



EASTERN OREGON UNIVERSITY'S BUDGETING PARADIGM

The President of the University is ultimately responsible, and held accountable for the financial performance by the State Board of Higher Education, for the final university budget and the allocation of resources. While the President holds the final decision on the overall budget, the process of creating and implementing the budget must be done in a manner that is inclusive and transparent as well as based on logical assumptions and practices. In establishing and implementing the budget, the President will utilize the Cabinet and others to assist in identifying necessary resources and investment opportunities. Furthermore, the work, advice and recommendations of the Budget and Planning Committee is essential as it provides the President independent counsel on the budget and its relationship to long-range planning and connection to the mission and four core themes of EOU.

In order to be a financially viable enterprise, Eastern Oregon University will utilize the following framework to guide our resource allocation process:

- The process must be open, transparent and inclusive;
- EOU's Mission and Four Core Themes drive the decisions;
- We will invest in programs that meet the needs of our students;
- We will target funding for programs that serve our region—economically, culturally, and socially;
- We must discontinue the reliance on state appropriations at the level we have in the past;
- Our goal is become more self-reliant by developing new revenue sources to provide additional funds for programs and expansion;

- Our budgeting and forecasting must have a “two legislative” biennium approach; and,
- We will strive to create a balanced budget in which revenues equal or exceed expenses.

To guide the development of the budget and the allocation of resources, the following conditions are implicit:

- Tuition, for resident undergraduates, will not increase more than 5 percent in any one year;
- EOU must maintain at least a 5 percent fund balance;
- State allocations will continue to decline on a per-student basis;
- Employee costs will continue to increase at rates above inflationary levels;
- Funding for universities will become “outcome based”; and,
- Competition for students will increase.

Therefore, the underlying fundamental budgeting principals to be used for the creation of the overall university budget and resource allocation model include:

- Eastern Oregon University has limited resources and cannot be “all things to all people” therefore academic and program focus is required;
- The four themes and the Mission of EOU will guide the evaluation and ultimate resources allocation levels to academic and support programs. This evaluation will include the following criteria:
 - Direct connection to and support of our goals and aims under EOU’s four core themes (Academic Quality, Student Success, Access, and Affordability);
 - Program’s actual performance relative to planned goals and outcomes;
 - Direct impact on student success;
 - Number of students served;
 - Probability of increases in net revenues, discounted as necessary, by risk and opportunity costs factors;
 - Program or service productivity as compared to other actual peer programs and institutions;

- Meet regional educational, economic and/or cultural needs;
 - Foster inclusive excellence, student success and furthering the educational environment across the university;
 - Current program investment levels and the necessary future investment levels required to maintain, or achieve, continued success and the expected return; and,
 - Support of EOU's mission of having a balanced approach to the liberal arts and professional programs by preparing our students for the complexities and challenges, both current and future, of the global society.
- Programs that directly increase access, maintain affordability and encourage engagement with our communities will be prioritized for additional, or start-up, funding.