



OFFICE OF THE BOARD OF TRUSTEES

## Public Meeting Notice

June 15, 2018

TO: Southern Oregon University Board of Trustees  
FROM: Sabrina Prud'homme, University Board Secretary  
RE: Notice of Regular Meeting of the Board of Trustees

The Southern Oregon University Board of Trustees will hold a regular meeting on the date and at the location set forth below.

Topics of the meeting will include reports from the president, board committees, student leadership and faculty senate. The board will discuss and take action on the following items: FY 2018-19 internal audit plan; AY 2018-19 differential tuition rate for supplemental exchange students; amendment to the student incidental fee for AY 2018-19; and adoption of FY 2018-19 budget. The board also will conduct board officer elections. Information and discussion items include updates on the SOU Foundation, enrollment, and government relations. The board also will discuss governance matters, review the presidential evaluation process, and recognize trustees whose terms are ending.

The meeting also will include a collective bargaining update to be held in executive session, pursuant to ORS 192.660(2)(d).

The meeting will occur as follows:

Friday, June 22, 2018  
12:00 p.m. to 5:00 p.m. (or until business is concluded)  
(Lunch to be provided for the board and selected staff members.)  
Hannon Library, DeBoer Board Room, 3<sup>rd</sup> Floor, Room #303  
Visit [sou.edu/video](http://sou.edu/video) to stream the meeting proceedings.

Meeting materials are available on the board's website: [governance.sou.edu](http://governance.sou.edu).

The Hannon Library is located at 1290 Ashland Street, on the Ashland campus of Southern Oregon University. **To arrange special accommodations or to sign-up in advance for public comment, please contact Kathy Park at (541) 552-8055 at least 72 hours in advance.**

Following the meeting, the board will have dinner at 610 Elkader Street in Ashland at 5:15 p.m.



**Board of Trustees**  
**June 22, 2018**

# Call to Order / Roll / Declaration of a Quorum



**Board of Trustees Meeting**

**Friday, June 22, 2018**

**12:00 – 5:00 p.m. (or until business concludes)**

**DeBoer Room, Hannon Library**

**AGENDA**

Persons wishing to participate during the public comment period shall sign up at the meeting.

Please note: times are approximate and items may be taken out of order.

10 min.	<b>1</b>	<b>Call to Order/Roll/Declaration of a Quorum</b>	Chair Bill Thorndike
	1.1	Welcome and opening remarks	
	1.2	Roll and Declaration of a Quorum	Sabrina Prud'homme, SOU, Board Secretary
	1.3	Agenda Review	Chair Thorndike
	<b>2</b>	<b>Public Comment</b>	
40 min.	<b>3</b>	<b>Reports</b>	
	3.1	President	President Linda Schott
	3.2	Committees	Chair Thorndike; Trustee Nicholson; Trustee Sayre
	3.3	Student Leadership	Alexis Philips, ASSOU, President
	3.4	Faculty Senate	Andrew Gay, SOU, Faculty Senate Chair
5 min.	<b>4</b>	<b>Consent Agenda</b>	Chair Thorndike
	4.1	Approval of March 16, 2018 Meeting Minutes	
	<b>5</b>	<b>Action Items</b>	
15 min.	5.1	FY 2018-19 Internal Audit Plan	Ryan Schnobrich, SOU, Internal Auditor

## Board of Trustees Meeting

Friday, June 22, 2018  
12:00 – 5:00 p.m. (or until business concludes)  
DeBoer Room, Hannon Library

### AGENDA (Continued)

10 min.	5.2	AY 2018-19 Differential Tuition Rate: Supplemental Exchange Students	President Schott; Mark Denney, SOU, Associate Vice President for Budget and Planning
10 min.	5.3	Amendment to Student Incidental Fee for AY 2018-19	Daryl Maplethorpe; Mark Denney
35 min.	5.4	Adoption of FY 2018-19 Budget	President Schott
10 min.	5.5	Board Officer Elections	Chair Thorndike
	<b>6</b>	<b>Information and Discussion Items</b>	
20 min.	6.1	Collective Bargaining Update - Executive Session [Pursuant to ORS 192.660(2)(d)]	Brian Caufield, USSE, Director of Labor Relations
20 min.	6.2	Enrollment Update	Blaine Steensland, SOU, Acting Vice President for Enrollment and Student Life
15 min.	6.3	SOU Foundation Update	Janet Fratella, SOU, Vice President for Development
15 min.	6.4	Government Relations Update	Jeanne Stallman, SOU, Interim Director of Government Relations
20 min.	6.5	Governance Discussion	Chair Thorndike
		6.5.1 Board Policy Review	
		6.5.2 Board Evaluations and Exit Interviews	
		6.5.3 New Trustee Orientation	

## Board of Trustees Meeting

Friday, June 22, 2018  
12:00 – 5:00 p.m. (or until business concludes)  
DeBoer Room, Hannon Library

### AGENDA (Continued)

#### 6.5.4 Board Retreat

10 min.	6.6	Presidential Evaluation Process	Chair Thorndike
20 min.	6.7	Trustee Recognition	Chair Thorndike
5 min.	6.8	Future Meetings	Chair Thorndike
<b>7</b>		<b>Adjournment</b>	Chair Thorndike

# Public Comment

# President's Report



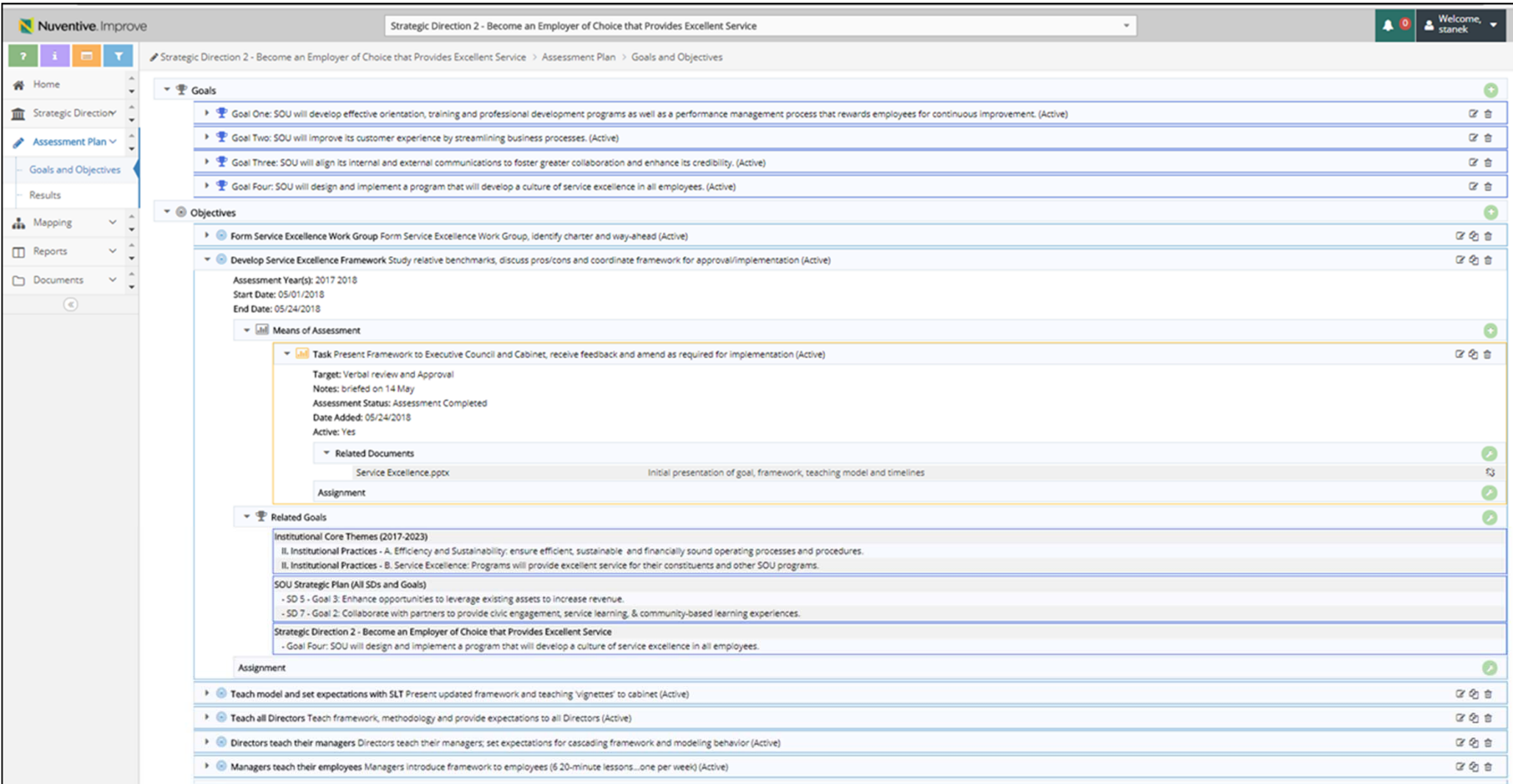
## SOU Strategic Plan - Progress Reporting

- Use in-house assessment software – a structured database for general programmatic planning and assessment
- **Generate standard assessment reports**
  - Identify Strategic Direction's goals and objectives
  - Define the means of assessing those objectives
  - Track the results from those assessments
  - Add actions to be taken as a result of those assessments
  - Map objectives to Core Themes and other Strategic Directions
- **Interactive progress report of Strategic Plan**
  - Chronologically list tasks per SD and per objective within the SD
  - Calculate percent of complete, partially complete, and not yet started vs. total
  - Quantify mappings from other programs into the Strategic Direction
  - Quarterly progress also based on start and end dates associated with objective
  - Other metrics still to be defined
- Annual executive summary of Strategic Direction
- Roll up executive summaries into overall progress report of Strategic Plan

# TracDat/Improve Assessment Software

## Sample: SD II – “Become an Employer of Choice that Provides Excellent Service”

### Snapshot of Objectives and Means of Assessment



The screenshot displays the Nuventive Improve software interface for Strategic Direction 2: "Become an Employer of Choice that Provides Excellent Service". The interface is organized into a sidebar on the left and a main content area on the right.

**Sidebar (Left):**

- Home
- Strategic Direction
- Assessment Plan
- Goals and Objectives
- Results
- Mapping
- Reports
- Documents

**Main Content Area (Right):**

**Goals:**

- Goal One: SOU will develop effective orientation, training and professional development programs as well as a performance management process that rewards employees for continuous improvement. (Active)
- Goal Two: SOU will improve its customer experience by streamlining business processes. (Active)
- Goal Three: SOU will align its internal and external communications to foster greater collaboration and enhance its credibility. (Active)
- Goal Four: SOU will design and implement a program that will develop a culture of service excellence in all employees. (Active)

**Objectives:**

- Form Service Excellence Work Group Form Service Excellence Work Group, identify charter and way-ahead (Active)
- Develop Service Excellence Framework Study relative benchmarks, discuss pros/cons and coordinate framework for approval/implementation (Active)
  - Assessment Year(s): 2017-2018
  - Start Date: 05/01/2018
  - End Date: 05/24/2018
  - Means of Assessment
    - Task Present Framework to Executive Council and Cabinet, receive feedback and amend as required for implementation (Active)
      - Target: Verbal review and Approval
      - Notes: briefed on 14 May
      - Assessment Status: Assessment Completed
      - Date Added: 05/24/2018
      - Active: Yes
      - Related Documents
        - Service Excellence.pptx: Initial presentation of goal, framework, teaching model and timelines
  - Related Goals
    - Institutional Core Themes (2017-2023)
      - II. Institutional Practices - A. Efficiency and Sustainability: ensure efficient, sustainable and financially sound operating processes and procedures.
      - II. Institutional Practices - B. Service Excellence: Programs will provide excellent service for their constituents and other SOU programs.
    - SOU Strategic Plan (All SDs and Goals)
      - SD 5 - Goal 3: Enhance opportunities to leverage existing assets to increase revenue.
      - SD 7 - Goal 2: Collaborate with partners to provide civic engagement, service learning, & community-based learning experiences.
    - Strategic Direction 2 - Become an Employer of Choice that Provides Excellent Service
      - Goal Four: SOU will design and implement a program that will develop a culture of service excellence in all employees.

- Teach model and set expectations with SLT Present updated framework and teaching 'vignettes' to cabinet (Active)
- Teach all Directors Teach framework, methodology and provide expectations to all Directors (Active)
- Directors teach their managers Directors teach their managers; set expectations for cascading framework and modeling behavior (Active)
- Managers teach their employees Managers introduce framework to employees (6 20-minute lessons...one per week) (Active)



## Strategic Direction II *Progress Report*

### Strategic Direction 2 - Become an Employer of Choice that Provides Excellent Service

**Assessment Coordinator:** Greg Perkinson - Strategic Direction 2 Sponsor  
**Next Program Review:** 2018 2019  
**Program Notes:** SOU will become an employer of choice and provide excellent service to all of its constituents.

#### Objective: Develop Service Excellence Framework

Study relative benchmarks, discuss pros/cons and coordinate framework for approval/implementation

**Objective Status:** Active  
**Assessment Year(s):** 2017 2018  
**Start Date:** 05/01/2018  
**End Date:** 05/24/2018

#### Means of Assessment

**Task - Present Framework to Executive Council and Cabinet, receive feedback and amend as required for implementation**  
 (Active)  
**Target:** Verbal review and Approval  
**Notes:** briefed on 14 May  
**Assessment Status:** Assessment Completed  
**Related Documents:**  
[Service Excellence.pptx](#)

#### Results

**Reporting Period:** 2017 2018 05/24/2018  
**Result Type:** Target Met  
 J. King suggested referring to empowerment; Scott recommended considering how/when use of "customer" is presented

#### Actions Taken

**Action Taken:** Met with Jeanne S and Cynthia Scherr to discuss S.E. framework, implementation, and validate values in the model. (05/24/2018)

#### Related Goals

- Institutional Core Themes (2017-2023)
- II. Institutional Practices - A. Efficiency and Sustainability:** ensure efficient, sustainable and financially sound operating processes and procedures.
- II. Institutional Practices - B. Service Excellence:** Programs will provide excellent service for their constituents and other SOU programs.
- SOU Strategic Plan (All SDs and Goals)
- SD 5 - Goal 3: Enhance opportunities to leverage existing assets to increase revenue.
- SD 7 - Goal 2: Collaborate with partners to provide civic engagement, service learning, & community-based learning experiences.

# Improve/Analytics Reporting Software Prototype of Generic Strategic Plan Progress By Goal

FILTERS

Action Year

2015 - 2016

2016 - 2017

Reporting Year

2015 - 2016

2016 - 2017

Quarter

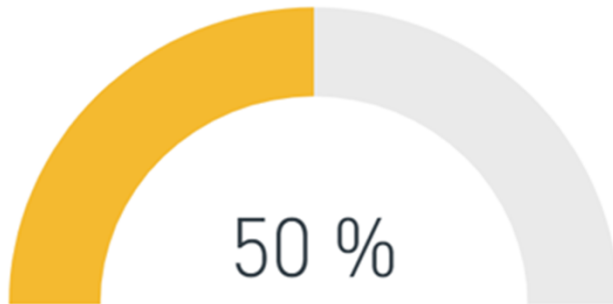
Q1

Q2

Q3

Q4

## Goal 4: Fiscal & Facilities



### Divisions Impacted

Finance

Finance, IT

Finance, Student Services

Research

### Completed Actions

4.2.1 Create monthly variance reports and distribute to department heads

4.2.2 Develop and implement a monthly budget to actuals report for the president

4.3.1 Choose a software that will help the institution effectively allocate space and faculty resources, forecast student demand and accelerate completions.

4.3.2 Utilize allocation of space software to meet student completion demands

### Actions Not Completed

4.1.2 Strengthen core research computing capabilities

4.2.1 Create monthly variance reports and distribute to department heads

## Strategic Goal 4: Fiscal & Facilities

 Nuventive. Improve Analytics

## Improve/Analytics Reporting Software (continued) Prototype of Generic Strategic Plan Progress By Reporting Period

FILTERS

Status

Complete

Incomplete

Reporting Year

2015 - 2016

2016 - 2017

Quarter

Q1

Q2

Q3


Q4

Select Action

All
▼

Reporting Period	% Complete	Status Update
2016 - 2017 Q1	<div style="width: 25%; height: 10px; background-color: #76923c;"></div> 25 %	A committee has been charged with extending career services to young alumni.
2016 - 2017 Q1	<div style="width: 25%; height: 10px; background-color: #76923c;"></div> 25 %	A committee has been elected including department chairs to head this project. The first meeting is scheduled for December 2015.
2016 - 2017 Q1	<div style="width: 25%; height: 10px; background-color: #76923c;"></div> 25 %	An 8000 core Linux cluster and an 1840 core Linux cluster has been purchased for research computing capabilities. An Onyen is required to get an account on any of the research computing servers. Research Computing will offer training beginning in the Spring.
2016 - 2017 Q1	<div style="width: 100%; height: 10px; background-color: #76923c;"></div> 100 %	Based on the campaign, a website has been created.
2016 - 2017 Q1	<div style="width: 25%; height: 10px; background-color: #76923c;"></div> 25 %	Capacity bottlenecks have been identified and the strategies to reduce impact on ongoing operations are:
2016 - 2017 Q1	<div style="width: 100%; height: 10px; background-color: #76923c;"></div> 100 %	Courses are being offered. This semester we have 320 alumni enrolled in 10 lifelong learning courses.
2016 - 2017 Q1	<div style="width: 25%; height: 10px; background-color: #76923c;"></div> 25 %	Dean of Students assigned a person in her office to head this task.

### Action Updates


Nuventive. Improve Analytics

< 7 of 9 >
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# SOU Strategic Plan - Progress Reporting

## Questions

# Committee Reports

- **Executive and Audit**
- **Finance and Administration**
- **Academic and Student Affairs**

# Student Leadership Report



# Faculty Senate Report

# Consent Agenda



## **Board of Trustees Meeting**

**Friday, March 16, 2018**

**12:00 – 5:00 p.m. (or until business concludes)**

**DeBoer Room, Hannon Library**

### **MINUTES**

#### **Call to Order/Roll/Declaration of a Quorum**

Chair Bill Thorndike called the meeting to order at 12:09 p.m.

The board recognized with a moment of silence the recent deaths of two SOU alumni: Steve Nelson, a former president of the Jefferson Public Radio (JPR) Foundation and long-time supporter, and Ashland Police Officer, Malcus Williams II.

Chair Thorndike announced that Trustee Santos has been named the 2018 distinguished alumnus of Willamette University.

The following trustees were present: Bill Thorndike, Lyn Hennion, Les AuCoin, Sheila Clough, Shanztyn Nihipali, Daniel Santos, Linda Schott (ex officio), April Sevcik, Dennis Slattery, Joanna Steinman and Steve Vincent. Trustees Paul Nicholson, Teresa Sayre and Shea Washington were absent.

Other meeting guests included: Jason Catz, General Counsel; Greg Perkinson, Vice President for Finance and Administration; Dr. Susan Walsh, Provost and Vice President for Academic and Student Affairs; Fred Creek, Director of Campus Public Safety; Janelle Wilson, SOU; Janet Fratella, Vice President for Development; Joe Mosley, Director of Community and Media Relations; Jennifer Fountain, Student Life; Dennis Jablonski, Faculty Senate; Hugues Lecomte, Director of Campus Recreation; Debbie O’Dea, Financial Aid; Daryl Maplethorpe, ASSOU; Leo McCaffrey, ASSOU; Ryan Schnobrich, Internal Auditor; Matt Stillman, Registrar; John Stevenson, User Support Manager; Sabrina Prud’homme, Board Secretary; and Kathy Park, Executive Assistant.

#### **Public Comment**

There was no public comment.

#### **Reports**

##### President’s Report

President Schott first provided an update on strategic planning. Groups have continued working and the committee’s work is almost done. The implementation phase is just beginning, the first step being a cabinet retreat. Thinking about the leadership structure needed to advance the plan, President Schott said she is considering hiring a vice president for enrollment and student services because of

importance of enrollment, retention and the quality of the student experience. There are two emergent foci for the university - diversity, equity and inclusion and sustainability - and she is evaluating what administrative structure might best advance those initiatives. SOU is purchasing additional software to track its progress on the strategic initiatives, which will also help inform the accreditation report.

President Schott reviewed some of the opportunities she has had to engage with students. This year, she began holding quarterly cabinet-to-cabinet meetings with ASSOU, which appear to be working well. There has been much joint engagement around the topic of setting the tuition and fee rates; University Day in Salem was very successful; she participated in various conferences and classes on campus; and will host another “Cookies with the President” event.

In accordance with the Clery Act, SOU recently issued a “timely warning” over an incident that occurred in the Science Building. Discussion ensued on the requirements and purpose of such warnings; how SOU can improve its communication in such events; and SOU emergency alerts.

President Schott said she has also been engaged in advocacy activities. She was appointed to the HECC’s post-secondary strategic funding plan work group. As a member of AASCU’s Council of State Representatives, she will attend the quarterly meeting in Washington, DC and will organize and lead a webinar on competency-based education. She has participated in recent Raider Rendezvous events and met with a couple of newspaper editorial boards. She will participate in a full slate of Rotary meetings to promote the strategic plan.

President Schott said athletics continues to do well. She highlighted various accomplishments, including SOU’s most-awarded athlete, Jessa Perkinson.

Lastly, President Schott announced that Trustee Slattery has been selected as this year’s commencement speaker.

Janet Fratella provided an update on fundraising. Thus far in fiscal year 2018, \$1.88 million has been raised against the goal of \$3.25 million. New gifts that have come in include those from Barry and Kathryn Thalden, Ty Burrell, the estate of Anne Decker, Jim Collier, Betty LaDuke, Elisabeth Zinser, Jim Hatton and Patsy Smullin. The SOU Foundation has raised \$76,500 toward the fund match offered by Sid DeBoer. Ms. Fratella mentioned past and upcoming Raider Rendezvous events.

### Committee Reports

*Academic and Student Affairs Committee* – In Trustee Sayre’s absence, Trustee Vincent delivered the report. He said [ASSOU] Vice President McCaffrey shared remarks on shared governance as well as the Tuition Advisory Council (TAC) process. The committee discussed the student incidental fee and received an overview of the student fee process and the tuition and fees recommendation. Provost Walsh reported on a recent outreach trip to American Samoa, which generated much interest. She also

reported on the success of the online MBA program and efforts being made to make federal financial aid available for students seeking stand-alone certificates. The committee also discussed bills going through the legislature.

*Finance and Administration Committee* – In Trustee Nicholson’s absence, Trustee Slattery delivered the report. He said in February the committee received an update on tuition and fees. The committee had three action items in its March meeting, all of which will be presented later in the board’s meeting. Matthew Soloway gave a presentation on the student fee process and recommendation. The committee took action on the proposed tuition and fees and on a proposed OLLI project. Greg Perkinson provided an update on a bond issue and the new capital funding project.

*Executive and Audit Committee* – Chair Thorndike said the committee did not meet.

### Student Leadership

Leo McCaffrey said ASSOU finished its student fee recommendation. Elections are ramping up and some wonderful people are stepping forward to take over ASSOU leadership roles. Next term, ASSOU will send six students to Washington, DC for a women’s leadership conference.

### Faculty Senate

In Deborah Rosenberg’s absence, Dennis Jablonski presented the report. Faculty Senate heard proposals from entities to support the state governor’s food drive. They approved courses in University Studies, graduate program catalog changes, and a proposal from the Office of International Programs to allow students not on a degree track to take intensive English courses to increase the presence of international students on campus. They discussed the strategic goal to improve teaching in general. Senators heard the rationale for tuition rate increases and were allowed to provide written comments. They joined the president’s conversation to consider open-source textbooks to lower overall costs to students; faculty are very supportive of this idea. Senators also reviewed their bylaws to ensure alignment with the new APSOU [faculty union] contract and have begun discussions on options for incentivizing tenured faculty.

### **Consent Agenda**

Trustee Vincent moved to approve the January 19, 2018 meeting minutes, as presented. Trustee Clough seconded the motion and it passed unanimously.

### **Action Items**

#### 2018-19 Student Incidental Fee Recommendation

Chair Thorndike said members of both the Academic and Student Affairs and Finance and Administration Committees discussed the student fee process and recommendation, the TAC’s process, and the president’s recommendation on the tuition and fee rates. Additionally, the Finance and Administration Committee voted unanimously to recommend the board approve the proposed the student incidental fee and the tuition and mandatory fees. He said, if everything goes smoothly, the board will vote on the student incidental fee and the tuition and mandatory fees in a

combined motion.

Leo McCaffrey said the students on the Student Fee Committee consider what the money is paying for and how students use it. When requesting funds, each organization must provide detailed information, such as what it is doing, how many students are affected and what it plans to do to grow the program. Mr. McCaffrey asked the board to approve the student incidental fee recommendation. At Trustee Clough's request, Trustee Nhipali explained that the student incidental fee funds two programs that support the onboarding of incoming new students: New Student Orientation and Week of Welcome. Trustee Santos praised the work done and the amount of engagement in the student fee and TAC processes. Chair Thorndike acknowledged that students come to SOU not only for the academics but also for the programs the student body chooses to fund.

#### 2018-19 Tuition and Mandatory Fees Recommendation

President Schott said the university has taken this process very seriously and knows how important it is for the students and the well-being of the institution. She recommends several tuition rates, in particular an increase of 4.22 percent for resident undergraduates and an increase of 2.14 percent for resident graduates.

In developing the tuition and fee recommendation, Mark Denney said there was campus-wide engagement. They looked at the total cost of attendance (which includes tuition, mandatory fees, housing and meals) and how SOU compares to other schools; the process was inclusive, engaged and considered. Mr. Denney praised SOU students' involvement and their influence across the state. Compared to other schools, SOU's tuition is the lowest of a tight band with PSU and WOU. He also compared SOU's Western Undergraduate Exchange (WUE) rate to the in-state rate for California schools since the bulk of SOU's WUE students come from California; if SOU's WUE rate is too far above the in-state rate, it will impact students' decisions.

Mr. Denney discussed enrollment trends, saying enrollment plays a large part in where SOU sets its tuition rate. SOU has done well in the last three years compared to similar schools; its average has been slightly up and is also projected to be slightly up.

Mr. Denney described the composition of the TAC, the Student Fee Committee and the Student Recreation Center Advisory Council. Those groups, along with the Director of the Student Health and Wellness Center, are involved in the fee processes.

He explained the primary cost drivers is labor, which is reflected in the pro forma, as is the headcount increase for the online MBA program. For two years in a row, SOU has had the lowest cost for delivering academic programs per student FTE and will need to continue to control those costs.

Responding to Trustee Clough's inquiry, Mr. Denney said the biggest savings is the efficient and effective use of faculty, course scheduling and class loading. Dr. Walsh and Trustee Slattery praised Dr. Karen Stone's work in that regard. Trustee Hennion

said she was impressed with what SOU is doing in this area, its efforts to help other universities, and its work being presented at national conferences; she thought it was important to spread this word in Salem. President Schott reminded everyone that SOU's faculty and staff continue to feel very stretched and that they are asked to do too many things with too few resources; Trustee Steinman echoed that sentiment based on her conversations with colleagues. President Schott said that as SOU increases its financial stability it will selectively reinvest through a careful and considered process.

Mr. Denney discussed other factors that influence the tuition rate. SOU does not do as well as other institutions in the funding model. However, SOU's successes in enrollment growth are translating into success in the funding model, but less than what he thinks it should.

He also explained enrollment projections, adding that the bulk of SOU's upward trajectory is based on the startup of the online MBA program. He said this is a conservative estimate when compared to early results as well as Academic Partnerships' historical results. The rest is SOU's proven history of improving retention among students. New recruitment initiatives also are in place.

Discussing the pro forma, Mr. Denney said it projects an ending fund balance in excess of 10 percent over the next two biennia and above 11 percent for the current biennium. There needs to be consistency in state funding, including a current service level guarantee, and in SOU's ability to invest in long term projects. Costs need to continue to be managed and should go up commensurate with enrollment strength. Mr. Denney stressed that recent successes are not enough; SOU must continue working on everything it has been successful at.

Mr. Denney then turned to the tuition rate and mandatory fee proposals, as detailed in the meeting materials. He said a new differential rate is proposed for American Samoa, which is the same as the WUE rate; SOU has also submitted a request that American Samoa be included in the WUE program. If the proposals are approved, the dollar impact to SOU resident undergraduate students is an additional \$313 in tuition per year and an additional \$324 for resident graduate students. There would be a \$54 increase in mandatory fees per year. For students living in housing, there would be an additional \$435 for housing and meal plan. The total increase would be approximately \$800 for both resident undergraduate and graduate students, almost \$1000 for WUE students, and almost \$1,400 for nonresident undergraduate students. The total cost of attendance for resident undergraduate students would be almost \$24,000 per year. The figure going before the HECC for its review, not approval, is a 4.04 percent increase (\$322) in tuition and mandatory fees for resident undergraduate students.

Trustee Sevcik moved to approve the resolution as included in the meeting materials. Trustees Steinman and Slattery seconded the motion. Trustee Sevcik commented on the great progress that has been made and stressed that more still needs to be done. In support of the motion, Trustee Vincent said the information Mr. McCaffrey presented about the students' support of the proposal was critical and praised SOU's cost

containment efforts. The board secretary called a roll call vote and the motion passed unanimously.

#### Osher Lifelong Learning Institute (OLLI) Renovation Project

Janet Fratella said OLLI's space utilization study concluded that Campbell Center was sufficient for the program's expected growth but needed to be renovated. OLLI has proposed a \$676,200 capital improvement project. OLLI already has used some of its reserve budget to renovate one of the rooms and will seek significant donor funding for the project. SOU will cover the cost of the HVAC system. Because the total cost exceeds \$500,000, the board is being asked to approve the project.

Trustee Santos moved to approve the project expenditures, subject to OLLI raising the funds. Trustee Slattery seconded the motion and it passed unanimously.

#### **Information and Discussion Items**

##### Update on Status of 2015 XI-Q Bond Authority

This agenda item was not covered in the meeting.

##### Legislative Update

Jeanne Stallman addressed several bills from the 2018 legislative session: HB 4053, which studies how colleges accept or do not accept early college credit; HB 4141—the tuition advisory council bill, which was built on SOU's tuition-setting process and one where the students were effective advocates; SB 1563, which allows DACA students to continue to receive in-state tuition and financial assistance; and SB 5702, which gave SOU \$2.855 million for its boiler project and requires the HECC to report on its prioritization of universities' capital project requests.

Discussion ensued on the role and authority of the HECC and the importance of working with the HECC rather than against it.

##### Student Life Annual Report

Jennifer Fountain stressed the importance of student retention and highlighted several points from the 2016-17 Student Life Annual Report. Student Life assembles the report to show appreciation for support received and to show how it can also educate students. She discussed the \$4 million budget; professional staff members and their qualifications; features of the Stevenson Union; the various resource centers; roles in health promotion and civic engagement; Schneider Children's Center; campus recreation; events for new students; and the student incidental fee.

Ms. Fountain commended Trustee Nihipali for his work with the Multicultural Resource Center, Ho'opa'a Hawai'i Club, and the Polynesian Education Conference.

Responding to Trustee AuCoin's inquiry, Ms. Fountain provided information on counseling and other services provided to veterans. Trustee Slattery mentioned changes on the campus since the 1970s and the various ways veterans now are recognized.



Review of Association of Governing Boards of Colleges and Universities Annual Conference Agenda

Chair Thorndike said the trustees who will attend the conference were looking forward to learning and bringing back information and perspectives to share with the board.

Future Meetings

Chair Thorndike said the June meeting will be after commencement, at which time the board will act on the proposed budget, approve an internal audit plan, say farewell to some trustees, welcome newly-appointed trustees, and vote on board officers.

Theater and Jefferson Public Radio Building Tour

Greg Perkinson, David Humphrey and Paul Westhelle led this tour for the trustees.

**Adjournment**

Chair Thorndike adjourned the meeting immediately before the trustees departed on the tour.

DRAFT

# **FY 2018-19 Internal Audit Plan**



Southern Oregon University  
Internal Audit Plan  
Fiscal Year 2019

Prepared By  
Ryan Schnobrich, C.P.A.  
Internal Auditor

June 22, 2018

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**Introduction & Internal Audit Plan Overview**

The purpose of the Internal Audit Plan is to outline internal audits and other services and activities the Internal Audit Department will conduct during fiscal year 2019 (July 1, 2018 to June 30, 2019).

The Internal Audit Plan satisfies responsibilities established by the Board of Trustees bylaws, the Internal Audit Charter, and applicable professional *Standards*.

The Internal Auditor is authorized to make changes to the Internal Audit Plan, as deemed necessary, to address changes in identified risks. The Executive and Audit Committee and the President will be notified of any significant additions, deletions, or other changes to the Internal Audit Plan.

The Internal Audit Plan should be based on appropriate risk-based methodology, including the consideration of any risks or control concerns identified by management.

**Internal Audit Risk Assessment Overview**

In FY16, risk interviews were held with management, which resulted in a list of the university’s top ten risk areas.

In FY17, risk assessment procedures, including management interviews, and scoring criteria were developed and performed. The results were combined into a risk/control and scoring matrix and presented to the Board in a heat map format. The heat map represented specific residual risks that could result in a material event if related internal controls were not implemented and functioning effectively.

In FY18, the Vice Presidents and Business Affairs Council performed high-level risk assessments. Internal Audit assisted by incorporating a heat map into their tracking spreadsheet. Internal Audit and the Vice Presidents discussed their risk assessment. Their input factored significantly in what was included in this year’s internal audit plan.

**Executive Summary**

Please refer to Internal Audit’s annual report, annual assessments of management responsibilities and management control of fraud risk, engagement reports and reference resources on the Board reporting page: <https://sites.google.com/a/sou.edu/internal-audit/?pli=1>

The recurring theme for this year is to balance continued capacity building with value-added engagement.

Regarding allocation of time, given how time was spent last year and the functional maturity of Internal Audit, I believe that the following breakdown is appropriate:

	FY19	FY18 (Estimation)	FY18 Planned
Assurance/Audit Services:	8%	6%	10%
Consulting Services:	20%	12%	25%
Investigative Services:	15%	18%	10%
Governance:	10%	12%	10%
Risk Assessment:	5%	4%	5%
Internal Control Assessment:	5%	4%	5%

Function Capacity Building/Quality Assurance:	5%	5%	5%
Relationship Building:	4%	5%	5%
Professional Development:	7%	8%	5%
Function Administration:	8%	10%	10%
Vacation/Holiday/Sick Time:	<u>13%</u>	<u>16%</u>	<u>10%</u>
Total	100%	100%	100%

**Internal Audit Plan for Fiscal Year 2019**

Assurance/Audit Services (not in priority order):

1. Facilities Management & Planning – Sustainability reporting to AASHE standards;
2. Human Resources – Personnel file management;
3. Campus Public Safety – Re-perform FY17 stopped audit of Clery Act compliance;
4. Annual Assessment of Management Responsibilities;
5. Annual Assessment of Management’s Control of Fraud Risk;
6. Follow Up - Selected Oregon University System Internal Audit Division audit recommendations;
7. Follow Up - FY17 investigation report management response and action plan(s);
8. Follow Up - FY17 Title IX audit management response and action plan;
9. Miscellaneous as requested by management;

Consulting Services (focused on providing guidance to management on process re-engineering and continuous improvement, not in priority order):

1. Financial Aid - Internal controls around key processes, compliance requirements and enhancement of enterprise risk management;
2. Enrollment Services Center – Student record maintenance;
3. Housing – Master plan;
4. Housing – Key control;
5. Business Services – Enhancement of enterprise risk management;
6. Service Center – Digitization of processes;
7. Payroll – Integrative processes;
8. Office of the Vice President of Finance and Administration – Service Excellence;
9. Follow Up – FY18 stopped audit regarding the Student Fee Process
10. Follow Up – FY18 stopped audit regarding Irregular Employment Agreements;
11. Follow Up – FY18 investigation report management response and action plan(s);
12. Miscellaneous as requested by management;

Investigative Services:

1. EthicsPoint hotline allegations come to me for substantiation and reintegration with management decision-making.

Governance:

1. Continue to develop an understanding of the Board of Trustees and management’s risk appetite in the context of the new strategic plan and five new Trustees joining the Board.

Risk Assessment:

1. Encouraging management risk assessment and enterprise risk management;
2. Nurturing a formal compliance management function by management;
3. Internal Audit will facilitate some risk self-assessments surveys with certain Directors.

Internal Control Assessment:

1. Continued availability to review internal control processes upon Directors' requests.
2. Perform independent assessment activities in Business Services.

Function Capacity Building:

1. Formalize and document internal procedures further.
2. Prepare for a peer external quality assessment in FY20, for which the other Oregon public higher education Chief Audit Executives have graciously offered to perform.
3. Developing and documenting some software-assisted auditing techniques; specifically using the software IDEA, Excel, Banner and Cognos.
4. The Institute for Internal Auditors has approved me to sit for the Certified Internal Auditor exams. I will study for and take the exams within the next six months.

Administration:

1. I will continue to track how I spend my time.

**Annual Confirmation of the Organizational Independence of Internal Audit**

Another key responsibility set forth in the Internal Audit Charter is to confirm annually the organizational independence of Internal Audit. This is included in each year's Internal Audit Plan. The Board will be advised of any responsibilities or conditions believed to affect the objectivity or independence of Internal Audit, as well as any limitations to scope or insufficient resources to perform internal audit services.

**Human Resource Plan**

The FY19 Internal Audit Plan was created around the understanding of having one Internal Auditor.

**Any Resource Limitations or Significant Interim Changes**

Having only one Internal Auditor is inherently a resource limitation. For example, full organizational coverage over a five-year period is untenable. Due to continued, unexpected dedication of time to investigative services, time must still be dedicated to documenting internal processes. While this year's Internal Audit plan is ambitious, I believe that it can be completed with the resources provided.

**Financial Budget**

As per the Internal Audit Charter, the Executive and Audit Committee is responsible for approving the internal audit function's budget and resource plan.

Internal Audit's requested budget has been submitted to Mark Denney, Associate Vice President for Budget and Planning. The non-payroll portion of the budget has been reduced by another approximately \$1,000 year-over-year as there is less of a need for training and function start-up costs compared to last year. Approximately \$2,000 per year of budgeted expenses, for the last two years, has been returned unused.

**Southern Oregon University  
Board of Trustees**

**RESOLUTION  
Adoption of Fiscal Year 2018-19 Internal Audit Plan**

Whereas, Southern Oregon University is governed by and the business and affairs of the University are managed by the Board of Trustees of Southern Oregon University;

Whereas, Southern Oregon University has a duty to responsibly manage, invest, allocate, and spend its resources;

Whereas, Southern Oregon University has created the position of Internal Auditor to provide independent and objective assurance, consulting and investigative services that add value to the University;

Whereas, the Board of Trustees of Southern Oregon University has granted the Internal Auditor an Internal Audit Charter to provide guiding principles, direction and authority to the Internal Auditor consistent with The Institute of Internal Auditors' International Professional Practices Framework;

Whereas, the Internal Auditor will work closely with the Board of Trustees, University leadership, faculty and staff to conduct and coordinate a broad range of internal audit functions for the University;

Whereas, the Internal Auditor has developed a risk-based annual internal audit plan for Fiscal Year 2018-19 ("Internal Audit Plan"); and

Whereas, the Executive and Audit Committee of the Board of Trustees voted to refer this action to the Board of Trustees for adoption; Now, therefore,

Be it resolved, the Board of Trustees of Southern Oregon University hereby approves and adopts the Internal Audit Plan. With this adoption, the Board hereby instructs the Internal Auditor and the officers of the university to take all actions and steps deemed necessary and proper to implement this Internal Audit Plan.

Vote:

Date: June 22, 2018

Recorded by the University Secretary:

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# **AY 2018-19 Differential Tuition Rate: Supplemental Exchange Students**

## **International Partner University Student Differential Tuition Rate**

### **Proposal**

SOU has direct exchange agreements with 14 universities in seven countries. An exchange agreement is where an SOU student studies at the partner university for a period of no longer than one year; simultaneously, that university exchanges and one of their students studies at SOU for no more than one year. In most cases, both students pay tuition and fees to their home institution. Many of our partner universities send or wish to send additional students to SOU outside of the exchange agreement allotment. When students are not part of a direct one-for-one exchange, they pay tuition and fees to SOU. The current nonresident rate, which is 300% of the resident undergraduate rate is the base rate for all international students and is often prohibitive for these non-exchange students.

The Office of International Programs (OIP) sees an opportunity to increase educational experiences available to these students, international student enrollment, and SOU tuition revenue; standardize our rate code for these additional students; and diversify campus by attracting additional students from our current (and future) international partner institutions. The creation of this new rate code supports three of SOU Strategic Directions (SD). Namely, SD IV - an inclusive, equitable and inclusive community, SD V - financial stability and institutional vitality, and SD VII - cultural enrichment.

### **Impacted Population**

This proposal would be limited to students from our current, and potentially future, partner institutions and in most cases, is not directed toward degree-seeking students. They attend SOU for up to one year before returning to their home university. International students arriving at SOU to earn a degree would continue to pay tuition rates as current, not impacted by this new differential tuition rate.

### **Projected Impact**

It is anticipated by the Office of International Programs that this would gain SOU no more than 10 additional students initially. The real opportunity is in facilitating our ability to expand current programs and grow future programs. It is part of a larger international and nonresident recruitment and retention plan that is being developed and will be completed with the hiring of a new Vice President for Student Affairs and Enrollment Management.

### **Review and approval process**

This proposal was initiated by the Director of the Office of International Programs, in collaboration with the Director of Admissions and reviewed by the Vice President for Academic and Student Affairs. It is SOU's practice that base tuition rates are reviewed and recommended by the Tuition Advisory council, not differential rates, nor rates directed solely at international students. However, as previously stated, this proposal will be included in a broader review of current nonresident tuition rates and the potential to establish an international student rate vs. continued use of the nonresident rate for international students, to be part of the strategic enrollment management plan developed by the new Vice President for Student Affairs and Enrollment Management.

### **Financial Impact**

The current nonresident rate is \$526 per student credit hour for FY 2019, 306% of the resident undergraduate rate. The proposed differential tuition rate would be \$301.00, or 175% of the resident undergraduate rate. For a student taking the required 45 credits per year, that would generate \$13,545 in tuition alone. The average cost to deliver curriculum to our students is slightly above \$12,000 per year. This is better than the WUE tuition that only generates \$11,610 in tuition revenue or a resident student who generates approximately \$12,300 in tuition and state support.

**Southern Oregon University  
Board of Trustees**

**RESOLUTION  
AY 2018-19 Differential Tuition Rate for Supplemental Exchange Students**

Whereas, the Southern Oregon University Board of Trustees (“the Board”) has the authority to establish tuition and mandatory enrollment fees, and collect mandatory incidental fees in accordance with ORS. 352.102 and other applicable law and policy;

Whereas, the university enters into partnerships with international higher education institutions wherein SOU and its partners engage in a one-for-one exchange of students for the provision of study-abroad experiences with participating students paying tuition to their respective home university;

Whereas, from time to time and in furtherance of these partnerships, students from such exchange partner institutions seek to study at SOU where there is no SOU student to send to the exchange partner (“Supplemental Exchange Students”) and the student needs to pay the tuition and costs associated with the partnership to SOU rather than their home institution;

Whereas, to facilitate the advancement of these exchange partnerships and encourage such partners to provide reciprocal study abroad opportunities to SOU students, the SOU president recommends a differential tuition rate for such Supplemental Exchange Students;

Whereas the recommended differential tuition rate for Supplemental Exchange Students for Academic Year 2018-19 (AY 2018-19) is \$301.00, or 175% of the resident undergraduate rate;

Whereas, the university president considered a number of factors including the desire to create affordable access to programs and courses; encourage partner institutions to provide reciprocal opportunities to SOU students wishing to study abroad; encourage a diverse student body; maintain quality academic programs; encourage enrollment, retention, and graduation of students; maintain the university infrastructure necessary to support the academic, cultural and physical development of students; and

Whereas, the university president further considered historical tuition and fee trends, the university’s budget and projected costs, enrollment, funding, and overall benefit to students and the university; Now, therefore,

Be it resolved, the Board of Trustees of Southern Oregon University hereby approves the AY 2018-19 differential tuition rate of \$301.00 per credit hour for Supplemental Exchange Students.

VOTE:

DATE: June 22, 2018

Recorded by the University Board Secretary:

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# **Amendment to Student Incidental Fee for AY 2018-19**

# What is Changing?

## Current Mandatory Fee Schedule, based on March 2018 Board Action

Southern Oregon University  
Academic Year 2018-19 Mandatory Fees

Credits	Building		Incidental - Base		Incidental - Green Tag <sup>1</sup>		Incidental - SCC <sup>1</sup>		Health Service <sup>2</sup>		Student Rec Center		Total Fees	
	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate
1	23.00	23.00	209.00	209.00	13.00	13.00	13.00	13.00	0.00	0.00	95.00	95.00	353.00	353.00
2	25.00	25.00	250.00	250.00	13.00	13.00	13.00	13.00	0.00	0.00	95.00	95.00	396.00	396.00
3	27.00	27.00	291.00	291.00	13.00	13.00	13.00	13.00	0.00	0.00	95.00	95.00	439.00	439.00
4	29.00	29.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	622.00	622.00
5	31.00	31.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	624.00	624.00
6	33.00	33.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	626.00	626.00
7	35.00	35.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	628.00	628.00
8	37.00	37.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	630.00	630.00
9	39.00	39.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	632.00	632.00
10	41.00	41.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	634.00	634.00
11	43.00	43.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	636.00	636.00
12 or more	45.00	45.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	638.00	638.00

**Endnotes:**

(1) The Incidental Fee is one fee. The Green Tag and Schneider Children's Center (SCC) elements of that fee are funded first, regardless of the total rate a student pays for the Incidental Fee. The Incidental fee is the sum of these three.

(2) Qualified tuition and fees do not include student health insurance fees for Tax Relief Act Reporting

(3) A one-time Matriculation Fee of \$300 is assessed to all new and transfer students for admissions, advising, orientation, academic support services, and housing application

Incidental SCC = Incidental Fee dedicated to support the Schneider Children's Center

# Why is it Changing?

Due to the University's decision to close the Schneider Children's Center, ASSOU held a special election to remove that portion dedicated to supporting the Center from the approved 2018-19 Student Incidental Fee

Southern Oregon University  
Academic Year 2018-19 Mandatory Fees

Credits	Building		Incidental - Base		Incidental - Green Tag <sup>1</sup>		Incidental - SCC <sup>1</sup>		Health Service <sup>2</sup>		Student Rec Center		Total Fees	
	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate
1	23.00	23.00	209.00	209.00	13.00	13.00	13.00	13.00	0.00	0.00	95.00	95.00	353.00	353.00
2	25.00	25.00	250.00	250.00	13.00	13.00	13.00	13.00	0.00	0.00	95.00	95.00	396.00	396.00
3	27.00	27.00	291.00	291.00	13.00	13.00	13.00	13.00	0.00	0.00	95.00	95.00	439.00	439.00
4	29.00	29.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	622.00	622.00
5	31.00	31.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	624.00	624.00
6	33.00	33.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	626.00	626.00
7	35.00	35.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	628.00	628.00
8	37.00	37.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	630.00	630.00
9	39.00	39.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	632.00	632.00
10	41.00	41.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	634.00	634.00
11	43.00	43.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	636.00	636.00
12 or more	45.00	45.00	332.00	332.00	13.00	13.00	13.00	13.00	140.00	140.00	95.00	95.00	638.00	638.00

**Endnotes:**

(1) The Incidental Fee is one fee. The Green Tag and Schneider Children's Center (SCC) elements of that fee are funded first, regardless of the total rate a student pays for the Incidental Fee. The Incidental fee is the sum of these three.

(2) Qualified tuition and fees do not include student health insurance fees for Tax Relief Act Reporting

(3) A one-time Matriculation Fee of \$300 is assessed to all new and transfer students for admissions, advising, orientation, academic support services, and housing application

# If approved, the new 2018-19 Mandatory Fee schedule will be:

- Total Student Incidental Fee will go from \$358/term to \$345/term  
[\$332 (incidental base) + 13 (green tag)]
- Total Mandatory Fees will go from a maximum of \$638/term to \$625/term

This will be effective Fall 2018

**Southern Oregon University**  
Academic Year 2018-19 Mandatory Fees

Credits	Building		Incidental - Base		Incidental - Green Tag <sup>1</sup>		Health Service <sup>2</sup>		Student Rec Center		Total Fees	
	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate	Undergraduate	Graduate
1	23.00	23.00	248.00	248.00	13.00	13.00	0.00	0.00	95.00	95.00	379.00	379.00
2	25.00	25.00	276.00	276.00	13.00	13.00	0.00	0.00	95.00	95.00	409.00	409.00
3	27.00	27.00	304.00	304.00	13.00	13.00	0.00	0.00	95.00	95.00	439.00	439.00
4	29.00	29.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	609.00	609.00
5	31.00	31.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	611.00	611.00
6	33.00	33.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	613.00	613.00
7	35.00	35.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	615.00	615.00
8	37.00	37.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	617.00	617.00
9	39.00	39.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	619.00	619.00
10	41.00	41.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	621.00	621.00
11	43.00	43.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	623.00	623.00
12 or more	45.00	45.00	332.00	332.00	13.00	13.00	140.00	140.00	95.00	95.00	625.00	625.00

**Endnotes:**  
 (1) The Incidental Fee is one fee. The Green Tag element of that fee is funded first, regardless of the total rate a student pays for the Incidental Fee. The Incidental fee is the sum of these two amounts.  
 (2) Qualified tuition and fees do not include student health insurance fees for Tax Relief Act Reporting  
 (3) A one-time Matriculation Fee of \$300 is assessed to all new and transfer students for admissions, advising, orientation, academic support services, and housing application



Questions?

# Adoption of FY 2018-19 Budget

## Overview. Goals of the Budget

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The 2018-19 Budget incorporates reserve funding for the University to enable implementation of ‘immediate priorities’ from the Strategic Plan. Inherent in the new budget is the incorporation of Enterprise Risk Management, Corrective Actions (from Internal Audits), and the implementation of Institutional Effectiveness. This transition includes a sharper focus on new initiatives the university identified, and also what the university will no longer do. However, to the extent that it can, the 2018-19 budget attempts to create capacity for the full implementation of the strategic plan through accomplishing the following:

- Maintaining strong ending fund balances, thereby creating capacity for the future
- Validating submitted budgets, ensuring they support the direction of the Strategic plan,
- Using data to inform decision making and validate planning

In total, the 2018-2019 Fiscal Year budget for SOU is \$86,066,121 inclusive of Education and General (aka budgeted operations) in the sum of \$65,210,486; an auxiliaries budget in the sum of \$16,427,493; and designated operations in the sum of \$4,428,142.

## Connection between the Budget and implementation of the Strategic Plan

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Budgets are not strategic tools. They are by nature operational, primarily focused on the next year’s plan and all of the detailed elements necessary for a complex operation such as the university. The link between the operational (budget) and strategic (strategic plan) is the prioritization of operations, establishment of strategic fund balance goals that enable the capacity to implement the strategic plan, and the forward looking capability of the financial pro forma that is directly linked to the Budget.

## Budget Detail

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The Budget includes several key elements of Operations: Revenue, Expenditures, Transfers between operations, and finally, ending balances. They are briefly detailed here:

### Revenues

The primary elements of Revenue for SOU are: 1) Tuition and Fees, 2) State Support, and 3) Miscellaneous Other Revenue. Depending on the Operations, Education and General, Designated or Auxiliary, each of these revenue categories plays a greater or lesser percentage of the total revenue for that operational area.

**Tuition.** Tuition rates are increasing 4.22% for undergraduate students and 2.15% for graduate students. Enrollment is projected to increase overall by 2.3%. When calculating tuition revenue, it is the mix of enrollment plus the rate increases that drives tuition revenue. [Figure 1](#) shows enrollment projections. It should be noted that SOU’s 3 year net enrollment has been relatively flat despite overall declines in the state and nationwide for higher education. This opposition to that trend due to recent recruiting success plus modest improvement in retention, which is why overall enrollment is projected at slightly above flat for 2019. However, initiatives in online graduate students takes that flat enrollment picture to a net growth projection of 2.3%. The combined impact of significant online graduate student enrollment growth, which is at a higher tuition dollar level, added to the 4.22% rate growth for undergraduate students, and an overall Student Credit Hour growth projection, is that the total projected growth in tuition dollars over the FY2017-18 is just over 10%.

**State Support.** The bulk of funding SOU receives from the State is allocated from the Public University Support Fund (PUSF) through the Student Success and Completion Model or SSCM. It allocates the funding provided by the legislature to the Public University Support Fund based primarily on attendance and graduation of Oregon residents. SOU, due to its large nonresident student population has historically not done well in the allocation model, however, initiatives directed at recruitment of rural, first generation, and other underrepresented students, coupled with enhanced retention initiatives are aimed at bending that trend line.

## FISCAL YEAR 2018-19 BUDGET SUMMARY

**Miscellaneous Other Revenue.** The primary sub-categories of Miscellaneous Other Revenue are: Gifts and Grants, Investment Revenue, Sales and Service Revenues, Other revenues, and Internal Sales. For Education and General, this category makes up only 3% of total revenue, but for Auxiliary Operations, it is more than 50% of total revenue, due primarily to Sales revenue in Housing.

### **Direct expenditures**

SOU's primary direct expenditures are labor and supplies and services which includes travel and capital equipment expenditures.

**Labor.** In E&G Operations, labor makes up just over 80% of total expenditures. It is lower in the other operations categories, but still over 50% in each. The primary driver of labor is the cost of benefits that SOU is mandated to participate in. As an example, PERS or the Oregon Public Employees Retirement System, increased at close to 20% in FY18 and is anticipated to continue at that rate of increases for the next several biennium. The Primary cost management tool for labor is managing the efficient utilization of labor resources in the delivery of academic programming as well as required support programs.

**Supplies and Services.** SOU has been successful in initially reducing and most recently holding ground on rising costs for S&S expenditures, but managing rising costs continues to be a challenge. Included in the S&S expenditures is the cost of initiatives driving online graduate student enrollment growth.

**Inter Fund Transfers.** There are two primary reasons for transferring funds between operations:

**Support or subsidization of one program by another** such as the Education and General Operations support of:

- Jefferson Public Radio, in recognition of the community service mission of the university
- Rogue Valley TV and the Student Recreation Center, in recognition of the use of Academic programs in those non-academic spaces that would otherwise require the construction of alternate facilities
- Athletics, in recognition for the primary recruitment and retention role played by Athletics that directly benefits the Education and General Operations

**Establishment and use of Reserves.** Primarily within Auxiliary Operations, programs such as Housing transfer money to separate funds to establish building and equipment replacement reserves. They then transfer money out of those reserves when equipment purchases or significant building repairs occur.

### **Ending Fund Balance**

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Though no official goal for ending fund balances has been established, an industry "Best Practice" is 40% of all funds combined. This enables intuitions to weather fluctuations in enrollment, reductions in state funding, and other unforeseen events. It also enables institutions to have the capacity to invest and keep their operations relevant and serve the changing needs of their learners and the communities in which they exist. SOU's combined ending fund balance is well below 20%. This is not dire. However it does indicate that continued effort on ensuring revenues exceed expenditures through strategic enrollment management, operational efficiencies, and investments in operations are mindfully managed in support of the strategic goals of the University. The President's goal for an Education and General ending fund balance for Fiscal Year 2018-19 is 11%, which is the budgeted projection as shown in the Pro Forma, [Figure 5](#).

FISCAL YEAR 2018-19 BUDGET SUMMARY

Definitions and Figures

Definitions: Key elements of this budget

This budget does not cover all elements of SOU, it is focused on budgeting for operations only. Other areas such as Grants, Gifts, and Capital Construction will only be executed if funds are received, and according to budgets established at that time. For SOU, Operations includes the following:

- Education and General Operations (aka Budgeted Operations)
  - Those Operations designed to achieve the primary goals of the university: delivery of academic programs, student support programs and institutional support programs.
  - Primarily supported through Tuition and Fees and State Support
  - Figure 2 reflects the proposed 2018-19 Education and General Budget
- Designated Operations
  - Those Operations that have been designated as a vital service the university provides, but outside of our primary academic and academic support programs
    - Such as continuing education programs that do not generate academic credits
  - Primarily supported through Tuition and Fees
  - Must be self-supporting – Education and General Operations cannot support
  - Figure 3 reflects the proposed 2018-19 Designated Operations Budget
- Auxiliary Operations
  - Those Operations that support the vitality and experience of our Students, and are critical to their success at SOU, but are outside the primary academic and academic support mission.
  - Primarily supported through Mandatory or Special Fees and Sales
  - Must be self-supporting – Education and General Operations cannot support, (with the exception of E&G support to Athletics)
  - Figure 4 reflects the proposed 2018-19 Auxiliary Operations Budget

Figure 1: Student Credit Hours (SCH) Enrollment Projections

Enrollment projection - with AP included								Projected		Forecast			
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Enrollment by SCH													
01-WUE SCH	38,087	39,541	38,755	38,644	41,706	46,144	46,741	47,135	48,483	48,770	48,952	49,551	49,907
02-UG Resident SCH (incl. EXRES)	114,752	108,860	105,372	95,356	88,103	86,346	80,609	83,095	83,467	82,507	83,140	83,153	83,049
03-UG Non Resident SCH	3,679	7,154	6,162	5,006	4,736	4,729	4,657	4,984	4,786	4,805	4,855	4,815	4,825
04.1-UG Online SCH RES	3,062	3,644	3,567	17,146	18,138	16,930	17,165	17,429	17,192	17,280	17,318	17,281	17,311
04.2-UG Online SCH NON-RES	14,161	16,855	16,499	2,041	2,262	2,416	2,297	2,694	2,469	2,486	2,550	2,502	2,513
04.3-UG Online SCH WUE	1,914	2,278	2,230	3,472	4,587	5,745	6,368	6,682	7,381	7,926	8,445	9,033	9,583
Enrollment growth: Undergraduate Enrollment		1.5%	-3.2%	-6.3%	-1.3%	1.7%	-2.8%	2.6%	1.1%	0.0%	0.9%	0.7%	0.5%
05-GR Resident SCH (incl. EXRES)	11,153	6,477	6,315	2,732	2,542	2,412	2,264	2,252	2,158	2,074	2,011	1,930	1,853
06-GR Non Resident SCH	824	987	1,230	1,714	1,841	1,625	1,408	1,366	1,466	1,413	1,414	1,431	1,419
07.1-GR Online SCH RES	806	959	939	1,114	1,199	749	667	755	3,293	5,254	5,366	5,390	5,380
07.2-GR Online SCH NON-RES	201	240	235	283	313	272	207	263	1,104	1,752	1,795	1,801	1,797
08-GR - MEDU SCH	-	5,041	3,950	5,864	6,567	6,947	6,698	5,899	5,685	5,264	4,786	4,413	3,989
Enrollment growth: Graduate Enrollment		5.5%	-7.6%	-7.6%	6.4%	-3.7%	-6.3%	-6.3%	30.1%	15.0%	-2.4%	-2.6%	-3.5%
09-Staff	2,919	2,895	2,179	2,404	2,665	2,383	1,822	1,693	1,966	1,827	1,829	1,874	1,843
10-Waived Tuition SCH	1,136	1,632	1,653	2,195	2,121	2,268	1,788	1,871	1,976	1,878	1,908	1,921	1,902
11-Course Based Tuition SCH	2,998	4,307	4,361	5,434	5,597	6,053	6,535	5,898	6,180	6,223	6,119	6,174	6,172
12-Adv Southern Credit SCH	6,053	8,898	8,805	11,029	11,302	11,512	12,709	13,670	12,494	12,821	12,859	12,725	12,802
13-Early Entry Credit SCH	39	55	56	154	72	147	96	122	122	113	119	118	117
	13,145	17,588	17,054	21,217	21,758	22,362	22,949	23,254	22,737	22,863	22,834	22,811	22,836
		33.8%	-3.0%	24.4%	2.5%	2.8%	2.6%	1.3%	-2.2%	0.8%	-0.1%	-0.1%	0.1%
Total SCH Enrollment	201,783	209,624	202,307	194,590	193,753	196,676	192,030	195,809	200,220	202,394	203,464	204,110	204,461
		3.9%	-3.5%	-3.8%	-0.4%	1.5%	-2.4%	2.0%	2.3%	1.1%	0.5%	0.3%	0.2%

FISCAL YEAR 2018-19 BUDGET SUMMARY

Figure 2: Education and General (Budgeted Operations) proposed 2018-19 Budget

<b>EDUCATION AND GENERAL</b>	2015 Actual	2016 Actual	2017 Actual	2018 Budget	2018 YTD	2018 Proj End	2019 Budget
<b>REVENUE</b>							
Total Tuition	36,335,550	37,257,346	37,169,558	39,109,887	37,122,800	37,959,620	42,700,752
Total Fees	1,502,598	1,374,388	3,216,341	3,317,822	3,131,017	3,260,740	3,255,539
Total Remissions	(3,211,523)	(3,890,877)	(3,586,840)	(4,053,564)	(4,231,605)	(4,056,996)	(4,142,383)
Total - Tuition, Fees, net of Remissions	34,626,624	34,740,857	36,799,059	38,374,145	36,022,214	37,163,364	41,813,908
Total - State Support	16,860,248	20,595,231	21,539,826	20,304,196	21,330,826	21,330,826	21,577,804
<b>Misc. Other Revenue</b>							
Subtotal - Gifts and Contracts	292,935	273,890	203,633	273,500	181,957	214,079	273,500
Subtotal - Investments/Debt/Debt Service	860,698	493,876	831,925	481,725	277,457	428,679	621,925
Subtotal - Sales and Services	661,299	732,705	601,354	1,120,918	506,088	1,125,750	1,142,523
Subtotal - Other Revenue	79,168	345,438	469,030	61,150	549,926	575,000	61,650
Subtotal - Internal Sales	7,311	5,590	-	-	-	-	-
Total - Miscellaneous Other Revenue	1,901,411	1,851,499	2,105,942	1,937,293	1,515,428	2,343,508	2,099,598
Total Revenue	53,388,283	57,187,587	60,444,827	60,615,634	58,868,468	60,837,698	65,491,310
<b>LABOR</b>							
Subtotal - Unclassified Salaries	19,257,412	19,503,869	20,378,196	21,526,762	17,162,656	21,033,150	22,110,421
Subtotal - Unclassified Pay	2,373,338	2,811,929	3,175,364	2,965,841	2,325,315	2,988,924	2,913,990
Subtotal - Classified Salaries	5,268,850	5,656,301	5,933,830	6,176,596	5,113,190	6,158,086	6,511,866
Subtotal - Classified Pay	258,679	280,323	263,291	153,046	227,250	272,517	153,046
Subtotal - Student Pay	1,001,457	1,054,377	1,104,851	1,298,595	970,708	1,193,768	1,388,024
Subtotal - Grad Assist	68,529	119,904	68,956	169,035	102,343	128,000	182,836
Subtotal - Benefit Compensation	62,961	33,853	84,105	5,000	88,209	89,455	5,000
Subtotal - Other Payroll Expense (OPE)	14,488,152	15,002,995	15,275,659	17,671,025	13,911,462	17,020,245	18,462,519
Total Labor	42,779,379	44,463,551	46,284,251	49,965,900	39,901,132	48,884,145	51,727,702
<b>DIRECT EXPENSE</b>							
<b>Service &amp; Supplies</b>							
Subtotal Supplies & Services	10,225,098	11,958,696	11,725,984	12,101,775	10,471,580	12,283,779	13,670,228
Subtotal - Capital Expense	236,628	202,360	193,651	140,704	127,249	140,003	241,251
Subtotal - Student Aid	-	-	-	-	-	-	-
Subtotal - Merchandise - Resale/Redist	-	-	-	-	-	-	-
Subtotal - Internal Sales Reimbursement	(2,599,325)	(2,843,645)	(2,876,505)	(3,092,959)	(2,472,158)	(2,920,144)	(3,019,585)
Subtotal - Student Loan Related Expenses	-	-	-	-	-	-	-
Total Direct Expenditures	7,862,402	9,317,407	9,043,121	9,149,520	8,126,675	9,503,638	10,891,894
<b>INTERFUND TRANSFERS</b>							
Subtotal - Interfund Transfers In	(3,296,620)	(2,079,694)	(860,228)	(130,142)	(98,577)	(222,408)	(130,142)
Subtotal - Interfund Transfers Out	1,750,846	4,182,673	3,096,587	2,333,466	2,052,557	2,495,647	2,721,032
Total Transfers	(1,545,774)	2,102,979	2,236,360	2,203,324	1,953,980	2,273,239	2,590,890
Total All Expenses	49,096,008	55,883,937	57,563,732	61,318,744	49,981,786	60,661,022	65,210,486
Total Revenues Less Expenses and Transfers	4,292,276	1,303,651	2,881,095	(703,110)	8,886,682	176,676	280,824

Note: figures shown for prior years are unaudited and will not align exactly with audited financial statements as they are only through period 12, where SOU's audited financial reports are through period 14. They are shown for comparison to current year and proposed budget year figures. 2018 Projected figures are effective with the April 30, 2018 Quarterly Management Report

FISCAL YEAR 2018-19 BUDGET SUMMARY

Figure 3: Designated Operations proposed 2018-19 Budget

DESIGNATED OPERATIONS	2015 Actual	2016 Actual	2017 Actual	2018 Budget	2018 YTD	2018 Proj End	2019 Budget
<b>REVENUE</b>							
Total - Tuition, Fees, net of Remissions	934,483	938,859	1,170,132	998,387	899,089	959,523	1,169,892
Total - State Support	-	-	-	-	-	-	-
Misc. Other Revenue	-	-	-	-	-	-	-
Subtotal - Gifts and Contracts	407,949	392,116	251,318	253,292	192,260	-	253,292
Subtotal - Investments/Debt/Debt Service	-	-	-	-	(2,300)	-	-
Subtotal - Sales and Services	1,716,961	2,179,953	3,134,351	2,453,002	2,142,547	2,616,032	2,637,246
Subtotal - Other Revenue	143,856	189,896	684,514	222,600	74,762	361,303	202,600
Subtotal - Student Loan Revenues	50	393	-	-	-	-	-
Subtotal - Internal Sales	3,300	5,831	1,663	-	2,590	-	-
Total Misc Other Revenue	2,272,116	2,768,189	4,071,846	2,928,894	2,409,859	2,977,335	3,093,138
Total Revenue	3,206,600	3,707,049	5,241,979	3,927,281	3,308,948	3,936,858	4,263,030
<b>LABOR</b>							
Subtotal - Unclassified Salaries	809,958	821,282	847,055	1,255,563	773,980	-	1,106,208
Subtotal - Unclassified Pay	338,733	327,458	329,517	361,210	271,603	-	406,232
Subtotal - Classified Salaries	127,636	154,156	162,864	177,299	156,587	-	185,046
Subtotal - Classified Pay	2,498	2,870	9,056	1,531	3,524	-	1,531
Subtotal - Student Pay	149,561	154,983	172,935	136,960	122,871	-	156,641
Subtotal - Grad Assist	-	-	-	-	-	-	-
Subtotal - Benefit Compensation	-	-	2,592	-	-	-	-
Subtotal - Other Payroll Expense (OPE)	655,086	624,007	680,871	912,893	677,925	-	958,361
Total Labor	2,083,473	2,084,756	2,204,889	2,845,456	2,006,489	2,410,040	2,814,019
<b>DIRECT EXPENSE</b>							
Service & Supplies							
Subtotal Supplies & Services	1,262,637	1,369,745	2,081,498	1,708,649	1,523,379	-	1,996,508
Subtotal - Capital Expense	37,722	78,326	18,400	12,086	259,707	-	12,086
Subtotal - Student Aid	1,023	-	2,025	-	(1,000)	-	-
Subtotal - Merchandise - Resale/Redist	16,973	115,395	10,623	5,000	1,230	-	5,000
Subtotal - Internal Sales Reimbursement	(16,539)	(5,733)	(10,325)	(5,925)	(3,645)	-	(5,925)
Subtotal - Depreciation	-	-	-	-	(11,206)	-	-
Total Direct Expenditures	1,301,816	1,557,734	2,102,222	1,719,810	1,768,465	1,950,778	2,007,669
<b>INTERFUND TRANSFERS</b>							
Subtotal - Interfund Transfers In	(461,906)	(449,726)	(495,473)	(414,230)	(591,357)	(626,320)	(432,046)
Subtotal - Interfund Transfers Out	120,490	105,216	1,245,395	38,500	190,456	208,982	38,500
Total Transfers	(341,416)	(344,510)	749,923	(375,730)	(400,901)	(417,338)	(393,546)
Total All Expenses	3,043,873	3,297,979	5,057,034	4,189,536	3,374,053	3,943,480	4,428,142
Total Revenues Less Expenses and Transfers	162,727	409,069	184,945	(262,255)	(65,105)	(6,622)	(165,112)

Note: figures shown for prior years are unaudited and will not align exactly with audited financial statements as they are only through period 12, where SOU's audited financial reports are through period 14. They are shown for comparison to current year and proposed budget year figures. 2018 Projected figures are effective with the April 30, 2018 Quarterly Management Report

## FISCAL YEAR 2018-19 BUDGET SUMMARY

Figure 4: Auxiliary Operations proposed 2018-19 Budget

AUXILIARY OPERATIONS	2015 Actual	2016 Actual	2017 Actual	2018 Budget	2018 YTD	2018 Proj End	2019 Budget
<b>REVENUE</b>							
Total - Tuition, Fees, net of Remissions	5,304,620	5,745,310	6,145,322	6,845,444	6,786,670	6,295,747	6,954,826
Total - State Support	390,120	401,825	401,825	401,824	401,825	401,824	401,824
Subtotal - Gifts and Contracts	849,474	2,272,247	1,870,486	2,280,810	3,227,230		2,257,617
Subtotal - Investments/Debt/Debt Service	35,298	(80,888)	(178,251)	(180,783)	(155,993)		(182,896)
Subtotal - Sales and Services	5,802,166	6,313,722	5,176,035	7,287,431	6,540,671	7,721,322	7,077,378
Subtotal - Other Revenue	69,536	208,398	97,024	62,434	79,815	3,121,396	67,138
Subtotal - Student Loan Revenues	-	-	99	-	-		-
Subtotal - Internal Sales	284,651	249,465	239,224	208,803	473,695		176,163
Total Misc Other Revenue	7,041,125	8,962,944	7,204,617	9,658,695	10,165,418	10,842,718	9,395,400
<b>Total Revenue</b>	<b>12,735,865</b>	<b>15,110,078</b>	<b>13,751,764</b>	<b>16,905,963</b>	<b>17,353,913</b>	<b>17,540,289</b>	<b>16,752,050</b>
<b>LABOR</b>							
Subtotal - Unclassified Salaries	1,974,633	2,226,152	2,395,762	2,809,912	2,300,462		2,868,085
Subtotal - Unclassified Pay	271,683	2,442,543	176,727	170,963	144,809		174,220
Subtotal - Classified Salaries	1,050,469	1,119,585	1,367,059	1,590,215	1,264,429		1,526,542
Subtotal - Classified Pay	90,324	146,181	94,028	129,701	73,049		104,701
Subtotal - Student Pay	778,358	982,763	913,399	1,044,625	938,551		1,314,176
Subtotal - Grad Assist	-	-	-	-	14,214		-
Subtotal - Benefit Compensation	12,485	7,959	6,039	-	32,041		-
Subtotal - Reporting Payroll Expenses	-	(2,410,407)	-	-	-		-
Subtotal - Other Payroll Expense (OPE)	2,051,651	2,483,180	2,440,034	3,101,198	2,491,924		3,019,093
<b>Total Labor</b>	<b>6,229,602</b>	<b>6,997,956</b>	<b>7,393,047</b>	<b>8,846,614</b>	<b>7,259,479</b>	<b>7,925,201</b>	<b>9,006,817</b>
<b>DIRECT EXPENSE</b>							
Subtotal Supplies & Services	7,772,118	8,512,529	7,514,208	8,320,065	8,409,494		8,382,749
Subtotal - Capital Expense	-	190	22,209	-	-		-
Subtotal - Student Aid	225,410	193,184	162,936	193,635	165,602		203,706
Subtotal - Merchandise - Resale/Redist	149,684	33,848	16,498	15,890	12,047		15,890
Subtotal - Internal Sales Reimbursement	(159)	(800)	-	-	(1,753)		-
Subtotal - Depreciation	1,094,585	1,197,295	1,011,368	1,203,182	934,789		1,015,675
<b>Total Direct Expenditures</b>	<b>9,241,638</b>	<b>9,936,246</b>	<b>8,727,219</b>	<b>9,732,772</b>	<b>9,520,179</b>	<b>9,318,398</b>	<b>9,618,020</b>
<b>INTERFUND TRANSFERS</b>							
Subtotal - Interfund Transfers In	(1,221,335)	(2,015,446)	(2,103,776)	(2,901,141)	(2,161,571)	(2,509,350)	(3,240,891)
Subtotal - Interfund Transfers Out	827,763	514,820	638,498	1,073,547	567,900	658,712	1,043,547
<b>Total Transfers</b>	<b>(393,572)</b>	<b>(1,500,626)</b>	<b>(1,465,278)</b>	<b>(1,827,594)</b>	<b>(1,593,671)</b>	<b>(1,850,638)</b>	<b>(2,197,344)</b>
<b>Total All Expenses</b>	<b>15,077,669</b>	<b>15,433,575</b>	<b>14,654,988</b>	<b>16,751,792</b>	<b>15,185,987</b>	<b>15,392,961</b>	<b>16,427,493</b>
Additions/Deductions to unrestricted net assets						(1,232,583)	-
<b>Total Revenues Less Expenses and Transfers</b>	<b>(2,341,803)</b>	<b>(323,497)</b>	<b>(903,224)</b>	<b>154,170</b>	<b>2,167,926</b>	<b>914,745</b>	<b>324,557</b>

Note: figures shown for prior years are unaudited and will not align exactly with audited financial statements as they are only through period 12, where SOU's audited financial reports are through period 14. They are shown for comparison to current year and proposed budget year figures. 2018 Projected figures are effective with the April 30, 2018 Quarterly Management Report

Figure 5: Education and General Financial Pro Forma

<b>Southern Oregon University Education and General (Bud Ops) Pro Forma</b>									
	2015-17 Biennium		2017-19 Biennium			2019-21 Biennium		2021-23 Biennium	
	2015-16 Actual (000's)	2016-17 Actual (000's)	2017-18 BUDGET (000's)	2017-18 Per QMR (000's)	2018-19 Prop Budget (000's)	2019-20 FORECAST (000's)	2020-21 FORECAST (000's)	2021-22 FORECAST (000's)	2022-23 FORECAST (000's)
<b>Education and General (in thousands of dollars)</b>									
<b>Revenue</b>									
Total State Funding	20,697	21,540	20,304	21,331	21,578	22,832	23,736	24,964	25,954
Tuition, net of Remissions	34,736	34,111	38,374	37,163	41,814	43,181	45,292	47,438	49,593
Misc. Other Revenue	2,632	3,314	1,937	2,344	2,100	2,243	2,247	2,219	2,442
Other Adjustments to Revenue									
<b>Total Revenues</b>	<b>58,065</b>	<b>58,965</b>	<b>60,616</b>	<b>60,838</b>	<b>65,491</b>	<b>68,256</b>	<b>71,275</b>	<b>74,621</b>	<b>77,989</b>
<b>Personnel Services</b>									
Labor	(44,562)	(30,925)	(32,290)	(31,864)	(33,265)	(34,993)	(36,160)	(37,379)	(38,879)
OPE	(15,340)	(15,340)	(17,676)	(17,020)	(18,463)	(20,455)	(21,268)	(23,744)	(24,782)
<b>Net Personnel</b>	<b>(44,562)</b>	<b>(46,264)</b>	<b>(49,966)</b>	<b>(48,885)</b>	<b>(51,728)</b>	<b>(55,448)</b>	<b>(57,428)</b>	<b>(61,123)</b>	<b>(63,661)</b>
Total Supplies and Services	(9,271)	(9,101)	(9,150)	(9,504)	(10,892)	(11,001)	(11,001)	(11,001)	(11,001)
<b>Total Expenditures</b>	<b>(53,833)</b>	<b>(55,365)</b>	<b>(59,115)</b>	<b>(58,388)</b>	<b>(62,620)</b>	<b>(66,449)</b>	<b>(68,429)</b>	<b>(72,124)</b>	<b>(74,661)</b>
<b>Net from Operations and Transfers</b>	<b>4,232</b>	<b>3,598,575</b>	<b>1,500</b>	<b>2,449</b>	<b>2,872</b>	<b>1,807</b>	<b>2,847</b>	<b>2,498</b>	<b>3,328</b>
Net Transfers	(2,103)	(2,266)	(2,203)	(2,273)	(2,591)	(2,725)	(2,823)	(2,918)	(3,039)
Change in Fund Balance	2,129	1,333	(703)	176	281	(918)	24	(420)	289
Fund Additional (Deductions)		(1,365)							
<b>Beginning Fund Balance</b>	<b>4,759</b>	<b>6,876</b>	<b>6,844</b>	<b>6,844</b>	<b>7,020</b>	<b>7,301</b>	<b>6,383</b>	<b>6,407</b>	<b>5,986</b>
<b>Ending Fund Balance</b>	<b>6,876</b>	<b>6,844</b>	<b>6,141</b>	<b>7,020</b>	<b>7,301</b>	<b>6,383</b>	<b>6,407</b>	<b>5,986</b>	<b>6,275</b>
<b>% Operating Revenues</b>	<b>11.8%</b>	<b>11.6%</b>	<b>10.1%</b>	<b>11.5%</b>	<b>11.1%</b>	<b>9.4%</b>	<b>9.0%</b>	<b>8.0%</b>	<b>8.0%</b>

2018 Projected figures are effective with the April 30, 2018 Quarterly Management Report



# Today's Action:

## Recommendation:

That the board adopt the Fiscal Year 2018-2019 budget in the sum of \$86,566,121 inclusive of:

- Education and General [budgeted operations] in the sum of \$65,710,486;
- an auxiliaries budget in the sum of \$16,427,493;
- and designated operations in the sum of \$4,428,142.

# Reminder of Our Path:

- January: Budget assumption and process discussion
- March: Tuition and mandatory fees
- March: Enrollment projection
- April: Revenue projection, based on rate/  
enrollment
- May: Draft budget, ending fund balance guidance

# Tuition and Enrollment Projections

# New Tuition Rates Approved in March 2018 Meeting

Tuition Category	Tuition Rates		
	2017-18	2018-19	
01-WUE SCH	247.56	258.00	4.22%
02-UG Resident SCH (incl. EXRES) Jack/Jo Pledge	165.04	172.00	4.22%
03-UG Non Resident SCH	505.00	526.00	4.16%
04.1-UG Online SCH RES	165.04	172.00	4.22%
04.2-UG Online SCH NON-RES	165.04	172.00	4.22%
04.3-UG Online SCH WUE	165.04	172.00	4.22%
05-GR Resident SCH (incl. EXRES)	421.00	430.00	2.14%
06-GR Non Resident SCH	527.00	538.00	2.09%
07.1-GR Online SCH RES	421.00	430.00	2.14%
07.2-GR Online SCH NON-RES	421.00	430.00	2.14%
08-GR - MEDU SCH	361.46	369.00	2.09%
09-Staff	49.00	51.00	4.08%
10-Waived Tuition SCH	-	-	
11-Course Based Tuition SCH (excl. On-Line, ASC, EE, STAFF/Co-Pay)	150.00	150.00	0.00%
12-Adv Southern Credit SCH	45.00	45.00	0.00%
13-Early Entry Credit SCH	165.04	172.00	4.22%

# Enrollment Projections from March 2018 Meeting

Enrollment projection - with AP included	Projected				Forecast				
Enrollment by SCH	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
01-WUE SCH	41,706	46,144	46,741	47,135	48,483	48,770	48,952	49,551	49,907
02-UG Resident SCH (incl. EXRES)	88,103	86,346	80,609	83,095	83,467	82,507	83,140	83,153	83,049
03-UG Non Resident SCH	4,736	4,729	4,657	4,984	4,786	4,805	4,855	4,815	4,825
04.1-UG Online SCH RES	18,138	16,930	17,165	17,429	17,192	17,280	17,318	17,281	17,311
04.2-UG Online SCH NON-RES	2,262	2,416	2,297	2,694	2,469	2,486	2,550	2,502	2,513
04.3-UG Online SCH WUE	4,587	5,745	6,368	6,682	7,381	7,926	8,445	9,033	9,583
Enrollment growth: Undergraduate Enrollment	-1.3%	1.7%	-2.8%	2.6%	1.1%	0.0%	0.9%	0.7%	0.5%
05-GR Resident SCH (incl. EXRES)	2,542	2,412	2,264	2,252	2,158	2,074	2,011	1,930	1,853
06-GR Non Resident SCH	1,841	1,625	1,408	1,366	1,466	1,413	1,414	1,431	1,419
07.1-GR Online SCH RES	1,199	749	667	755	3,293	5,254	5,366	5,390	5,380
07.2-GR Online SCH NON-RES	313	272	207	263	1,104	1,752	1,795	1,801	1,797
08-GR - MEDU SCH	6,567	6,947	6,698	5,899	5,685	5,264	4,786	4,413	3,989
Enrollment growth: Graduate Enrollment	6.4%	-3.7%	-6.3%	-6.3%	30.1%	15.0%	-2.4%	-2.6%	-3.5%
09-Staff	2,665	2,383	1,822	1,693	1,966	1,827	1,829	1,874	1,843
10-Waived Tuition SCH	2,121	2,268	1,788	1,871	1,976	1,878	1,908	1,921	1,902
11-Course Based Tuition SCH	5,597	6,053	6,535	5,898	6,180	6,223	6,119	6,174	6,172
12-Adv Southern Credit SCH	11,302	11,512	12,709	13,670	12,494	12,821	12,859	12,725	12,802
13-Early Entry Credit SCH	72	147	96	122	122	113	119	118	117
	21,758	22,362	22,949	23,254	22,737	22,863	22,834	22,811	22,836
	2.5%	2.8%	2.6%	1.3%	-2.2%	0.6%	-0.1%	-0.1%	0.1%
Total SCH Enrollment	193,753	196,676	192,030	195,809	200,220	202,394	203,464	204,110	204,461
	-0.4%	1.5%	-2.4%	2.0%	2.3%	1.1%	0.5%	0.3%	0.2%

Enrollment projection - with AP included	Projected				Forecast				
Enrollment by SCH	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
01-WUE SCH	41,706	46,144	46,741	47,135	48,483	48,770	48,952	49,551	49,907
02-UG Resident SCH (incl. EXRES)	88,103	86,346	80,609	83,095	83,467	82,507	83,140	83,153	83,049
03-UG Non Resident SCH	4,736	4,729	4,657	4,984	4,786	4,805	4,855	4,815	4,825
04.1-UG Online SCH RES	18,138	16,930	17,165	17,429	17,192	17,280	17,318	17,281	17,311
04.2-UG Online SCH NON-RES	2,262	2,416	2,297	2,694	2,469	2,486	2,550	2,502	2,513
04.3-UG Online SCH WUE	4,587	5,745	6,368	6,682	7,381	7,926	8,445	9,033	9,583
Enrollment growth: Undergraduate Enrollment	-1.3%	1.7%	-2.8%	2.6%	1.1%	0.0%	0.9%	0.7%	0.5%
05-GR Resident SCH (incl. EXRES)	2,542	2,412	2,264	2,252	2,158	2,074	2,011	1,930	1,853
06-GR Non Resident SCH	1,841	1,625	1,408	1,366	1,466	1,413	1,414	1,431	1,419
07.1-GR Online SCH RES	1,199	749	667	755	3,293	5,254	5,366	5,390	5,380
07.2-GR Online SCH NON-RES	313	272	207	263	1,104	1,752	1,795	1,801	1,797
08-GR - MEDU SCH	6,567	6,947	6,698	5,899	5,685	5,264	4,786	4,413	3,989
Enrollment growth: Graduate Enrollment	6.4%	-3.7%	-6.3%	-6.3%	30.1%	15.0%	-2.4%	-2.6%	-3.5%
09-Staff	2,665	2,383	1,822	1,693	1,966	1,827	1,829	1,874	1,843
10-Waived Tuition SCH	2,121	2,268	1,788	1,871	1,976	1,878	1,908	1,921	1,902
11-Course Based Tuition SCH	5,597	6,053	6,535	5,898	6,180	6,223	6,119	6,174	6,172
12-Adv Southern Credit SCH	11,302	11,512	12,709	13,670	12,494	12,821	12,859	12,725	12,802
13-Early Entry Credit SCH	72	147	96	122	122	113	119	118	117
	21,758	22,362	22,949	23,254	22,737	22,863	22,834	22,811	22,836
	2.5%	2.8%	2.6%	1.3%	-2.2%	0.6%	-0.1%	-0.1%	0.1%
<b>Total SCH Enrollment</b>	<b>193,753</b>	<b>196,676</b>	<b>192,030</b>	<b>195,809</b>	<b>200,220</b>	<b>202,394</b>	<b>203,464</b>	<b>204,110</b>	<b>204,461</b>
	-0.4%	1.5%	-2.4%	2.0%	2.3%	1.1%	0.5%	0.3%	0.2%

Enrollment projection - with AP included	Projected				Forecast				
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Enrollment by SCH									
01-WUE SCH	41,706	46,144	46,741	47,135	48,483	48,770	48,952	49,551	49,907
02-UG Resident SCH (incl. EXRES)	88,103	86,346	80,609	83,095	83,467	82,507	83,140	83,153	83,049
03-UG Non Resident SCH	4,736	4,729	4,657	4,984	4,786	4,805	4,855	4,815	4,825
04.1-UG Online SCH RES	18,138	16,930	17,165	17,429	17,192	17,280	17,318	17,281	17,311
04.2-UG Online SCH NON-RES	2,262	2,416	2,297	2,694	2,469	2,486	2,550	2,502	2,513
04.3-UG Online SCH WUE	4,587	5,745	6,368	6,682	7,381	7,926	8,445	9,033	9,583
Enrollment growth: Undergraduate Enrollment	-1.3%	1.7%	-2.8%	2.6%	1.1%	0.0%	0.9%	0.7%	0.5%
05-GR Resident SCH (incl. EXRES)	2,542	2,412	2,264	2,252	2,158	2,074	2,011	1,930	1,853
06-GR Non Resident SCH	1,841	1,625	1,408	1,366	1,466	1,413	1,414	1,431	1,419
07.1-GR Online SCH RES	1,199	749	667	755	3,293	5,254	5,366	5,390	5,380
07.2-GR Online SCH NON-RES	313	272	207	263	1,104	1,752	1,795	1,801	1,797
08-GR - MEDU SCH	6,567	6,947	6,698	5,899	5,685	5,264	4,786	4,413	3,989
Enrollment growth: Graduate Enrollment	6.4%	-3.7%	-6.3%	-6.3%	30.1%	15.0%	-2.4%	-2.6%	-3.5%
09-Staff	2,665	2,383	1,822	1,693	1,966	1,827	1,829	1,874	1,843
10-Waived Tuition SCH	2,121	2,268	1,788	1,871	1,976	1,878	1,908	1,921	1,902
11-Course Based Tuition SCH	5,597	6,053	6,535	5,898	6,180	6,223	6,119	6,174	6,172
12-Adv Southern Credit SCH	11,302	11,512	12,709	13,670	12,494	12,821	12,859	12,725	12,802
13-Early Entry Credit SCH	72	147	96	122	122	113	119	118	117
	21,758	22,362	22,949	23,254	22,737	22,863	22,834	22,811	22,836
	2.5%	2.8%	2.6%	1.3%	-2.2%	0.6%	-0.1%	-0.1%	0.1%
Total SCH Enrollment	193,753	196,676	192,030	195,809	200,220	202,394	203,464	204,110	204,461
	-0.4%	1.5%	-2.4%	2.0%	2.2%	1.1%	0.5%	0.3%	0.2%

# Revenue



<b>EDUCATION AND GENERAL REVENUE</b>	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Proj End</b>	<b>2019 Budget</b>
Total Tuition	36,335,550	37,257,346	37,169,558	37,959,620	42,700,752
Total Fees	1,502,598	1,374,388	3,216,341	3,260,740	3,255,539
Total Remissions	(3,211,523)	(3,890,877)	(3,586,840)	(4,056,996)	(4,142,383)
<b>Total - Tuition, Fees, net of Remissions</b>	<b>34,626,624</b>	<b>34,740,857</b>	<b>36,799,059</b>	<b>37,163,364</b>	<b>41,813,908</b>
Total - State Support	16,860,248	20,595,231	21,539,826	21,330,826	21,577,804
<b>Misc. Other Revenue</b>					
Subtotal - Gifts and Contracts	292,935	273,890	203,633	214,079	273,500
Subtotal - Investments/Debt/Debt Service	860,698	493,876	831,925	428,679	621,925
Subtotal - Sales and Services	661,299	732,705	601,354	1,125,750	1,142,523
Subtotal - Other Revenue	79,168	345,438	469,030	575,000	61,650
Subtotal - Internal Sales	7,311	5,590	-	-	-
<b>Total - Miscellaneous Other Revenue</b>	<b>1,901,411</b>	<b>1,851,499</b>	<b>2,105,942</b>	<b>2,343,508</b>	<b>2,099,598</b>
<b>Total Revenue</b>	<b>53,388,283</b>	<b>57,187,587</b>	<b>60,444,827</b>	<b>60,837,698</b>	<b>65,491,310</b>

<b>EDUCATION AND GENERAL REVENUE</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
Total Tuition	36,335,550	37,257,346	37,169,558	37,959,620	42,700,752
Total Fees	1,502,598	1,374,388	3,216,341	3,260,740	3,255,539
Total Remissions	(3,211,523)	(3,890,877)	(3,586,840)	(4,056,996)	(4,142,383)
<b>Total - Tuition, Fees, net of Remissions</b>	<b>34,626,624</b>	<b>34,740,857</b>	<b>36,799,059</b>	<b>37,163,364</b>	<b>41,813,908</b>
Total - State Support	16,860,248	20,595,231	21,539,826	21,330,826	21,577,804
Misc. Other Revenue					
Subtotal - Gifts and Contracts	292,935	273,890	203,633	214,079	273,500
Subtotal - Investments/Debt/Debt Service	860,698	493,876	831,925	428,679	621,925
Subtotal - Sales and Services	661,299	732,705	601,354	1,125,750	1,142,523
Subtotal - Other Revenue	79,168	345,438	469,030	575,000	61,650
Subtotal - Internal Sales	7,311	5,590	-	-	-
<b>Total - Miscellaneous Other Revenue</b>	<b>1,901,411</b>	<b>1,851,499</b>	<b>2,105,942</b>	<b>2,343,508</b>	<b>2,099,598</b>
<b>Total Revenue</b>	<b>53,388,283</b>	<b>57,187,587</b>	<b>60,444,827</b>	<b>60,837,698</b>	<b>65,491,310</b>

Tuition Revenue: Driven by Online MBA enrollment and 4.22% rate increase

<b>EDUCATION AND GENERAL REVENUE</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
Total Tuition	36,335,550	37,257,346	37,169,558	37,959,620	42,700,752
Total Fees	1,502,598	1,374,388	3,216,341	3,260,740	3,255,539
Total Remissions	(3,211,523)	(3,890,877)	(3,586,840)	(4,056,996)	(4,142,383)
Total - Tuition, Fees, net of Remissions	34,626,624	34,740,857	36,799,059	37,163,364	41,813,908
Total - State Support	16,860,248	20,595,231	21,539,826	21,330,826	21,577,804
Misc. Other Revenue					
Subtotal - Gifts and Contracts	292,935	273,890	203,633	214,079	273,500
Subtotal - Investments/Debt/Debt Service	860,698	493,876	831,925	428,679	621,925
Subtotal - Sales and Services	661,299	732,705	601,354	1,125,750	1,142,523
Subtotal - Other Revenue	79,168	345,438	469,030	575,000	61,650
Subtotal - Internal Sales	7,311	5,590	-	-	-
Total - Miscellaneous Other Revenue	1,901,411	1,851,499	2,105,942	2,343,508	2,099,598
<b>Total Revenue</b>	<b>53,388,283</b>	<b>57,187,587</b>	<b>60,444,827</b>	<b>60,837,698</b>	<b>65,491,310</b>

Remissions: Continuing significant growth from FY18, per TAC



<b>EDUCATION AND GENERAL REVENUE</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
Total Tuition	36,335,550	37,257,346	37,169,558	37,959,620	42,700,752
Total Fees	1,502,598	1,374,388	3,216,341	3,260,740	3,255,539
Total Remissions	(3,211,523)	(3,890,877)	(3,586,840)	(4,056,996)	(4,142,383)
<b>Total - Tuition, Fees, net of Remissions</b>	<b>34,626,624</b>	<b>34,740,857</b>	<b>36,799,059</b>	<b>37,163,364</b>	<b>41,813,908</b>
<b>Total - State Support</b>	<b>16,860,248</b>	<b>20,595,231</b>	<b>21,539,826</b>	<b>21,330,826</b>	<b>21,577,804</b>
Misc. Other Revenue					
Subtotal - Gifts and Contracts	292,935	273,890	203,633	214,079	273,500
Subtotal - Investments/Debt/Debt Service	860,698	493,876	831,925	428,679	621,925
Subtotal - Sales and Services	661,299	732,705	601,354	1,125,750	1,142,523
Subtotal - Other Revenue	79,168	345,438	469,030	575,000	61,650
Subtotal - Internal Sales	7,311	5,590	-	-	-
<b>Total - Miscellaneous Other Revenue</b>	<b>1,901,411</b>	<b>1,851,499</b>	<b>2,105,942</b>	<b>2,343,508</b>	<b>2,099,598</b>
<b>Total Revenue</b>	<b>53,388,283</b>	<b>57,187,587</b>	<b>60,444,827</b>	<b>60,837,698</b>	<b>65,491,310</b>

State Support: Growth in funding due to SOU beating “Average” results

<b>EDUCATION AND GENERAL REVENUE</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
Total Tuition	36,335,550	37,257,346	37,169,558	37,959,620	42,700,752
Total Fees	1,502,598	1,374,388	3,216,341	3,260,740	3,255,539
Total Remissions	(3,211,523)	(3,890,877)	(3,586,840)	(4,056,996)	(4,142,383)
<b>Total - Tuition, Fees, net of Remissions</b>	<b>34,626,624</b>	<b>34,740,857</b>	<b>36,799,059</b>	<b>37,163,364</b>	<b>41,813,908</b>
Total - State Support	16,860,248	20,595,231	21,539,826	21,330,826	21,577,804
Misc. Other Revenue					
Subtotal - Gifts and Contracts	292,935	273,890	203,633	214,079	273,500
Subtotal - Investments/Debt/Debt Service	860,698	493,876	831,925	428,679	621,925
Subtotal - Sales and Services	661,299	732,705	601,354	1,125,750	1,142,523
Subtotal - Other Revenue	79,168	345,438	469,030	575,000	61,650
Subtotal - Internal Sales	7,311	5,590	-		
<b>Total - Miscellaneous Other Revenue</b>	<b>1,901,411</b>	<b>1,851,499</b>	<b>2,105,942</b>	<b>2,343,508</b>	<b>2,099,598</b>
<b>Total Revenue</b>	<b>53,388,283</b>	<b>57,187,587</b>	<b>60,444,827</b>	<b>60,837,698</b>	<b>65,491,310</b>

Miscellaneous Other: Minimal growth, based on trend lines

# Expenditures

<b>EDUCATION AND GENERAL</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>LABOR</b>					
Subtotal - Unclassified Salaries	19,257,412	19,503,869	20,378,196	21,033,150	22,110,421
Subtotal - Unclassified Pay	2,373,338	2,811,929	3,175,364	2,988,924	2,913,990
Subtotal - Classified Salaries	5,268,850	5,656,301	5,933,830	6,158,086	6,511,866
Subtotal - Classsified Pay	258,679	280,323	263,291	272,517	153,046
Subtotal - Student Pay	1,001,457	1,054,377	1,104,851	1,193,768	1,388,024
Subtotal - Grad Assist	68,529	119,904	68,956	128,000	182,836
Subtotal - Benefit Compensation	62,961	33,853	84,105	89,455	5,000
Subtotal - Other Payroll Expense (OPE)	14,488,152	15,002,995	15,275,659	17,020,245	18,462,519
<b>Total Labor</b>	<b>42,779,379</b>	<b>44,463,551</b>	<b>46,284,251</b>	<b>48,884,145</b>	<b>51,727,702</b>
<b>Total All Expenses</b>	<b>49,096,008</b>	<b>55,883,937</b>	<b>57,563,732</b>	<b>60,661,022</b>	<b>65,210,486</b>

Labor = 79.3% of total expenditures

<b>EDUCATION AND GENERAL</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>LABOR</b>					
Subtotal - Unclassified Salaries	19,257,412	19,503,869	20,378,196	21,033,150	22,110,421
Subtotal - Unclassified Pay	2,373,338	2,811,929	3,175,364	2,988,924	2,913,990
Subtotal - Classified Salaries	5,268,850	5,656,301	5,933,830	6,158,086	6,511,866
Subtotal - Classified Pay	258,679	280,323	263,291	272,517	153,046
Subtotal - Student Pay	1,001,457	1,054,377	1,104,851	1,193,768	1,388,024
Subtotal - Grad Assist	68,529	119,904	68,956	128,000	182,836
Subtotal - Benefit Compensation	62,961	33,853	84,105	89,455	5,000
Subtotal - Other Payroll Expense (OPE)	14,488,152	15,002,995	15,275,659	17,020,245	18,462,519
<b>Total Labor</b>	<b>42,779,379</b>	<b>44,463,551</b>	<b>46,284,251</b>	<b>48,884,145</b>	<b>51,727,702</b>

Pay is increasing at 4.4%, combination of COLA, Steps, YIR



<b>EDUCATION AND GENERAL</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>LABOR</b>					
Subtotal - Unclassified Salaries	19,257,412	19,503,869	20,378,196	21,033,150	22,110,421
Subtotal - Unclassified Pay	2,373,338	2,811,929	3,175,364	2,988,924	2,913,990
Subtotal - Classified Salaries	5,268,850	5,656,301	5,933,830	6,158,086	6,511,866
Subtotal - Classsified Pay	258,679	280,323	263,291	272,517	153,046
Subtotal - Student Pay	1,001,457	1,054,377	1,104,851	1,193,768	1,388,024
Subtotal - Grad Assist	68,529	119,904	68,956	128,000	182,836
Subtotal - Benefit Compensation	62,961	33,853	84,105	89,455	5,000
Subtotal - Other Payroll Expense (OPE)	14,488,152	15,002,995	15,275,659	17,020,245	18,462,519
<b>Total Labor</b>	<b>42,779,379</b>	<b>44,463,551</b>	<b>46,284,251</b>	<b>48,884,145</b>	<b>51,727,702</b>

Other Payroll Expenses (OPE) make up 35.7% of total payroll

<b>EDUCATION AND GENERAL</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>LABOR</b>					
Subtotal - Unclassified Salaries	19,257,412	19,503,869	20,378,196	21,033,150	22,110,421
Subtotal - Unclassified Pay	2,373,338	2,811,929	3,175,364	2,988,924	2,913,990
Subtotal - Classified Salaries	5,268,850	5,656,301	5,933,830	6,158,086	6,511,866
Subtotal - Classified Pay	258,679	280,323	263,291	272,517	153,046
Subtotal - Student Pay	1,001,457	1,054,377	1,104,851	1,193,768	1,388,024
Subtotal - Grad Assist	68,529	119,904	68,956	128,000	182,836
Subtotal - Benefit Compensation	62,961	33,853	84,105	89,455	5,000
Subtotal - Other Payroll Expense (OPE)	14,488,152	15,002,995	15,275,659	17,020,245	18,462,519
<b>Total Labor</b>	<b>42,779,379</b>	<b>44,463,551</b>	<b>46,284,251</b>	<b>48,884,145</b>	<b>51,727,702</b>
<b>Total All Expenses</b>	<b>49,096,008</b>	<b>55,883,937</b>	<b>57,563,732</b>	<b>60,661,022</b>	<b>65,210,486</b>

- Other Payroll Expenses (OPE) make up 35.7% of total payroll
- OPE is increasing at 8.5%, = 35% of total expenditure growth

## EDUCATION AND GENERAL

	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>DIRECT EXPENSE</b>					
<b>Service &amp; Supplies</b>					
Subtotal Supplies & Services	10,225,098	11,958,696	11,725,984	12,283,779	13,670,228
Subtotal - Capital Expense	236,628	202,360	193,651	140,003	241,251
Subtotal - Student Aid	-	-	-	-	-
Subtotal - Merchandise - Resale/Redist	-	-	-	-	-
Subtotal - Internal Sales Reimbursement	(2,599,325)	(2,843,645)	(2,876,505)	(2,920,144)	(3,019,585)
Subtotal - Student Loan Related Expenses	-	-	-	-	-
<b>Total Direct Expenditures</b>	<b>7,862,402</b>	<b>9,317,407</b>	<b>9,043,121</b>	<b>9,503,638</b>	<b>10,891,894</b>
<hr/>					
<b>Total All Expenses</b>	<b>49,096,008</b>	<b>55,883,937</b>	<b>57,563,732</b>	<b>60,661,022</b>	<b>65,210,486</b>

Services and Supplies = 16.7% of total expenditures

## EDUCATION AND GENERAL

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- Services and Supplies = 16.7% of total expenditures
- S&S is increasing at 14.6%

## EDUCATION AND GENERAL

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- Services and Supplies = 16.7% of total expenditures
- S&S is increasing at 14.6%
- Primarily, due to the cost of the Online MBA



## EDUCATION AND GENERAL

	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>INTERFUND TRANSFERS</b>					
Subtotal - Interfund Transfers In	(3,296,620)	(2,079,694)	(860,228)	(222,408)	(130,142)
Subtotal - Interfund Transfers Out	1,750,846	4,182,673	3,096,587	2,495,647	2,721,032
<b>Total Transfers</b>	<b>(1,545,774)</b>	<b>2,102,979</b>	<b>2,236,360</b>	<b>2,273,239</b>	<b>2,590,890</b>
<hr/>					
<b>Total All Expenses</b>	<b>49,096,008</b>	<b>55,883,937</b>	<b>57,563,732</b>	<b>60,661,022</b>	<b>65,210,486</b>

Interfund Transfers = 4% of total expenditures

## EDUCATION AND GENERAL

	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>INTERFUND TRANSFERS</b>					
Subtotal - Interfund Transfers In	(3,296,620)	(2,079,694)	(860,228)	(222,408)	(130,142)
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- Interfund Transfers = 4% of total expenditures
- Transfers are increasing 14%

## EDUCATION AND GENERAL

	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>INTERFUND TRANSFERS</b>					
Subtotal - Interfund Transfers In	(3,296,620)	(2,079,694)	(860,228)	(222,408)	(130,142)
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- Interfund Transfers = 4% of total expenditures
- Transfers are increasing 14%
- Primarily due to:



## EDUCATION AND GENERAL

	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
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- Interfund Transfers = 4% of total expenditures
- Transfers are increasing 14%
- Primarily due to:
  - Labor increases in supported programs: Athletics/JPR
  - Addition of the Student Recreation Center for Academic use

# Summary:

- Revenue
  - Tuition: Main drivers: Online MBA, 4.22% Rate increase
  - Remissions: Continuing significant growth targeting high need, last mile
  - State Support: Working hard to bend the curve in favor of SOU
  
- Labor
  - Primary driver: Other Payroll Expenses – amplified impact due labor % of total
  
- Supplies and Services
  - Primary driver: Online MBA
  
- Interfund Transfers
  - Primary driver: Labor cost increases, Adding Student Recreation Center

# Proposed Ending Fund Balance:

<b>EDUCATION AND GENERAL</b>	2015 Actual	2016 Actual	2017 Actual	2018 Proj End	2019 Budget
<b>REVENUE</b>					
Total - Tuition, Fees, net of Remissions	34,626,624	34,740,857	36,799,059	37,163,364	41,813,908
Total - State Support	16,860,248	20,595,231	21,539,826	21,330,826	21,577,804
Total - Miscellaneous Other Revenue	1,901,411	1,851,499	2,105,942	2,343,508	2,099,598
<b>Total Revenue</b>	<b>53,388,283</b>	<b>57,187,587</b>	<b>60,444,827</b>	<b>60,837,698</b>	<b>65,491,310</b>
<b>LABOR</b>					
Total Labor	42,779,379	44,463,551	46,284,251	48,884,145	51,727,702
<b>DIRECT EXPENSE</b>					
Total Direct Expenditures	7,862,402	9,317,407	9,043,121	9,503,638	10,891,894
<b>INTERFUND TRANSFERS</b>					
Total Transfers	(1,545,774)	2,102,979	2,236,360	2,273,239	2,590,890
<b>Total All Expenses</b>	<b>49,096,008</b>	<b>55,883,937</b>	<b>57,563,732</b>	<b>60,661,022</b>	<b>65,210,486</b>
<b>Total Revenues Less Expenses and Transfers</b>	<b>4,292,276</b>	<b>1,303,651</b>	<b>2,881,095</b>	<b>176,676</b>	<b>280,824</b>
<b>BEGINNING FUND BALANCE</b>				6,843,948	7,020,624
<b>ENDING FUND BALANCE</b>				7,020,624	7,301,448
<b>% OF TOTAL REVENUE</b>				11.5%	11.1%

Questions ???

**Southern Oregon University  
Board of Trustees**

**RESOLUTION  
Adoption of Fiscal Year 2018-19 Budget**

Whereas, ORS 352.102(1) provides that, except as set forth within ORS 352.102, the Board of Trustees may authorize, establish, collect, manage, use in any manner and expend all revenue derived from tuition and mandatory enrollment fees;

Whereas, ORS 352.107(1)(a) provides that the Board of Trustees may acquire, receive, hold, keep, pledge, control, convey, manage, use, lend, expend and invest all moneys, appropriations, gifts, bequests, stock and revenue from any source;

Whereas, ORS 352.107(1)(i) provides that the Board of Trustees may, subject to limitations set forth in that section, spend all available moneys without appropriation or expenditure limitation approval from the Legislative Assembly;

Whereas, ORS 352.107(2) requires, and the Board of Trustees finds, that the budget of the Southern Oregon University is prepared in accordance with generally accepted accounting principles;

Whereas, after detailed review, the Board of Trustees wishes to approve a budget for fiscal year 2017-2018; and

Whereas, the Finance and Administration Committee of the Board of Trustees has referred this matter to the full Board of Trustees, recommending approval;

Now, therefore, be it resolved, the Board of Trustees approves and adopts the Fiscal Year 2018-19 budget in the sum of \$86,566,121 inclusive of Education and General (budgeted operations) in the sum of \$65,710,486; an auxiliaries budget in the sum of \$16,427,493; and designated operations in the sum of \$4,428,142.

Vote:

Date: June 22, 2018

Recorded by the University Secretary:

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# Board Officer Elections

**Collective Bargaining Update –  
Executive Session  
[Pursuant to ORS 192.660(2)(d)]**

# Enrollment Update



# Current Funnel Report

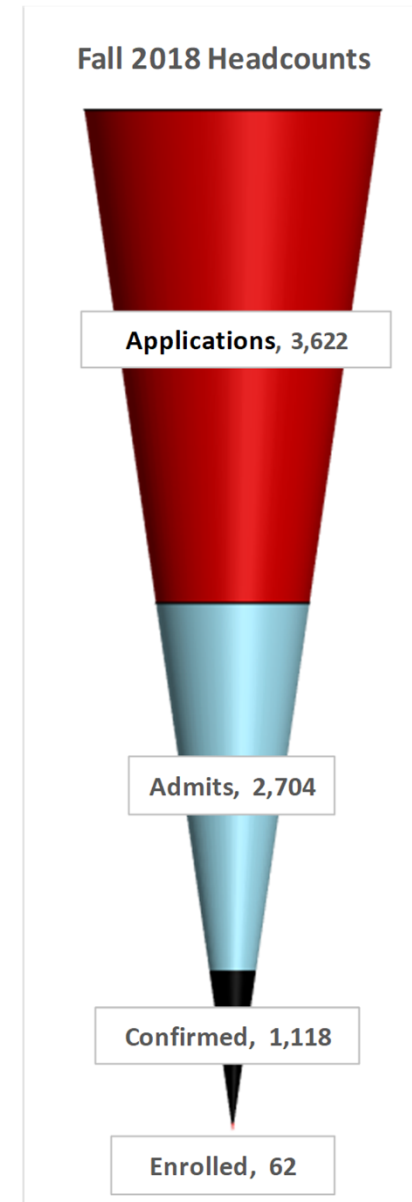
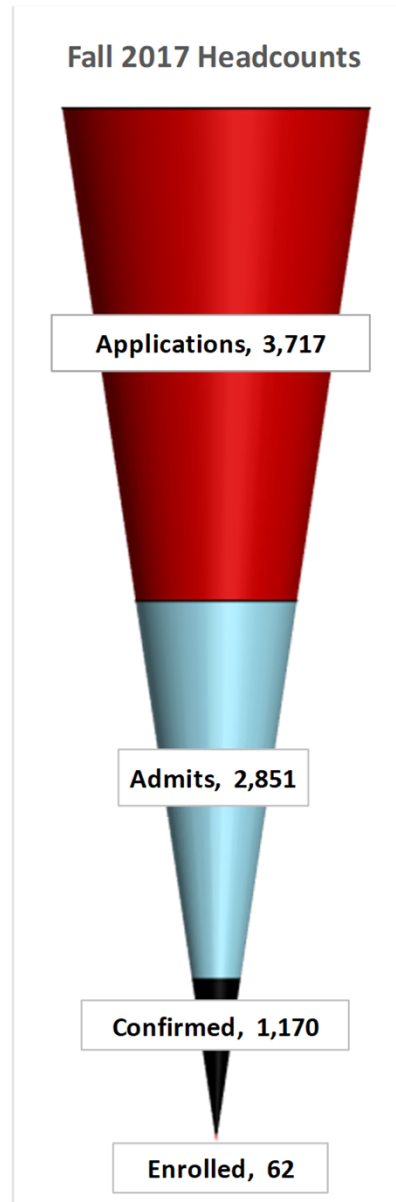
14 weeks before the start of fall term

Applications				
Student Type	Fall 2017	Fall 2018	Change	% Change
Freshmen - Resident	1,112	1,158	46	4.1%
Freshmen - Nonresident	1,597	1,546	-51	-3.2%
Transfer - Resident	350	312	-38	-10.9%
Transfer - Nonresident	385	293	-92	-23.9%
Postbacs/Grads	273	313	40	14.7%
<b>Total</b>	<b>3,717</b>	<b>3,622</b>	<b>-95</b>	<b>-2.6%</b>

Admits				
Student Type	Fall 2017	Fall 2018	Change	% Change
Freshmen - Resident	849	889	40	4.7%
Freshmen - Nonresident	1,263	1,158	-105	-8.3%
Transfer - Resident	276	241	-35	-12.7%
Transfer - Nonresident	321	240	-81	-25.2%
Postbacs/Grads	142	176	-	0.0%
<b>Total</b>	<b>2,851</b>	<b>2,704</b>	<b>-147</b>	<b>-5.2%</b>

Confirmed (e.g. deposit paid)				
Student Type	Fall 2017	Fall 2018	Change	% Change
Freshmen - Resident	319	336	17	5.3%
Freshmen - Nonresident	390	309	-81	-20.8%
Transfer - Resident	171	169	-2	-1.2%
Transfer - Nonresident	158	141	-17	-10.8%
Postbacs/Grads	132	163	31	23.5%
<b>Total</b>	<b>1,170</b>	<b>1,118</b>	<b>-52</b>	<b>-4.4%</b>

Enrolled*				
Student Type	Fall 2017	Fall 2018	Change	% Change
Freshmen - Resident	3	3	-	0.0%
Freshmen - Nonresident	22	13	-9	-40.9%
Transfer - Resident	6	11	5	83.3%
Transfer - Nonresident	5	6	1	20.0%
Postbacs/Grads	26	29	3	11.5%
<b>Total</b>	<b>62</b>	<b>62</b>	<b>-</b>	<b>0.0%</b>



# Enrollment Projections

Headcounts for fall term only

New	Historical Enrollment					Fall 2018 Projections		Fall 2019 Projections		Fall 2020 Projections	
	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Headcount	% Change	Headcount	% Change	Headcount	% Change
Freshmen - Resident	398	365	455	323	368	386	4.9%	391	1.2%	396	1.2%
Freshmen - Nonresident	242	346	367	363	378	351	-7.1%	353	0.5%	354	0.5%
Transfer - Resident	301	336	307	309	335	263	-21.5%	258	-1.9%	253	-1.9%
Transfer - Nonresident	218	215	230	210	199	159	-20.1%	150	-5.7%	141	-5.7%
Postbac/Grad	120	132	107	130	142	152	7.0%	161	5.8%	170	5.8%
<b>Continuing</b>	3515	3310	3188	3064	3028	3052	0.8%	2968	-2.8%	2886	-2.8%
<b>Returning after an absence</b>	46	118	160	217	230	216	-6.3%	241	11.8%	269	11.8%
<b>Non-admitted UG</b>	1131	1082	1104	1176	1145	1150	0.4%	1155	0.4%	1159	0.4%
<b>Non-admitted GR</b>	176	302	287	263	291	262	-10.0%	254	-3.2%	246	-3.2%
<b>Enrollment Total</b>	<b>6147</b>	<b>6206</b>	<b>6205</b>	<b>6055</b>	<b>6116</b>	<b>5991</b>	<b>-2.1%</b>	<b>5929</b>	<b>-1.0%</b>	<b>5875</b>	<b>-0.9%</b>
				w/AP Online MBA		<b>6091</b>	<b>-0.4%</b>	<b>6049</b>	<b>-0.7%</b>	<b>5995</b>	<b>-0.9%</b>

Fall 2018 projections are computed using three different models

1. New student projections derived from an admission application based model. This model uses current applications in each student category and a three year average conversion and yield rate to estimate likely enrollment.
2. Continuing and returning projections use a multi-linear regression model which employs several variables including previous enrollment, unemployment rate, tuition rates, etc.
3. Non-admitted UG/GR enrollments are estimated using basic linear trend analysis.

# Enrollment Management Process

## Enrollment Management Council

- Composition
- Timeframe
- Charge

## Enrollment Management Plan

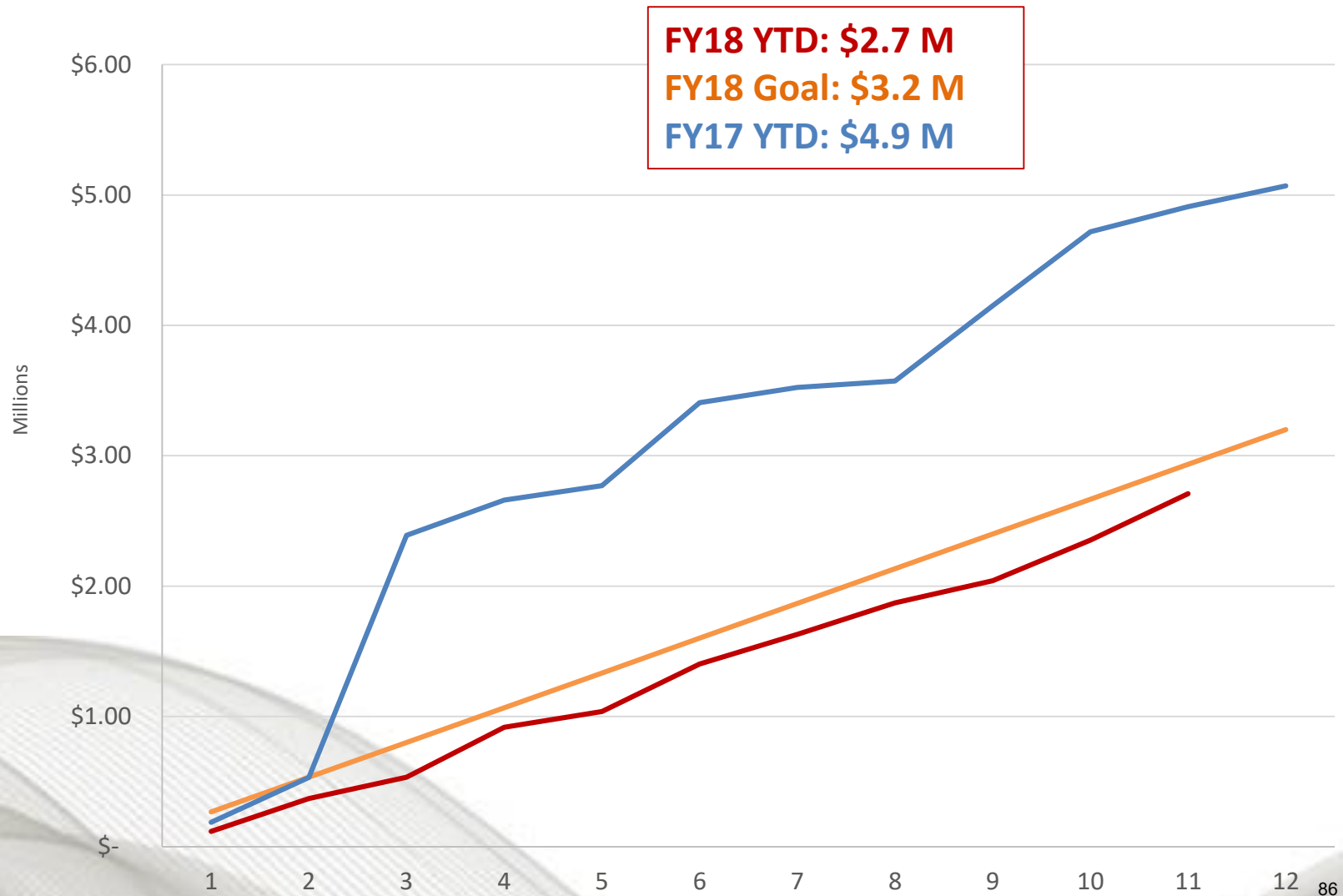
- Draft and Review
- Long and short term goals
- Initiatives
- Implementation
- Assessment and revision

# SOU Foundation Update



# Fundraising Update

## FY 17-18 YTD



# What's in the Numbers?



# OLLI Capital Campaign

**\$180,000 in total gifts and pledges**

**\$350,000 TOWARD CAMPAIGN GOAL**





# RAIDER



EUGENE | March 7, 2018

BEND | March 8, 2018

PORTLAND | April 17, 2018

MEDFORD | May 2, 2018

HONOLULU | May 23, 2018



# RAIDER RENDEZVOUS

**SO** Southern OREGON  
**U** UNIVERSITY  
FOUNDATION



**BEND**      **EUGENE**  
**HONOLULU**      **MEDFORD**      **PORTLAND**

# Legs of the Development Stool



## Organization & Staffing

- Major Gifts (+1.0 FTE)
- Annual Giving (+1.0 FTE)
- Complex, nuanced, & data-driven decisions
- A culture of philanthropy

## Pipeline of Donors

- Tell our story
- Stewardship of existing donors
- Expand alumni outreach

## Purpose & Priorities

- Strategic plan
- Clear campus fundraising priorities
- Volunteer alignment
- Impact of giving



Marjorie Avery  
and  
Prakash Chenjeri



Sue & Michael Polich  
and  
Terry Longshore

## Jean Sewell Donly

Aug 17, 1929 - April 23, 2018



Jean Sewell Donly, an Oregonian native, passed away peacefully on Monday April 23rd. She is survived and remembered by her daughter Lindsay and son-in-law Rollin, her granddaughters Ashley and Lauren and great grandchildren Julian, Jada and Lucius. She is also survived by her brother-in-law Donald Robison and nephew Matt Robison.

Jean was born and raised in Portland. She attended Lincoln High School and graduated Oregon State University as a member of the Chi Omega sorority. Jean lived for many

years with her beloved husband Hugh Donly in Ukiah CA and in Prince Albert, Canada and along the Rouge River in Southern Oregon. She was a talented interior decorator by profession. Over the years she worked in San Francisco, Eugene and Portland, and upon retiring she continued to assist family and friends with her talent for decorating.

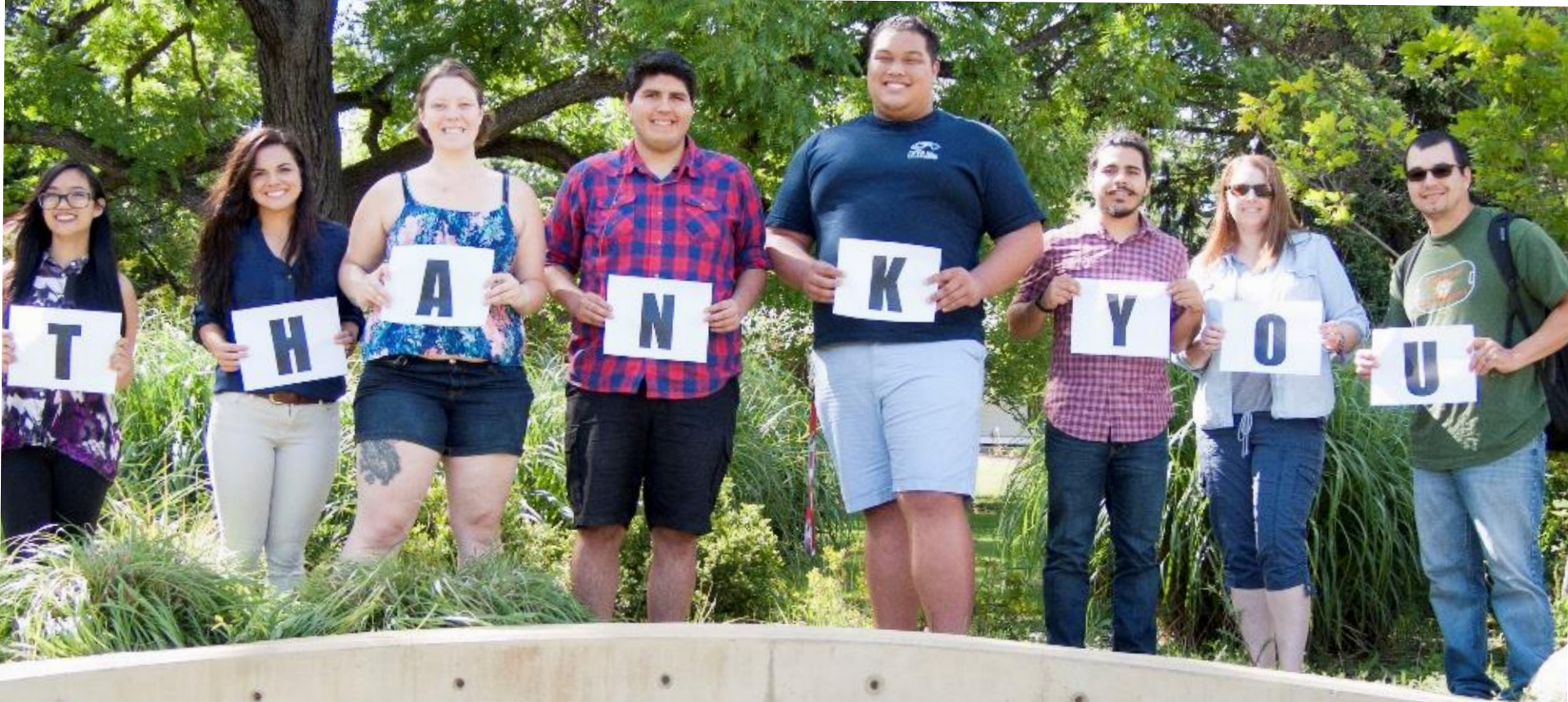
Jean was a crossword fanatic, a scone-making master and world traveler. She was a lover of all things living, particularly insects and animals. She enjoyed attending Portland Center Stage and sharing a meal afterward with her friends. She invested in her community by giving her time in particular volunteering for many years at the Portland Art Museum and was a committed philanthropist to dozens of charitable organizations.

Jean was a loyal and compassionate person who cared deeply for others. Rest in Peace Jean Sewell Donly, you are and will be sincerely missed.

In honor of Jean, please donate to Southern Oregon University, 1250 Siskiyou Blvd. Ashland OR 97520

*Please sign the online guest book at [www.oregonlive.com/obits](http://www.oregonlive.com/obits)*

## Jean Donly and Women's Studies



**SOUTHERN OREGON  
UNIVERSITY**

# Government Relations Update



# 2019 Session: Funding Request



- State Funding Process: CFR – ARB – GRB – LAB
- The Universities' PUSF Ask: +130k to sustain services;  
1B for real progress

# Other Legislative Items

- HEA (Senate) / PROSPER Act (House)
- DACA
- Contact with Senator Merkley
- In-district visits to state legislators
- Information for candidates

# Governance Discussion

**Southern Oregon University  
Board of Trustees**

**Board Policy Review Items**

**Bylaws**

- [Bylaws](#)

**Board Policies**

- [Resolution on the Responsibilities of Individual Trustees](#)
- [Board Statement on the Conduct of Public Meetings](#)
- [Board Statement on the Performance of Official Business](#)
- [Board Statement on Delegation of Authority](#)
- [Board Statement on Board Committees](#)
- [Board Statement on Ethics and Conflict of Interest](#)
- [Board Statement on Policies](#)
- [Board Statement on Recommending Candidates for At-large Board Positions](#)
- [Investment Policy, SOU Endowment Fund](#)
- [Board Statement on Evaluation of the University President](#)

# 2017-18 Board of Trustees Self-evaluation

1. For recording purposes, please provide your name.

\_\_\_\_\_

2. Expectations for board members are described in the board's "Resolution on the Responsibilities of Individual Trustees." Please rate yourself on the following.

	Not Effective at All	Slightly effective	Moderately effective	Very effective	Extremely effective
Evaluation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fiduciary Duties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Respect	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Personal Behavior	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. Please indicate your current participation, your professional expertise and your future interest in the following committees.

	Currently Serve	Professional Expertise	Future Interest
Academic and Student Affairs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Executive and Audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Finance and Administration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Have you participated in other activities aside from required board and committee meetings?

Yes

No

*Display This Question:*

*If 4= Yes:*

**4.b. If so, please indicate all of the SOU activities you have attended in the past year:**

- Commencement
- Convocation
- Student Activities (ex.: Luau)
- ROARs
- ASSOU Meetings
- Faculty Senate Meeting
- Athletic Events
- SOU-related Community Events
- Fundraising Events
- Others

**5. Are there barriers to your participation and/or fulfillment of your board responsibilities? (e.g., conflict in work schedule, increased family commitments, residence out-of-town, evolving personal health issues, other commitments)**

- Yes
- No

*Display This Question:*

*If 5 = Yes*

**5.b. If yes, please explain.**

---

*Display This Question:*

*If yes, please explain. Text Response Is Displayed*

**5.c. If any, are there ways that you think the board or university staff can help with addressing these barriers?**

---

**6. Please indicate your level of professional expertise in the following areas and check the area(s) in which you would like additional training/information.**

	No Experience	Limited Experience	Moderate Experience	Extensive Experience	Additional Training/Information
Strategic planning and execution ( <i>mission, goal-setting, measurement</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Academic affairs ( <i>faculty matters, curriculum, academic support programs</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Student affairs ( <i>student life, student government, student success, issues</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Higher education ( <i>trends, issues, history, nuances, emergent issues</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Board-president/CEO relationships ( <i>management, development, evaluation, employment</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Enterprise management ( <i>internal/external audits, business affairs, internal controls, processes</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial management ( <i>financial auditing, budgets, investing, bonding</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Philanthropy ( <i>fundraising, stewardship, endowment investment</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Government relations ( <i>federal affairs, state affairs, appropriations, legislative process</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal affairs ( <i>policies, risk, litigation, employment matters</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Physical plant and planning ( <i>construction, capital projects, maintenance, planning</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Research ( <i>grants, federal funding, commercialization, internal review board/safety</i> )	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compliance ( <i>state statutes, policy development,</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

performance assessment)

**7. To the best of your ability, please assess the board's collective professional knowledge and experience in the following areas.**

	No Knowledge	Slightly Knowledgeable	Moderately Knowledgeable	Very Knowledgeable	Extremely Knowledgeable
Strategic planning and execution ( <i>mission, goal-setting, measurement</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Academic affairs ( <i>faculty matters, curriculum, academic support programs</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Student affairs ( <i>student life, student government, student success, issues</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Higher education ( <i>trends, issues, history, nuances, emergent issues</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Board-president/CEO relationships ( <i>management, development, evaluation, employment</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Enterprise management ( <i>internal/external audits, business affairs, internal controls, processes</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Financial management ( <i>financial auditing, budgets, investing, bonding</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Government relations ( <i>federal affairs, state affairs, appropriations, legislative process</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Legal affairs ( <i>policies, risk, litigation, employment matters</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Physical plant and planning ( <i>construction, capital projects, maintenance, planning</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Research ( <i>grants, federal funding, commercialization, internal review board/safety</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Compliance ( <i>state statutes, policy development, performance assessment</i> )	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



**8. How would you rate the overall performance of the board?**

	Not Effective	Slightly Effective	Moderately Effective	Very Effective	Extremely Effective
Performance Rating	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**9. In 2018-19, I would like to see the board:**

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**10. In 2018-19, I would like to personally engage with or focus on:**

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**11. Please indicate the board leadership position(s) in which you would be interested in serving in the future, if any (select all that apply).**

- Board Chair and Executive and Audit Committee Chair
- Vice Chair
- Academic and Student Affairs Committee Chair
- Finance and Administration Committee Chair
- Special Committee Chair (e.g., Presidential Search Committee Chair, Work Group Chair)
- I am not interested in serving in a board leadership position.

**12. Please provide feedback for the following individuals with respect to their board leadership performance (feedback on areas strength and opportunity). Feedback will be provided to the individual only and not shared with the full board.**

- Chair Thorndike \_\_\_\_\_
- Vice Chair Hennion \_\_\_\_\_
- ASAC Chair Sayre \_\_\_\_\_
- EAC Chair Thorndike \_\_\_\_\_
- FAC Chair Nicholson \_\_\_\_\_

**13. What are your suggestions to improve the performance of the board?**

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**14. Do you have any additional comments or suggestions regarding the board, in general?**

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**15. What can staff members do to better serve the board? (Please provide general comments rather than comments directed at a specific individual.)**

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**16. What do you think about the number of board and committee meetings in 2017-18?**

	Too Few	Too Many	Just Enough	Too Many (but unavoidable under the circumstances)
Board of Trustees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Academic and Student Affairs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Finance and Administration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Executive and Audit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**17. Would you like for the board to consider holding occasional board and/or committee meetings at other SOU locations, such as other buildings, the student union, and the Medford campus?**

- Yes, I would like us to consider meeting in these or other places.
- Yes, I would like us to consider meeting in these or other places. but only if it logically makes sense with our agenda to hold meetings in these places.
- No. For consistency and ease of access, I would like us to meet in the same place.

**18. Please provide any additional feedback you may have regarding our board's meeting schedule.**

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**19. How should board members introduce agenda items to the chairs?**

- We should email the chairs and/or board secretary with our suggestions.
- The chairs should invite suggestions for future topics as an agenda item at the end of each meeting.
- Both methods should [continue to] be used.
- I would like to suggest another way to introduce agenda items. (4)

*Display This Question:*

*If 19 = I would like to suggest another way to introduce agenda items.*

**19.b. . . . and my suggestion is:**

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**20. Are the meeting materials and related information presented to the board by the administrative units and staff relevant and helpful to the board in their decision making and in meeting their fiduciary responsibilities?**

- Yes
- No

**20.b. Please provide any additional feedback you have about presentation materials.**

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**21. The board uses common parliamentary procedures to conduct meetings. Would you like to see more procedures implemented?**

- No, our meetings procedures are fine/too much procedure gets in the way of progress.
- Yes, our meeting procedures need to be more structured/our meetings would benefit from additional procedures.
- I suggest the following specific improvements to meeting procedures:

*Display This Question:*

*If 21 = I suggest the following specific improvements to meeting procedures:*

**21.b. Specific procedures:**

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**22. At full board meetings, how would you describe the amount of time spent discussing seconded motions from committees?**

- Too much
- Not enough
- The appropriate amount of time

**23. Please provide feedback on the educational items presented at lunchtime in full board meetings (e.g., *Student Tuition, Debt and Affordability, Academic Resource Management, Governance and Ethics Refresher, etc.*). Should we continue this practice? Is there anything you would like to see or learn more about?**

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**24. The online materials we receive in preparation for meetings:**

- Need to be simplified and made shorter.
- Should be more in-depth.
- Are fine the way they are and provide the appropriate information that we need.

**25. Are you interested in a different or more formal format of meeting materials?**

- Yes, a more formal format would be a welcome change.
- No, more formality or an increase in materials would be an unwelcome change.
- I'm not sure/I'm comfortable with our current format.

**26. Would you like to complete a short assessment survey at more frequent intervals or following quarterly meetings to gauge progress and/or performance of the board?**

- Yes
- No

**27. What do you think of the amount of communication from the board office?**

- Too much
- Too little
- The appropriate amount

**28. Suggestions for improving communication:**

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**29. Please use the space below to provide additional feedback regarding any item(s) in this evaluation or on items not otherwise addressed.**

# Presidential Evaluation Process

**Board Statement on Evaluation of the University President  
Board of Trustees of Southern Oregon University**

It is the policy of the Board of Trustees of Southern Oregon University (“Board”) to review the performance of the President annually.

The primary purposes of the annual review are to enable the President to strengthen his or her performance and effectiveness in leading the institution to success and to allow the President and the Board to set mutually agreeable goals. The review process is not intended as a substitute for regular and ongoing communication about progress toward goals between the President and the Board.

Annual reviews will inform decisions regarding compensation, although compensation adjustments are not necessarily awarded simultaneously with a positive performance review. Adjustments to, or renewal of, the President’s contract will be handled as a separate matter, taking into account presidential performance, peer-group comparisons and other factors.

The annual review process will occur on a July 1-June 30 cycle. The annual review will cover the preceding year.

The criteria for evaluation and information responsive to those criteria will be based principally on the President’s self-assessment with respect to goals mutually set by the Board and President for the year in review.

The retrospective elements of the President’s self-assessment customarily will include:

- A copy of the mutually-agreed upon goals, with a description of efforts to meet them and the President’s progress assessment.
- A description of other personal or institutional achievements of which the Board should, or might, be informed by the President as aspects of performance or accomplishment.
- Identification of significant institutional or personal challenges the President faced over the course of the review year that affected progress toward goals, with particular focus on those that are likely to persist into the upcoming year or beyond.
- Comments regarding the vice presidents and other equivalent University officers who report directly to the President.
- Key areas in which the Board has been especially supportive.

The prospective elements of the President’s self-assessment customarily will include:

- Goals the President proposes for their individual performance and the institution over the course of the upcoming year and for three to five years.

- The President’s professional development plans and any associated requests of the Board.
- The President’s assessment of the University’s principal current opportunities and challenges.
- Key areas in which the President would especially benefit from Board support.

### Review Process

The President will submit his or her self-assessment to the Board Chair by July 31 of each year. The Board Chair and the President will then meet to discuss the self-assessment. The Board Chair shall, in a timely manner, seek confidential input and comments from trustees and, as the Board Chair deems appropriate, from members of the University community selected by the Board Chair, as the Board Chair deems appropriate.

The President’s self-assessment will be provided to the Board, along with any other information determined by the Board Chair. The Executive and Audit Committee may meet in executive session for the purpose of evaluating the President, during which the President is to present their self-assessment and engage in a discussion with the Committee regarding both the retrospective and prospective elements of the assessment. The President may be excluded from any portion of such an executive session at the discretion of the Board Chair.

Following the meeting of the Executive and Audit Committee, the Board Chair will prepare an evaluation of the President and a summary of the Committee’s comments. The evaluation and self-assessment will be shared with the full Board prior to any Board’s meeting in which the Board will discuss the evaluation.

At the Board’s fall meeting, or as soon thereafter as the Board’s calendar will reasonably allow, the full Board may go into an executive session to discuss the evaluation of the President. The President may be excluded from any portion of such an executive session at the discretion of the Board Chair. After the Board discusses the evaluation of the President, the President will then present to the Board for approval the goals that the President proposes for their individual performance and for the institution for the upcoming year and for three to five years. The President’s presentation of their goals and the Board’s consideration of such goals shall take place in public session.

After the fall meeting, the Board Chair will meet with the President to communicate verbally and/or in writing to the President the conclusions of the evaluation and any recommendations, concerns, or priorities arising out of the evaluation.

The Executive and Audit Committee may, at its discretion, perform a comprehensive performance review of the President, including a 360-degree review. A comprehensive review of



this nature should generally be performed prior to consideration of the renewal of the President's contract. When a comprehensive review is performed, it is to be incorporated into the annual review process described above, with such adjustments to the schedule as may be necessary.

Pursuant to ORS 351.065, documents regarding the President's performance, including the Board's evaluation, the 360-degree review, and the President's self-assessment, are faculty personnel records and are not public records.

The Board will periodically review and, as necessary or desirable, revise this policy and its associated procedures in light of experience gained, best practices, and legal developments as applicable.

Approved on January 20, 2017



Chair, Board of Trustees



University Board Secretary

# Trustee Recognition

# Future Meetings

# Adjournment