term financial stability

“Particular attention should be given to the region-serving role of the institution in all its facets.”

The SBHE will finalize its report on **June 5, 2015** and submit it to the HECC by **June 30, 2015**.



Board Conditions and Deliverables

December 31, 2015 - Second Review

As the SBHE will be gone, the EOU President, on behalf of the EOU Board, will submit “an interim progress analysis” directly to the HECC, focusing on:

- Mission Refinement,
- Program Rationalization,
- Contributions toward 40-40-20; and
- Financial Stability Progress and Trajectory.

“HECC will evaluate institution performance relative to existing pro-forma, retrenchment plans, enrollment projections, and other institutional planning.”



Board Conditions and Deliverables

December 30, 2017 – Third (and Final) Review

After reviewing a comprehensive report by the university, the HECC “will evaluate whether the institution effectively demonstrates a clear institutional focus and durable niche within the portfolio of public higher education assets in Oregon, and that this niche:

- Supports the state’s and region’s civic, cultural, economic and 40-40-20 needs,
- Enables a cohesive and sustainable enrollment model, and
- Supports the long-term viability of the institution.”

“Particular HECC attention will be focused on the institution’s ability to maintain financial stability within the outlined mission and program framework and absent extra-ordinary and discretionary revenue.”



Board Conditions and Deliverables

December 30, 2017 – Third (and Final) Review

A trend analysis of the following metrics will substantially inform the HECC report:

1. Primary Reserve Ratio of at least 5%-7%,
2. Debt Burden Ratio of less than 7%,
3. The Contribution Ratio,
4. Current Ratio of at least 2:1, and
5. Enrollment Analysis.

“Institutions will grant full and unfettered access to business records, including financial and enrollment information, and university personnel as deemed necessary by the Commission.”



EOU Metrics	2011-12	2012-13	2013-14	2014-15 proj.	2015-16 proj.	2016-17 proj.
E&G Fund Balance as % Revenues	7.8%	1.6%	-0.5%	1.8%	3.7%	7.2%

Contribution Ratio:

Self-generated	43%	43%	46%	43%	43%	43%
State	25%	25%	26%	30%	31%	31%
Non-Operating	17%	18%	15%	15%	14%	14%
Fund Bal.	11%	14%	13%	12%	12%	12%
Total	100%	100%	100%	100%	100%	100%
Primary Res. Ratio	11.4%	12.1%	9.3%	9.0%	11.0%	12.0%
Current Ratio	1.0:1	1.8:1	1.1:1	1.5:1	1.5:1	2.0:1
Debt Burden Ratio	5.3%	4.6%	4.3%	<5.0%	<5.0%	<5.0%
Ave. Course Size	16.1	15.3	14.5	16.0	15.0	15.0
# Low Enrolled Courses	181	194	216	196	197	215
FTE Enroll.	2,714	2,604	2,411	2,419	2,427	2,356



Part 3.

Financial Resource Management

Outcomes-based Funding - Lara Moore

Enrollment Challenges and Initiatives -

Sarah Witte / Xavier Romano

Shared Services - Lara Moore



Outcomes Based Funding (OBF)

- Overarching Principles
 - Allocation model based on degree production
 - Portion of model also funds student credit hour production (SCH)
 - Degrees are funded differently based on various weighting factors
 - Stop loss/gain model engaged initially
 - Model uses a look back, three-year rolling average to determine number of degrees and SCH



OBF – Degree vs. SCH Funding

- Goal: 60% degree funding, 40% SCH funding
- Proposed phase-in

Fiscal Year	FY16	FY17	FY18	FY19	FY20
Degree Funding	20%	40%	60%	60%	60%
Student Credit Hour Funding	80%	60%	40%	40%	40%



OBF Weighting

- Types of degrees weighted differently

Degree Level	Weight
Baccalaureate Degrees	2.0
Masters Degrees	1.0
Doctoral Degrees	1.4
Professional Degrees	1.0
Graduate Certificates	0.2



OBF Weighting

- Student Sub-Population Weighting
 - Underrepresented students (.8 weighting factor)
 - Rural students (1.0 weighting factor)
 - Low-income students (1.1 weighting factor)
 - Veteran students (1.2 weighting factor)



OBF Weighting

- Types of Degree Programs
 - STEM (funded at 120%)
 - Healthcare (funded at 120%)
 - Bilingual Education (funded at 220%)



OBF – Stop Loss/Stop Gain

- Proposed phase-out

Fiscal Year	FY16	FY17	FY18	FY19	FY20
Stop-Loss	4.5%	2.0%	1.0%	0.0%	Disengaged
Stop-Gain	17.16%	27.16%	37.16%	47.16%	Disengaged



EOU Funding Under OBF

- Current projections show reasonable funding levels and small increases over time
- Current projections are based on enrollment and degree production remaining constant
- Contingent upon Legislatively Approved Budget which is unknown
- Contingent upon final HECC approval (April 9)



Enrollment – The Path Forward

- The challenge and the opportunity;
- The path forward → Building a La Grande campus community of 2,500
 - Regional (Eastern Oregon & Tri-States region) demographic shifts;
 - International target markets;
 - “Westside” recruitment – strategies and partnerships;
 - Strategic out-of-state recruitment.
- Financial aid leveraging;
- Admissions is not an “island!”



Shared Services – Overview

- University Shared Services Enterprise (USSE)
 - Services previously provided by the OUS Chancellor's Office
 - USSE housed at Oregon State University, Portland State University, and the University of Oregon
 - Services that universities may opt to purchase
 - Services outlined by statements of work/agreements between each university and USSE
 - Mandatory and non-mandatory services
 - USSE services governed by VP Oversight Committee



Current Cost of Shared Services Used by EOU

Financial Reporting Services	\$92,400
Information Technology Services (5th Site)	717,471
Payroll & Related Tax Processing Services	62,770
Collective Bargaining Services	47,250
Optional Retirement Plan (ORP) Services	14,508
Shared Legacy Debt Services	4,320
Bank Reconciliation Services	16,290
Endowment Services	2,380
Public University Fund Administration	37,335



Shared Services – Other Costs

- Additional costs associated with the break apart of the Oregon University System

Financial Analyst/IR - 1 FTE	\$123,000
Cooperative Contracting	9,200
Statewide Student Services	37,500
Legal Services	250,000
Internal Audit	175,000
External Audit	125,000
Capital Construction Services/Analysis	80,000
PEBB Composite Rate Increase	222,527
Insurance Premium Increase	22,596
Direct Board of Trustee Costs	75,000



Shared Services – EOU Net Costs

Total of Shared Services & Other Costs	\$2,114,547
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<u>Less Offset for Cost Reductions & Other Resources</u>	
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Chancellor Office Prior Assessments	47,005
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IT Fifth Site Funding (allocated in base funding by HECC)	478,020
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IT Fifth Site Costs Contributed by University	<u>100,000</u>
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Total	<u>\$1,489,522</u>
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Thank you

Questions?



EASTERN OREGON
UNIVERSITY