



Oregon

Kate Brown, Governor

Higher Education Coordinating Commission

255 Capitol Street NE, Third Floor

Salem, OR 97310

www.oregon.gov/HigherEd

May 8, 2018

Oregon State Legislature
900 Court St NE
Salem, OR 97301

Dear Legislator:

Under Oregon Laws 2015, Chapter 495, the Higher Education Coordinating Commission (HECC) is required to determine whether Southern Oregon University (SOU) and Eastern Oregon University (EOU) have met fiscal and performance conditions that the State Board of Higher Education established for them upon the creation of their institutional governing boards in 2014, and to report that determination to the Governor, the Legislative Assembly, and the EOU and SOU Boards of Trustees.

We are pleased to report that after three years of institutional reporting, detailed monitoring and analysis by HECC staff, and careful review of that work by HECC commissioners, the Commission unanimously concluded at its April 12, 2018 meeting that EOU and SOU have met those conditions.

Our full reports for EOU and SOU are attached to this letter. In summary, we find that actions taken by the leadership of both institutions since 2014 to clarify institutional missions, restructure academic programming, make new investments in student recruitment and success, and improve financial management have, in combination with significant state funding increases, placed EOU and SOU on much more stable financial footing. While neither institution could permanently absorb a precipitous drop in state funding or a large decline in enrollment, our review suggests that both institutions have built sufficient reserves to ensure their solvency over at least the next five years even under considerably less positive scenarios than they currently forecast.

When the Oregon Legislature created institutional boards for public universities in 2013-14, it launched Oregon higher education into a brand new and unpredictable future. Based on our review of EOU and SOU – the universities the former State Board of Higher Education considered most vulnerable to the dissolution of the old system – it appears local governing boards have increased institutional oversight and enacted effective strategies that have helped position those universities for long-term success.

Sincerely,

Neil Bryant
Chair

cc: Ben Cannon, Executive Director