

2019 UNIVERSITY EVALUATION: Eastern Oregon University



Source: Department of State Lands

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INTRODUCTION

This report is guided by Oregon Revised Statute 352.061, which requires that the Higher Education Coordinating Commission (HECC) submit to the Legislative Assembly an evaluation of public universities listed in ORS 352.002. Each public university must be evaluated in the manner required by this section once every two years. The purpose of this 2019 report is to evaluate the contributions of Eastern Oregon University (EOU) to State objectives for higher education as articulated in statute and in the HECC's Strategic Plan (https://www.oregon.gov/HigherEd/Documents/HECC/Reports-and-Presentations/HECC-StrategicPlan_2016.pdf). The Report relies on a combination of accreditation reports, self-assessments conducted by the university on criteria jointly developed with the HECC, and state and federal data. This is Eastern Oregon University's third evaluation, and as such, it builds on the descriptive benchmarks identified in the 2017 Report. It is a formative document that signals areas of key interest to the HECC that support the objectives of the State of Oregon: student success as measured by degree completion; access and affordability as measured by equity across socioeconomic, racial/ethnic and regional (urban/rural) groups; academic quality and research; financial sustainability; and continued collaboration across universities in support of the State's mission for higher education. Additionally, the report describes how EOU's Board of Trustees has operated since its formation in July 2015. The form and content of subsequent evaluations will be guided by feedback from legislators, the public, and the universities about how to improve the usefulness of this process and product.

LEGISLATIVE MANDATE (SB 270)

Passed by the Oregon legislature in 2013, Senate Bill 270 established individual governing boards at the University of Oregon (UO) and Portland State University. It also established a time frame for Oregon State University (OSU) to establish an individual governing board, which it subsequently did. House Bill 4018, enacted in 2014, and Senate Bill 80, enacted in 2015, authorized the establishment of independent governing boards at Western Oregon University (WOU), Southern Oregon University (SOU), Oregon Institute of Technology (OIT) and Eastern Oregon University (EOU) and abolished the Oregon University System. SB 270 and subsequent legislation required the Higher Education Coordinating Commission (HECC) to conduct an evaluation of the public universities. During the 2017 Legislative Session, the legislature amended ORS 352.061 requiring the HECC to evaluate each public university once every two years. The evaluation criteria are codified in Oregon Revised Statute (ORS) 352.061.

ORS 352.061(2) requires that the HECC's evaluations of universities include:

- a) A report on the university's achievement of outcomes, measures of progress, goals and targets;
- b) An assessment of the university's progress toward achieving the mission of all education beyond high school as described in ORS 350.014 (the "40-40-20" goal); and,

Finally, ORS 352.061(2)(c) also requires that the HECC assess university governing boards against the findings set forth in ORS 352.025, including the provision that governing boards:

- a) Provide transparency, public accountability and support for the university.
- b) Are close to, and closely focused on, the individual university.
- c) Do not negatively impact public universities that do not have governing boards.
- d) Lead to greater access and affordability for Oregon residents and do not disadvantage Oregon students, relative to out-of-state students.
- e) Act in the best interests of both the university and the State of Oregon, as a whole.

- f) Promote the academic success of students in support of the mission of all education beyond high school, as described in ORS 350.014 (the “40-40-20” goal).

For context, ORS 352.025 notes four additional Legislative findings:

- a) Even with universities with governing boards, there are economy-of-scale benefits to having a coordinated university system.
- b) Even with universities with governing boards, services may continue to be shared among universities.
- c) Legal title to all real property, whether acquired before or after the creation of a governing board, through state funding, revenue bonds, or philanthropy, shall be taken and held in the name of the State of Oregon, acting by and through the governing board.
- d) The Legislative Assembly has a responsibility to monitor the success of governing boards at fulfilling their missions and compacts, and the principles stated in this section.

This year the HECC evaluated the four technical and regional universities (TRUs): Western Oregon University, Southern Oregon University, Eastern Oregon University, and Oregon Institute of Technology.

EVALUATION PROCESS

In an effort to approach the first annual evaluation in a collaborative manner, in 2015 the HECC formed a work group comprised of university provosts, inter-institutional faculty senate, staff from the Chief Education Office, HECC staff, and other university faculty and staff. The workgroup began meeting in February 2015 with a focus on understanding the purpose and scope of the evaluation as defined in statutes, the structure of the evaluation, and the process for the evaluation. As a result of these conversations, an evaluation framework was developed as a tool to assist in the evaluation process.

During its development, the framework was shared with various groups such as university presidents, university faculty senates, and others, to seek feedback and input on the framework. The framework was revised based on input and suggestions and three categories were identified as organizers. These included institutional focus areas, governance structure focus areas, and academic quality. Each category contained key metrics and performance measures of academic quality that were aligned with the newly-adopted student success and completion model indicators. After final review and consideration of stakeholder feedback, the HECC adopted the framework on September 10, 2015.

During each evaluation cycle, the framework template is populated with data from the HECC Research Office and then verified by university offices for institutional research and data. All data included in this report are from the HECC unless otherwise indicated.

A balanced evaluation of whether Oregon’s public universities are meeting the goals described for them by State law does not lend itself to a formulaic or mechanical approach. The Commission draws from contextual elements such as the State’s fluctuating funding for higher education and changing student demographics to help explain data in the framework, and progress towards goals. The Commission also leverages other evaluations already undertaken by universities including self-studies, accreditation reports and the work of boards of trustees to provide a perspective that is uniquely focused on each institution’s contribution to serving the State’s higher education mission under the new governance model.

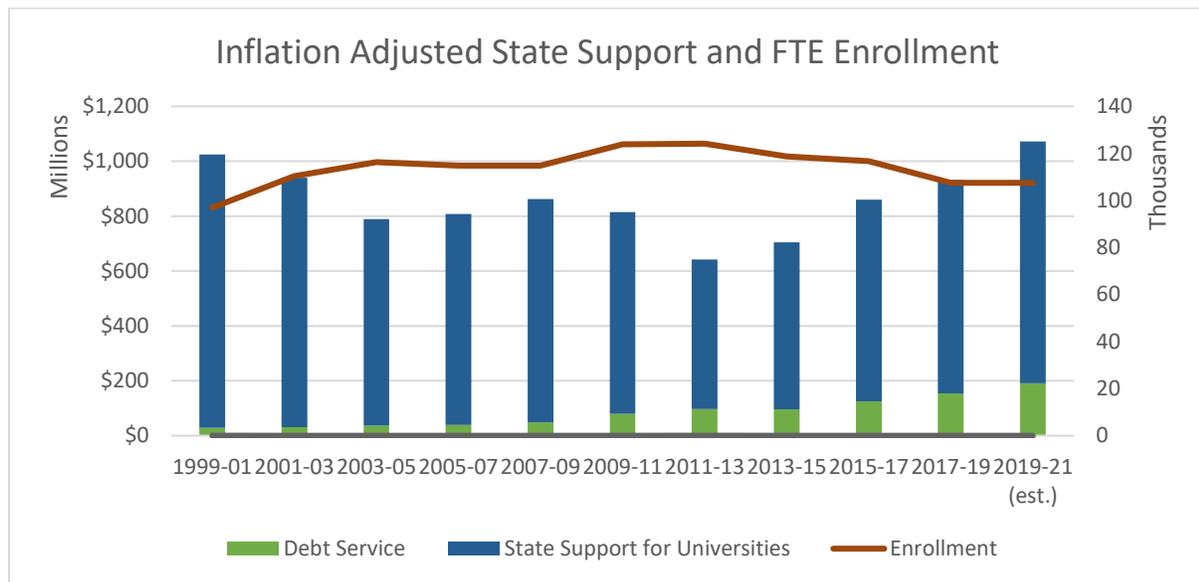
This report is focused on the legislative charge and the HECC’s primary areas of emphasis as indicated in its Strategic Plan. This report is not a comprehensive evaluation. It reflects the narrower scope of legislative issues of interest, incorporating findings from accreditation studies where there is overlap.

STATEWIDE CONTEXT

Funding History

Over the past several biennia, state funding for public universities has not kept pace with enrollment or inflation. While recent investments have moved the needle in a positive direction, additional funding is necessary to support institutions as they work to increase the graduation and completion rates for a growing diverse population.

Figure 1: Public University Funding



Source: HECC (2019; *figures adjusted for inflation)

Governance Changes

Senate Bill 270 (2013) outlines the benefits that are to be achieved from having public universities with governing boards that are transparent, closely aligned with the university’s mission, and that “act in the best interest of both the university and state of Oregon as a whole.” In addition, the Legislature found that there are benefits to having economies of scale and as such, universities were granted the ability to continue participation in shared service models. It is important to note that all public universities are required to participate in group health insurance, a select set of group retirement plans, and collective bargaining through July 1, 2019 per ORS 352.129. After July 1, 2019 the universities were no longer mandated to offer the same scope and value for each of the employee benefits referenced in the statute (ORS 352.129), but are still required to participate in a shared administrative arrangement for the provision of the benefits.

Local Conditions and Mission

Eastern Oregon University has a proud history of serving citizens and rural communities throughout the state of Oregon and in the surrounding region. Founded in 1929, EOU serves its communities today through a special focus on rural, regional, and distance learning. EOU was officially designated as Oregon's Rural University in March 2019 (HB 4153). Long an essential part of the fabric of northeast Oregon, EOU plays a unique role as the educational, cultural, and economic engine throughout eastern Oregon and other rural areas of the state, offering 33 bachelor's degrees, 31 different minors, four master's programs and multiple partnership opportunities. Programs are delivered on campus, online, and onsite in La Grande and at 11 regional centers throughout the state and include liberal arts and sciences, business and agribusiness, education, and partner programs in agriculture and nursing.

Eastern Oregon University's founding mission was to serve the community and the region. The University's current mission remains centered on providing the citizens of the region access to a quality education, delivering affordable programs, and engaging with the rural and frontier regions of the state. EOU's rural geographic location, traditions, and work ethic play an important role in the school's history as it explores the new dimensions of work and society in a changing local and global environment.

As one of Oregon's seven public universities, EOU is unique. In its rural setting, relatively remote from the population centers of the western side of the state, the University serves communities inside a geographic footprint roughly the size of the state of Pennsylvania. As a result, EOU serves a varied student population both on campus and at a distance, onsite through its 11 regional centers and online. Longstanding agreements with partner public universities in Oregon ensure that students in the eastern region of the state have access to degrees in nursing and agriculture. As a nationally recognized leader and pioneer in providing online courses, EOU works with students across Oregon, giving them the flexibility they need to reach their goals. Twenty-three different degree programs and 19 minors can be completed entirely online, bringing affordable and accessible education to students living throughout Oregon and beyond. More than 50 percent of current EOU students are taking advantage of a mix of flexible course accessibility.

Many of EOU's students are first generation college students from small schools in remote regions of the state and beyond. A significant number of students are non-traditional students who previously stopped-out of college. An equally significant number of students transfer from community colleges to complete four-year degrees at EOU. For all of these students, the university experience is both a challenge and an opportunity. A very high proportion of EOU students require financial aid. EOU's annual \$45 million budget promotes and supports the regional economy. An essential part of the fabric of northeast Oregon, EOU plays a unique role as an economic engine, driving workforce development and providing resources and expertise not otherwise available.

ORS 350.075 and 350.085 require the HECC to review and approve public university mission statements. EOU's mission was originally approved by the Oregon State Board of Higher Education in 2012 consistent with its legal authority for higher education in the state of Oregon. Oregon Revised Statute 352.089(2), established in July, 2014, requires higher education governing boards to adopt a mission statement for the university and forward that statement to an office designated by the Higher Education Coordinating Commission for review. In September 2014, EOU led a community-wide exercise that reaffirmed the university's mission and core themes. In November 2016, the new EOU Board of Trustees adopted the EOU mission, and in November 2017, the EOU Board of Trustees adopted revised Core Themes. On August 2, 2018 the HECC approved EOU's mission.

MISSION:

EOU guides student inquiry through integrated, high-quality liberal arts and professional programs that lead to responsible and reflective action in a diverse and interconnected world.

As an educational, cultural and scholarly center, EOU connects the rural regions of Oregon to a wider world. Our beautiful setting and small size enhance the personal attention our students receive, while partnerships with colleges, universities, agencies and communities add to the educational possibilities of our region and state.

ECONOMIC AND COMMUNITY IMPACT

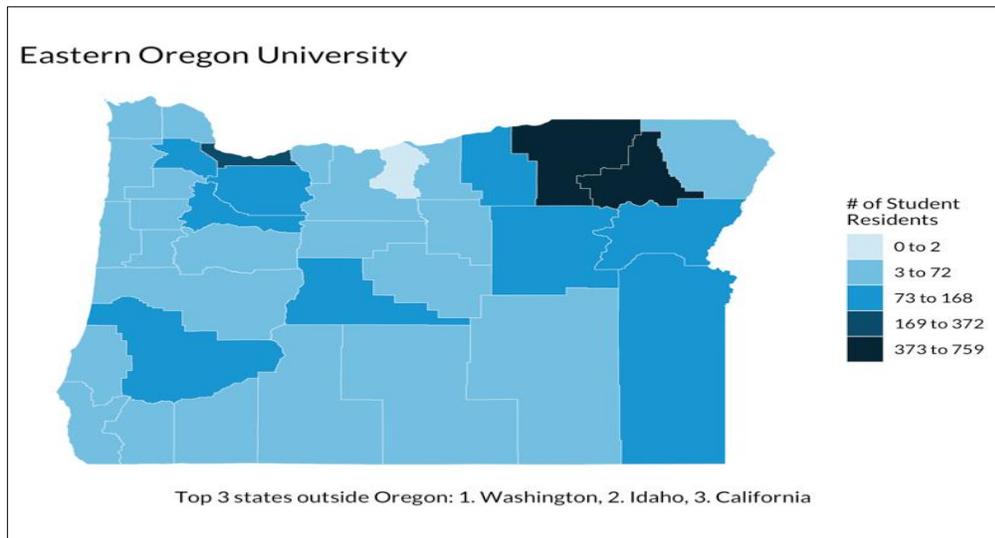
Eastern Oregon University

Summary provided by ECONorthwest Economic Contributions report (January 2020) commissioned jointly by the EOU, OIT, SOU, and WOU.

Located in the heart of the Blue Mountain range between Portland and Boise in La Grande, Oregon, EOU was founded in 1929 as a state-funded teacher training school and has since evolved into a full-fledged university with nearly 5,000 students. EOU offers over 40 majors in four colleges: 1) the College of Arts, Humanities and Social Sciences; 2) the College of Science, Technology, Mathematics and Health Science; 3) the College of Business; and 4) the College of Education. Additionally, programs in Agriculture are offered in cooperation with Oregon State University, and the baccalaureate degree in Nursing through the Oregon Health & Sciences University is offered on EOU's campus.

EOU students are predominantly from the region, with the majority of students coming from Union County followed by Umatilla County.

EXHIBIT 1. EOU STUDENT ORIGIN BY COUNTY

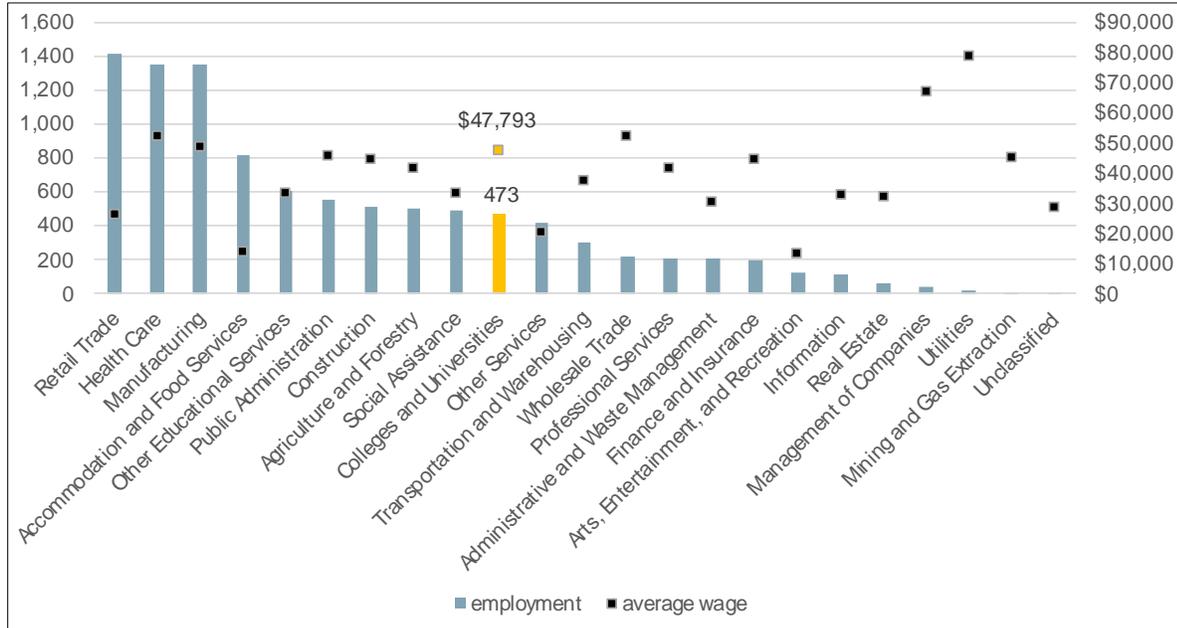


Colleges and Universities are the Largest Employment Sector

Colleges and universities are an important economic driver in Union County where EOU is located. In 2017, the sector accounted for nearly 473 jobs, the tenth-largest sector of employment. The sector pays on average \$47,077 in wages and benefits per year, the sixth-highest in the region and a meaningful source of

middle-income jobs. Exhibit 2 illustrates the importance of the college and university sector to the regional economy in comparison to other sectors.

EXHIBIT 2. AVERAGE WAGE AND TOTAL EMPLOYMENT BY SECTOR IN UNION COUNTY, 2017



Source: ECONorthwest using QCEW data

One of the County’s Largest Employers

EOU is the third-largest employer in Union County.¹ Of the 10,000 jobs in Union County, 439 of those are direct employees of the university. These jobs paid on average \$87,274 in wages and benefits and produced \$58.7 million in economic output.

Campus operations also supported important secondary impacts such as 98 local vendors and small business jobs who contract with EOU (indirect) as well as the spending by both direct and indirect employees in the local economy, which supported 633 jobs in the county. In total, EOU supported 1,169 jobs in Union County.

EXHIBIT 3. OPERATIONAL CONTRIBUTIONS OF EASTERN OREGON UNIVERSITY

Type of Impact	Output	Labor Income	Jobs
Union County			
Direct	\$58,688,571	\$38,313,266	439
Indirect	\$9,182,608	\$4,521,824	98
Induced	\$77,786,629	\$31,577,701	633
Total	\$145,657,808	\$74,412,791	1,169

Note: Operations contributions include student and visitor spending.
Source: ECONorthwest using inputs from TRU and the IMPLAN model

¹ <https://ucedc.org/about/economy/business-industry/>

Capital Spending Further Supports Local Jobs

Capital spending on upgrades and repairs on EOU’s campus supported additional economic activities. Ongoing construction projects such as the North Campus Restoration project and the Community Stadium upgrades went to support 25 direct construction jobs in 2018, paying on average \$65,781 in wages and benefits.

EXHIBIT 4. CONSTRUCTION CONTRIBUTIONS OF EASTERN OREGON UNIVERSITY

Type of Impact	Output	Labor Income	Jobs
Union County			
Direct	\$0	\$0	-
Indirect	\$5,482,321	\$1,846,830	30
Induced	\$975,442	\$324,181	8
Total	\$6,457,764	\$2,171,011	38

Source: ECONorthwest using inputs from TRU and the IMPLAN model

Student and Visitor Spending Bolsters the Local Economy

EOU enrolled 2,737 undergraduates during the 2017-2018 academic year who on average spent \$15,639 on non-tuition expenses such as housing, food, and entertainment.² This spending infused \$42.8 million into the local economy. Additionally, the university attracted 37,830 visitors to the campus to either visit students or attend other campus activities. These visitors spent about \$3.1 million in the county on food, lodging, and entertainment.³

ACCREDITATION

This report is formative and focuses on the areas of interest identified by the Legislature and in alignment with the HECC’s Strategic Plan. It is not intended to be a comprehensive evaluation of Eastern Oregon University. A more comprehensive assessment and review of academic and institutional quality is available from the Northwest Commission on Colleges and Universities (NWCCU), which accredits EOU and other universities in Oregon. Accreditation of an institution of higher education by the NWCCU indicates that it meets or exceeds criteria for the assessment of institutional quality evaluated through a peer review process. An accredited college or university is one that has been found to have the necessary resources available to achieve its stated purposes through appropriate educational programs, and to be substantially doing so, and which provides reasonable evidence that it will continue to do so in the foreseeable future. Institutional integrity also is addressed through accreditation. Reviews are structured as a cyclical process of continuous improvement.

In January 2019 EOU was reaffirmed for accreditation with the NWCCU following its Year Seven Evaluation (Mission Fulfillment and Sustainability). In its letter of reaffirmation NWCCU acknowledged that Recommendations 1, 2, 3 and 4 (listed below) from the Year Three Peer Evaluation Report have been fulfilled and no further action was required.

² EOU Cost of Attendance.

³ The 2017 Oregon Travel Impacts report produced by Dean Runyan Associates estimated that visitors in the state spent on average \$82 per day. ECONorthwest applied this to estimate total visitor spending for each university.

Recommendations from the Year Three Peer Evaluation Report:

1. Eastern Oregon University continue its work on articulating mission fulfillment to more clearly describe the process and criteria which determine an acceptable level of mission fulfillment in cases where the institution has not yet met its ambitious targets.
2. Eastern Oregon University take the necessary steps to ensure that all catalog listings are accurate and that certificate programs meet NWCCU requirements for related instruction.
3. Whereas the evaluation team acknowledges that EOU has made significant progress toward uniform application of academic portfolio assessment, it recommends that the university continue to ensure uniform application of assessment across all academic programs
4. Although the majority of EOU's academic programs demonstrate a coherent design with appropriate breadth, depth, sequencing of courses, and synthesis of learning, the Liberal Studies degree program represents an exception. While recognized as meeting the needs of a large number of students and resulting in the second highest number of degrees awarded annually, the Liberal Studies degree program is vulnerable to weak academic oversight, a potential paucity of senior level credits, and an inadequate number of faculty to oversee capstone experiences. The Commission recommends that the university refocus assessment efforts on the Liberal Arts program.

The NWCCU included five (5) Commendations or points of praise for EOU from the Year Seven Evaluation. These included:

1. Accomplishing the successful transition to an independently governed institution that is increasingly responsive to the needs of the students and the region it serves.
2. Remaining student centered, as exemplified by the successful efforts to improve student retention through improved advising and support services and to increase the diversity of the student body through new recruiting efforts and the establishment of the Multicultural Center.
3. Its master planning and the care of its facilities and grounds, which enhance the beauty of the campus and its harmony with the splendor of the institution's locale.
4. Elevating the performance of Institutional Research, which is producing enhanced data products and analyses and making them readily accessible to inform the process of improvement of programs and services.
5. Its commitment to quality online education, including the advising and other services provided to online students through regional centers, and for evidence of good completion rates and attainment of student learning outcomes for online students.

NWCCU also identified four Recommendations in areas where EOU is substantially in compliance but in need of improvement. The Commission recommended that EOU:

1. Further refine its definition of mission fulfillment in the context of its purpose, characteristics, and expectations and better articulate institutional accomplishments or outcomes that represent an acceptable threshold or extent of mission fulfillment.
2. Complete, widely disseminate, and fully implement the emergency preparedness and continuity and recovery of operations plans that it is in the process of developing.
3. Fully implement and sustain an effective system of evaluation of all its programs and services, wherever offered and however delivered, to evaluate achievement of clearly identified program goals or intended outcomes and evaluate the impacts of program and service changes.
4. Improve core theme assessment and the utilization of assessment data, so that results of core theme assessments and results of assessments of programs and services are completed regularly throughout the accreditation cycle; are consistently used for improvement by informing planning, decision making, and allocation of resources and capacity, for example, fundraising and budget planning; and made available to appropriate constituencies in a timely manner.

NWCCU requested that the first two recommendations be addressed as an addendum to the Spring 2020 Mission and Core Themes Report; submit a Special Report on recommendations three and four in Fall 2020; and again, address the third and fourth recommendations as an addendum to the Fall 2021 Mid-Cycle Self Evaluation Report.

Some individual programs at EOU are accredited by the following professional organizations:

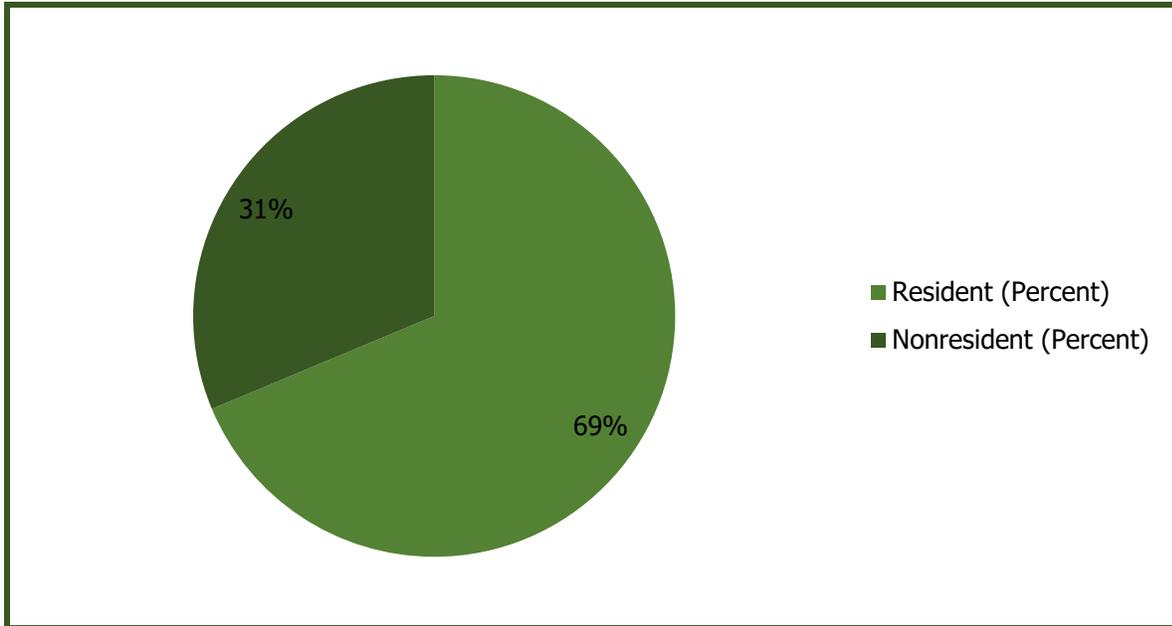
- Master of Business Administration (IACBE)
- Bachelor of Arts in Business Administration (IACBE)
- Bachelor of Science in Business Administration (IACBE)
- Curriculum for Undergraduate Elementary School Teacher Education (CUESTE) (TSPC-CAEP)
- Master of Arts in Teaching (TSPC-CAEP)

STUDENT ACCESS AND SUCCESS

Nationally, Fall 2019 saw college enrollment decreases for the ninth consecutive year, according to recent data from the National Student Clearinghouse Research Center. Oregon has a similar pattern with some variation across institutions. This section of the report is focused on tracking trends in enrollment and completion outcomes.

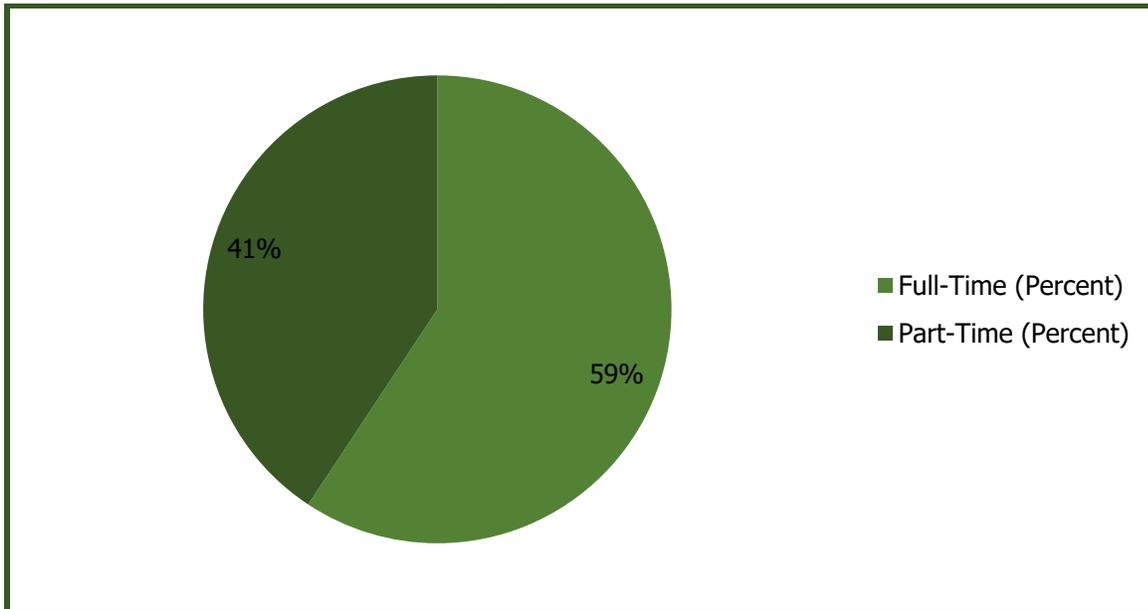
The majority of EOU students during Fall 2019 (68.7%) were residents. The majority of EOU students (59.3% in 2018-19) also attended full-time.

Figure 2: EOU Student Enrollment by Residency, Fall 2019



Source: HECC (2019)

Figure 3: EOU Student Enrollment by Full-Time/Part-Time Status, 2018-19



Source: HECC (2019)

After several years of steady enrollment increases, headcount at EOU began to decline in 2011. Currently and for the first time in nearly a decade, enrollment has increased from 2,978 to 3,067 students year-over-year (Fall 2018 to Fall, 2019); this amounts to a 3.0% increase. During this year, non-resident enrollment increased by 10.9% while resident enrollment declined by 0.5%. Overall, student Full Time Equivalent (FTE) enrollment decreased by 1.7% from Fall 2018 to Fall 2019.

Table 1: EOU Headcount Enrollment by Race/Ethnicity

Race/ Ethnicity	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Change Fall 2018 to Fall 2019
Non-Resident Alien	45	41	44	52	8
American Indian/ Alaska Native	68	54	55	56	1
Asian	55	48	55	51	-4
Black Non-Hispanic	78	64	58	66	8
Hispanic	213	307	312	363	51
Pacific Islander	41	58	87	109	22
Two or more races, Underrepresented Minorities	107	112	118	133	15
Two or more races, not Underrepresented Minorities	23	18	19	27	8
White Non-Hispanic	2,393	2,216	2,156	2,134	-22
Unknown	153	98	74	76	2

Source: HECC (2019)

EOU students come from diverse backgrounds. For the Class of 2012, underrepresented students graduated at rates that were 7-8 percentage points lower than the overall population. EOU nonetheless is making year over year increases in the total number of degrees awarded to students who identify as Non-Resident Alien, Hispanic, unknown, and two or more races of underrepresented minorities. As a whole, underrepresented minorities completions have increased year-over-year. The graduation rate for EOU's First Time Freshmen who entered in Fall 2012 is as follows:

Table 2: Four-Year and Six-Year Graduation Rate, First Time, Full Time Freshmen Entering EOU in Fall 2012

	Four-Year Graduation Rate	Six-Year Graduation Rate
All Students	24.9 %	38.1 %
Underrepresented Minorities	18.2 %	30.9 %
Pell Grant Recipients	17.1 %	30.4 %

Source: HECC (2019)

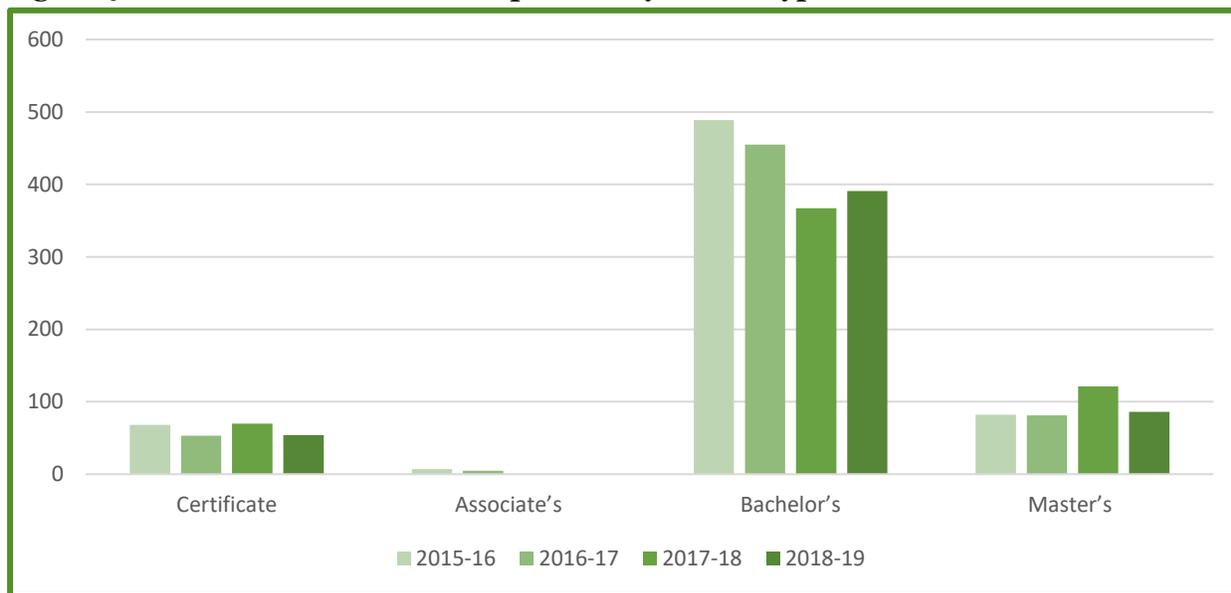
EOU's number of resident completions by award type decreased in every category in the 2018-19 academic year compared to the 2017-18 academic year, except at the bachelor's level where they increased. EOU awarded 16 fewer certificates, 24 more bachelor's degrees, and 35 fewer master's degrees. The greatest number of completions were awarded at the bachelor's degree level. EOU does not offer doctoral or professional degrees.

Table 3: EOU Resident Student Completions by Award Type

	2015-16	2016-17	2017-18	2018-19
Certificate	68	53	70	54
Associate's	7	5	0	0
Bachelor's	489	455	367	391
Master's	82	81	121	86
Doctoral	-	-	-	-
Professional	-	-	-	-

Source: HECC (2019)

Figure 4: EOU Resident Student Completions by Award Type



Source: HECC (2019)

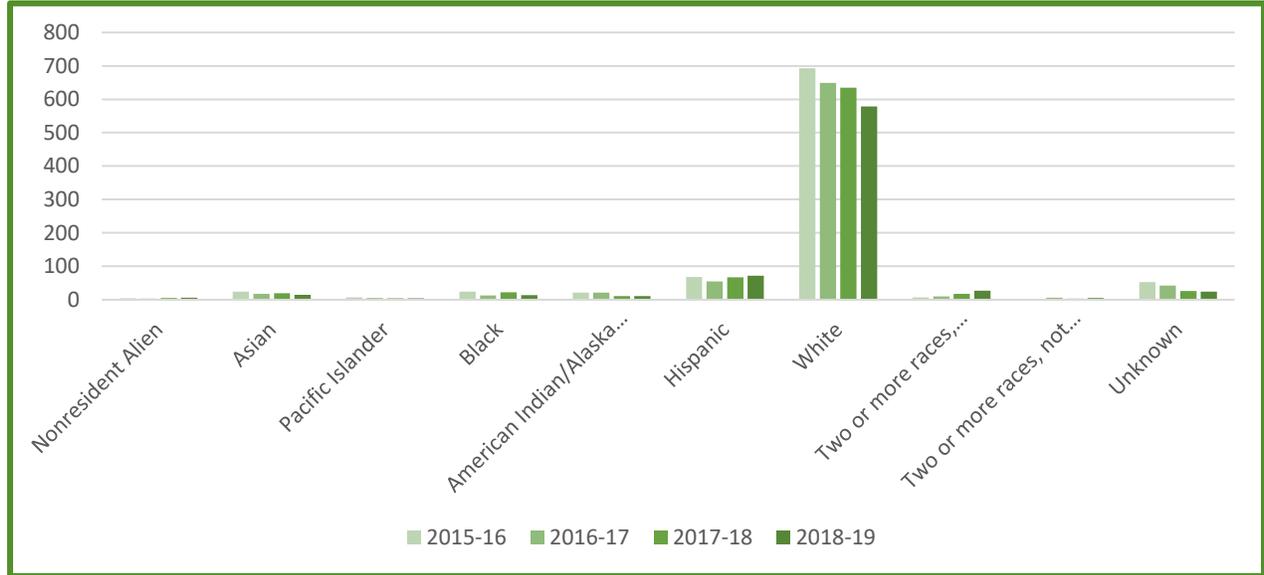
EOU saw a 19.2% decrease in the overall number of completions between the 2015-16 and 2018-19 academic years; over the same time frame, EOU saw a 20.0% decrease in bachelor degrees awarded to Oregon residents.

Table 4: EOU Completions by Race/Ethnicity

	2015-16	2016-17	2017-18	2018-19
Nonresident Alien	4	3	5	6
Asian	24	18	19	15
Pacific Islander	7	5	4	4
Black	24	13	22	14
American Indian/Alaska Native	21	21	11	11
Hispanic	68	55	67	72
White	693	649	635	579
Two or more races, Underrepresented Minorities	7	10	18	27
Two or more races, not Underrepresented Minorities	1	6	3	5
Unknown	53	42	26	24

Source: HECC (2019)

Figure 5: EOU Completions by Race/Ethnicity



Source: HECC (2019)

Lastly, each public university has made a deliberate effort to award tuition waivers to foster youth. Below is a breakdown of Foster Youth Tuition Waivers granted at each public university:

Table 5: Foster Youth Enrollment by Tuition Waiver

	EOU		OIT		OSU		PSU		SOU		UO		WOU	
	Number of students	Number of waivers												
2012-13					7	26	11	29			7	23	7	9
2013-14					15	54	25	88			13	29	12	35
2014-15	1	3	2	5	7	21	21	59			2	7	3	11
2015-16	6	16			6	19	19	63			1	4	3	8
2016-17	2	4					13	50			6	17	4	12
2017-18	2	5			2	6	17	59	3	8	6	17	5	16

AFFORDABILITY

Among the factors that the HECC is required to evaluate is whether universities remain affordable for Oregon residents. The following constitutes our evaluation of Eastern Oregon University’s affordability.

Many students and prospective students at Eastern Oregon University (EOU), like their counterparts at other universities around the state and nationwide, continue to face significant challenges related to access and affordability. Public defunding of higher education is a national trend that is shifting a majority of the burden of paying for a college education to students and their families. Only six states have met pre-recession funding levels for higher education.

That shift has been particularly acute in Oregon in recent years. Net tuition and fee revenue represents two-thirds of total educational and general (E&G) revenue for the state’s universities. This means students are paying the majority of the cost of their education while the state and institution funds the remaining one third. This is almost the reverse of the student experience a generation ago.

Partly as a result of state funding cuts, resident undergraduate tuition and fees at Eastern Oregon University increased 45.8% in the last 10 years, including increases of 3.8% and 4.9% in 2018-19 and 2019-

20 respectively.⁴ In the current academic year, tuition increased 5.0% and fees increased 4.0%.⁵ Resident graduate students have faced similar increases. This is compared to a 5.47% average increase in resident, undergraduate tuition and fees across all institutions for the current year.

Students, however, do have access to financial aid at Eastern Oregon University. In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), Eastern Oregon University students benefit from EOU's significant commitment of institutional resources to scholarships, remissions, and tuition discounts. In the 2018-19 academic year, EOU recorded \$1,606,681 in resident tuition remissions (9.0% of resident gross tuition charges), which was a 5.2% decrease over the prior year. The year prior, the 2017-18 academic year, EOU recorded \$1,695,276 in resident tuition remissions (9.1% of resident gross tuition charges). The EOU Foundation also awarded over \$600,000 in private scholarships to students in 2018-19.

Eastern Oregon University also engages in a number of targeted programs designed to increase access and completion among targeted populations. For example, EOU's new Oregon Trail Electric Cooperative (OTEC) scholarship⁶ provides up to \$5,000 per eligible student (OTEC members, their spouses or dependents) and EOU commits to pay any tuition and fees left over with other EOU scholarships or tuition waivers. EOU also has a number of scholarships targeted to groups such as transfers and low income students, many of which are renewable provided a student maintains a specified GPA (2.5-3.0 depending on the scholarship) and completes a set number of credits (typically 40-45) per year.

Tuition, however, tells only a small part of the affordability story. The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. Eastern Oregon University estimates the average student budget for living expenses annually – \$14,421 for the 2019-20 academic year⁷ – exceeds resident tuition and fees of \$9,101. The total cost of attendance is \$23,522 including tuition and fees plus living expenses.

While it is natural to view affordability primarily in terms of the student's direct cost associated with their enrollment, a larger perspective takes into account whether the student completes his or her degree, does so in a reasonable period of time, and has earning potential commensurate with the debts that might have been incurred. According to the HECC's EOU scorecard for the 2017-18 academic year,⁸ 52% of EOU's students were unable to meet expenses with expected resources, family contributions, student earnings and grant aid, compared to a statewide average of 60%.⁹ Average earnings among bachelor's degree recipients five years after graduation were \$44,477, compared to a statewide average of \$45,785. The average debt among graduates was \$22,749, compared to a statewide average of \$22,421, and 53% of EOU students had federally supported loans, compared to a statewide average of 47%. According to the College Scorecard, during the 2017-18 academic year, 45% of students received Pell Grants.¹⁰

ACADEMIC QUALITY AND RESEARCH

⁴ Source: <https://www.eou.edu/staccts/tuition-and-fees/> as well as historical OUS tuition data. Defined to include full-time resident base tuition and all mandatory fees (including incidental fees).

⁵ A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) at Eastern Oregon will pay \$7,515 in tuition and \$1,586 in fees for a total annual cost of \$9,101.

⁶ <https://www.eou.edu/fao/scholarships/scholarship-opportunities/>

⁷ Source: <https://www.eou.edu/fao/coa/>

⁸ Source: <https://www.oregon.gov/highered/research/Documents/Snapshots/EOU-Snapshot.pdf>

⁹ Statewide averages from: <https://www.oregon.gov/highered/research/Documents/Snapshots/Statewide-Snapshot.pdf>

¹⁰ <https://collegescorecard.ed.gov/school/?208646-Eastern-Oregon-University>

The introduction of a new state budget model that provides incentives for growth in enrollment and graduation outcomes has triggered concerns across various sectors that the pursuit of economic sustainability may adversely affect academic quality and research. A concern is that institutions might be tempted to lower standards in order to recruit and graduate more students. In light of this concern, there is interest in sustaining rigorous academic quality across all institutions. In partnership with all public universities, the HECC relies on regular external accreditation reviews, and collaborative partnerships with organizations such as the State Higher Education Executive Officers Association (SHEEO) and the Association of American Colleges and Universities (AACU) to pursue promising initiatives to develop nationally-normed outcomes to assess and track student learning and post-graduation success.

The NWCCU commended EOU for its aggressive, visionary, and proactive leadership to streamline operations, reduce costs, and improve services, aided by insights gained from the self-evaluation process. The NWCCU concluded that leadership actions have led to reorganization of regional operations, student success and engagement, and information technology, as well as development of a long-term sustainability plan.

EOU has clearly established a process for curricular review and approval. This process is vested with the Educational Curriculum and Policy Committee (EPCC) as a standing committee of EOU's constitution. The Committee website describes the constitution's EPCC duties and responsibilities as well as how the process works. It may be reviewed here: <https://www.eou.edu/epcc/>

EOU also has a clearly identified process in its Personnel Process and Procedure Handbook (2013) for the regular evaluation of faculty. These guidelines and processes can be reviewed at: <https://www.eou.edu/faculty/files/2014/07/personnel-process-and-procedure-handbook-final-June-2013.pdf>

EOU Faculty Professional Development

Center for Teaching, Learning, and Assessment (CTLA): EOU sponsors the Center for Teaching, Learning, and Assessment, managed by the Director of Assessment and Faculty Development, assisted by the Teaching and Learning Technology Coordinator. The center has a Faculty Advisory Board, comprised of representatives from across the curriculum—Education, Integrative Studies, Student Success, Business, Writing Across the Curriculum, Instructional Technology, and the Library. CTLA's purpose is to assess for continuous improvement Academic Programs and the General Education Core (GEC) curriculum by working with teaching faculty to develop sound, nationally-normed assessment practices, employing an outcomes-based approach focused on what students learn and can do as they move through their curricula. The CTLA Faculty Advisory Board also surveys faculty to establish professional development workshops based on perceived teaching and learning needs, such as pedagogy, assignment design, instructional technologies, writing across the curriculum, etc. The CTLA Faculty Advisory Board also surveys faculty on evaluating facilities as they relate to efficacious teaching, such as the effectiveness of student computer lab space and needed classroom upgrades for furniture, technology and AV instruments. The CTLA Faculty Advisory Board also oversees the Summer Institute for Instructional Technology (SIIT), focused on the use of instructional technology to support transformational learning both on campus and online.

Research Support

Sabbatical program for eligible faculty

Sabbatical leaves are granted for purposes of research, writing, creative activities, advanced study, travel undertaken for observation and study of conditions in our own or in other countries affecting the applicant's field or related scholarly or professional activities. The proposals are reviewed by a faculty committee.

Faculty Scholar's Program

The program provides faculty with resources for Faculty Scholar Summer Stipends to support Research. The funds are intended to help support 1) recruitment and retention initiatives, 2) proposals from junior faculty and Library Faculty who may need support to develop a research agenda, and 3) exceptionally strong proposals from faculty who have demonstrated excellence in scholarship. The proposals are reviewed by a faculty committee.

Faculty Travel Fund

This fund is managed by a faculty committee, providing each faculty member \$2000 per year. The purpose of the Faculty Travel Fund is to provide faculty with an opportunity to apply for support for necessary travel to conduct scholarly work, to attain increased knowledge or skills to improve teaching, or to acquire necessary materials, skills, and/or information necessary for curriculum development or University program development.

Eastern Oregon University Colloquium

This Colloquium has continuously operated as a venue to share academic research and pedagogy for over thirty years. It began its existence as the Division of Science Colloquia within the School of Arts and Sciences, and it now includes the entire university. This program is entirely run by faculty.

Advisor Training

After the first year, students are assigned faculty advisors in their major programs, moving from EOU's on-campus cadre of professional advisors. The focus at EOU is on proactive advising in order to support retention and degree completion. Faculty require training in that nontraditional approach since it requires a paradigmatic shift in how underserved students are viewed and the best way to help them. The Advising Center provides workshops on proactive advising, supported by CTLA. The Advising Center also provides individualized training by professional advisors for faculty new to advising. (Tenure Track Faculty are not required to advise students until their second year.)

Troubleshooting Resources, NACADA (National Academic Advising Association) Resources Review, Advising Manual Review, review and appointments with Student Success, TRiO, the Military/Veterans Coordinator, Financial Aid, the Learning Center, Disability Services, and the viewing of the Advising Center's PTSD Training video.

Research Activity:

For 2017-18, EOU reported total research expenditures of approximately \$676,000, and for 2018-19 total research expenditures of approximately \$642,000.

COLLABORATION

There are a number of joint administrative, academic and governance efforts to maintain collaboration across institutions. Faculty at all public universities are represented at the Inter-Institutional Faculty Senate (IFS) which is made up of elected senate representatives from each institution. The IFS serves as a voice for all faculties of these institutions in matters of system wide university concern.

In addition EOU engages in a number of collaborative initiatives with other universities and partners, as indicated below (*P* indicates Participation, *N/P* indicates Non-Participation):

Table 5: Eastern Oregon University Collaborative Initiatives Participation

Public University Councils:	
Presidents Council	P
Provosts Council	P
Vice Presidents for Finance and Administration (VPFAs)	P
General Counsels (GCs)	P
Public Information Officers (PIOs)	P
Legislative Advisory Council (LAC)	P
Cooperative Contracting(<i>note: taking part in State contracts</i>)	
Capital Construction Services	
OWAN	P
NERO Network	P
RAIN	N/P
Orbis Cascade Alliance	P
ONAMI	N/P
Other	N/P

INSTITUTIONAL COLLABORATION

On the La Grande campus, EOU maintains longstanding partnerships with OHSU’s BS in Nursing and OSU’s BS in Agriculture Sciences, Crop and Soil Science, Natural Resources, and Rangeland Sciences, as well as minors in Agricultural Science, Animal Science, Crop Science, Fish and Wildlife Conservation, Natural Resources, Rangeland Sciences, and Soil Science. EOU provides general education ramps into OHSU’s and OSU’s degree programs, as well as upper division elective credits that contribute to degree completion. Student services and space lease agreements are reviewed regularly as Memoranda of Understanding between the institutions are updated.

EOU was invited by Mount Hood Community College to form a residential cohort for east county students that were place-, or economically-bound to the Troutdale and west Gorge locales. Students complete 100 hours of lower division program requirements through the community college and then complete the upper division requirements on-site. Students have no residential requirement in La Grande and are not required to take online courses. Over 80% of the 75 or so graduates of the program over the last four years have found positions in rural areas of the state. EOU also operates a Business Administration program for the same region. Specializing in alternative time formats for working adults, the program graduates approximately 30 students per year. Students in this program complete the lower division requirements at

the community college and then take both residential and online courses to complete their program with maximum flexibility afforded to time and modality.

Sharing facilities and services such as proctoring exams for online students, seven (7) of eleven (11) EOU Regional Centers are housed on Oregon community college campuses: EOU Gresham (MHCC), EOU Hermiston (BMCC's Eastern Oregon Higher Education Center), EOU Ontario (TVCC), EOU Pendleton (BMCC), EOU Portland (Clackamas Community College—Harmony Campus), EOU Salem (Chemeketa Community College), and EOU Roseburg (UCC and SWOCC). In addition, EOU provides face-to-face instruction for its onsite programs in Business (Gresham) and Education (Gresham, Ontario, and Pendleton), with face-to-face Weekend Colleges (focused on two-credit, upper division, General Education courses) offered at partners' community college campuses. The most recent partnerships have been secured between EOU and Klamath Community College with a Base to Bachelor's pathway, between EOU and Walla Walla Community College with an articulation agreement to the BAS in Business Administration and Fire Services Administration/Emergency Medical Services Administration, and between EOU and Columbia Basin Community College to establish a pathway to a BAS in Business Administration.

EOU has a long-term partnership with Treasure Valley Community College to operate an undergraduate teacher education program. Students complete 100 hours of lower division program requirements through the community college and then complete the upper division requirements onsite. Students have no residential requirement in La Grande and are not required to take online courses. 100% of graduates from EOU Education programs find employment in the rural regions of the state. Attracting and retaining qualified teachers in these regions is a high priority. The Oregon Teacher Pathway program focus for Eastern Promise together with development of +2 para to teacher programs will help assure opportunities for residents of Oregon rural counties to serve as teachers.

EOU works closely with Community College Partners to ensure seamless transition from two-year to four-year programs delivered online, on the main campus in La Grande, and at onsite programs in Gresham, Pendleton, and Ontario. Business has led the way with community college transfer articulations in Oregon (17 separate articulations) and Washington (21 separate articulations). With many Oregon community colleges, pathways have also been established for Art, Mathematics, Psychology, Sociology, and Elementary Education, in addition to Business: <https://www.eou.edu/pathways/>

In recent years, EOU has entered into partnership agreements with post-secondary institutions in other states, with an aim to joining the WICHE Interstate Passport by Spring 2020.

Pathways

One area of collaboration that is of some concern, both in Oregon and nationally, is student transfer success. The statutes outlining goals for transfer student success and cooperation between Oregon's higher education sectors (ORS 341.430 & ORS 348.470) are the framework for HECC's continued partnership with the seven public universities. Recent policy discussions between the institutions and HECC give this sustained work a renewed focus: more and better statewide data on transfer student outcomes and potential statewide solutions where persistent barriers exist.

Although Oregon has state level policies and processes to ensure that students may apply credits earned upon transfer from community college to university (the Associate of Arts Oregon Transfer degree, for example), research that resulted from House Bill 2525 (2015) revealed that community college transfer students on the whole often face challenges in completing an intended major, which result in excess accumulated credits, increased tuition costs, and debt. Statewide, community college transfer students graduate with more "excess" credits than their direct entry counterparts. And despite the best efforts of

advisors, faculty, and administrators, some students who complete statewide degrees such as the AAOT are ill-served if they transfer into certain majors. Credit requirements at the university level often change without notice, which can hinder community college students and advisors in effective degree planning.

Statewide, 42 percent of students who entered an Oregon public university in Fall 2015 did so from a community college or other transfer institution. [FN HECC Office of Research and Data, “University Student Data” <http://www.oregon.gov/highered/research/Pages/student-data-univ.aspx>]. Eastern Oregon University (EOU) enrolled 62 percent of its students as transfers in that same period.

House Bill 2998, passed in 2017, required the Commission to work closely with public universities and community colleges to create a new framework for statewide transfer, a Foundational Curriculum of at least thirty credit hours, and a process for the creation of Unified Statewide Transfer Agreements (USTA) in major fields of study to aid transfer students in moving more easily into university study, with fewer lost or excess credits.

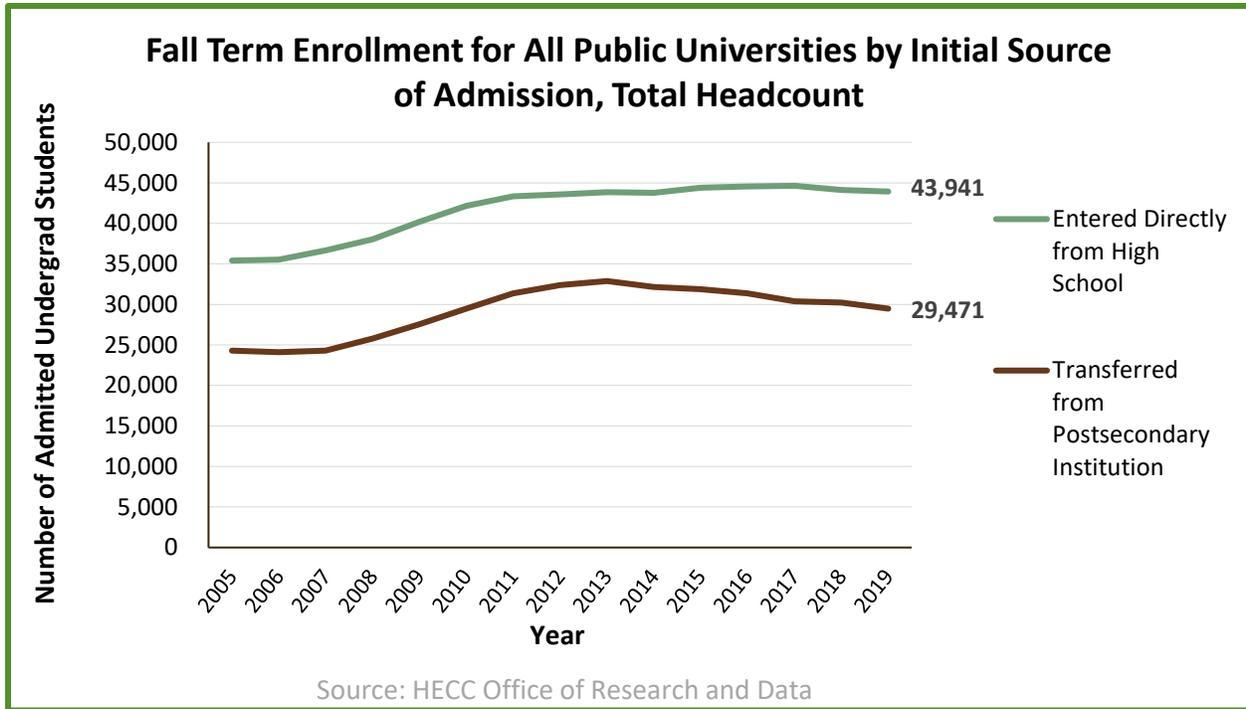
EOU representatives have been advisors and participants to the HB 2998 implementation process, adding insight and value to the creation of a proposed foundational curriculum and addressing the policy questions that have been generated by the bill. Their participation on the newly created Oregon Transfer Articulation Committee was critical to the design of the Foundation Curriculum and USTAs both now rebranded as the Oregon Transfer Maps. EOU faculty and administrators actively contributed to the creation of three Major Transfer Maps (USTAs) created so far: Elementary Education, Biology and English Literature. For a more thorough update on the work accomplished so far please see House Bill 2998 (2017): Implementation Progress report (December 2019).¹¹

Lastly, EOU has been investigating joining Western Oregon University and Blue Mountain Community College in the Interstate Passport [see: <http://www.wiche.edu/passport>], a learning outcomes-based framework for lower division general education transfer. Eastern also maintains a robust and approachable set of resources on line and on campus to serve transfer students. EOU’s mission is geared toward the needs of non-traditional students, frequently those who transfer from other regional universities and community colleges. As a transfer serving institution, EOU offers different modalities to serve students such as online classes and other “flexible learning” opportunities.

Figure 6: Fall Term Enrollment at All Public Oregon Universities

¹¹

<https://www.oregon.gov/highered/about/Documents/Commission/COMMISSION/2019/12%20Dec%202019/11.3%20Postsecondary%20Transfer%20Report%20Staff%20Summary%20and%20Report.pdf>



SHARED ADMINISTRATIVE SERVICES

Eastern Oregon University also engages collaboratively in a number of administrative services with other universities and partners, as indicated in the table below. (P indicates participation; NP indicates no participation)

Table 7: Shared Administrative Services

Provider	University Response
University Shared Services Enterprise (USSE, hosted by OSU)	
Financial Reporting	P
Capital Asset Accounting (currently only OIT)	N/P
Payroll & Tax Processing (includes relationship w PEBB, PERS/Federal retirement*)	P
Collective Bargaining *	P
Information Technology/5 th Site ¹	P
Treasury Management Services:	
Legacy Debt Services-Post Issuance Tax Compliance	P
Legacy Debt Services-Debt Accounting	P
Non-Legacy Debt Services	P
Bank Reconciliations (and other ancillary banking services) ²	P

Endowment Services	N/P
Other Miscellaneous Statements of Work:	
Provosts Council Administrative Support	N/P
Legislative Fiscal Impact Statement Support	P
Risk Management Analyst (TRUs only)	P
Public University Fund Administration ³	P
Eastern Oregon University	
Retirement Plans *	P
Legacy 401(a) Plan	P
Legacy 403(b) Plan	P
Optional Retirement Plan (ORP)	P
Tax-Deferred Investment (TDI) Plan	P
SRP Plan	P
Public University Risk Management and Insurance Trust (Risk Management)	P

Stemming from the passage of SB 270 and the University Shared Services Workgroup of 2013, as well as subsequent legislation found in ORS 352.129, the seven public universities created the University Shared Services Enterprise (USSE), a service center hosted by Oregon State University. USSE offers a fee for service model for many back-office functions previously offered by the OUS Chancellor’s Office. ORS 352.129 mandates participation by the independent universities in certain services offered by USSE until July 1, 2019.

These mandated services include group health insurance, a select set of group retirement plans, and collective bargaining. All universities, including EOU, continue to participate in these mandated services.

FINANCIAL HEALTH ASSESSMENT

This section of Eastern Oregon University’s evaluation includes an overview of key financial ratios commonly used to understand the strength of a public institution’s financial position and its operating performance. This includes the composite financial index (CFI) which is a single number representing an overall assessment of the institution’s financial health. These ratios should not be viewed in isolation and are best presented along with appropriate context.

The overall financial health of an institution can be assessed via two dimensions of inquiry. First, is the institution financially capable of successfully carrying out its current programs? Second, is the institution able to carry out its intended programs well into the future? Along those two dimensions, four key financial questions need to be asked. A financial ratio is designed to measure the answer for each question.

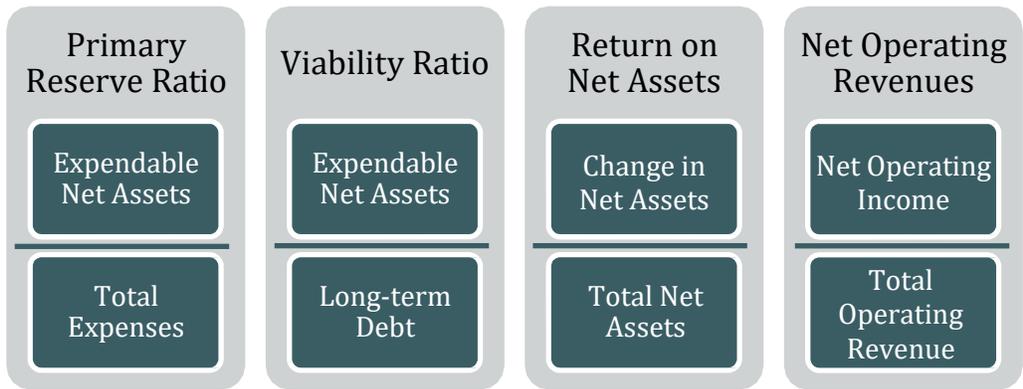
1. Are debt resources managed strategically to advance the mission? – Viability Ratio
2. Are resources sufficient and flexible enough to support the mission? – Primary Reserve Ratio
3. Does asset performance and management support the strategic direction? – Return on Net Assets Ratio

4. Do operating results indicate the institution is living within available resources? – Net Operating Revenues Ratio

The results of the four primary ratios are then included in a weighted calculation to derive the CFI. EOU’s overall trend for CFI is stable, as its CFI moved from 0.72 in FY 17 to 0.66 in FY 19. A CFI of 3.0 or higher is ideal and could allow for institutional innovation while a negative CFI would necessitate governing board intervention to ensure financial stability.

Changes in accounting practice can affect the calculations. For example, Governmental Accounting Standards Board (GASB) Statements No. 68, 71 and 75 attempt to improve financial reporting by accounting for pension-related and other postemployment benefit (OPEB) liabilities. The CFI is calculated with these liabilities and then adjusted to remove them. The impact of these statements was the reduction in expendable net assets leading to a reduction in both the primary reserve and viability ratios as well as higher benefits expense leading to a reduction in the net operating revenues ratio. In FY2019, pension and OPEB liabilities represent \$19.0 million or 37% of total liabilities at EOU. The value of pension and OPEB liabilities is actuarially determined and subject to a number of assumptions driven by demographics and other factors.

Effective for FY2019, new guidance was issued by the Financial Accounting Standards Board (FASB) in Accounting Standards Update (ASU) 2016-14 (topic 958) which altered the categories of net assets presented for the foundations. Consequently, the calculation of expendable net assets was affected. Two ratios use the expendable net assets. The ratios are calculated using the following information.



The ratios calculated for EOU include the impact of GASB statements 68/71/75 and ASU 2016-14 and are listed below with a narrative discussion of each ratio. The CFI is calculated with pension and OPEB liabilities and also presented without them. Please note these ratios include foundation data and not just institutional resources.

EASTERN OREGON UNIVERSITY FINANCIAL RATIOS				
Ratio	FY 19	FY 18	FY 17	Benchmark
Viability Ratio	0.41	0.44	0.49	>1.0
Primary Reserve Ratio	0.15	0.17	0.21	>0.4
Net Operating Revenues Ratio	-3.9%	-8.3%	-2.9%	>4%
Return on Net Assets Ratio	2.2%	3.8%	-0.2%	>6%

Composite Finance Index (CFI)	0.66	0.56	0.72	>3.0
Adjusted CFI*	4.14	2.20	4.14	>3.0
*adjusted to remove pension and OPEB related liabilities and expenses.				

The viability ratio measures one of the most basic elements of financial health: expendable net assets available to cover debt should the institution need to immediately settle its obligations. Expendable net assets are those resources that are readily available to the institution. They are not restricted physically like capital assets or legally like donor assets that are restricted for a specific purpose. Ideally, an institution would have enough expendable resources available to more than cover debt.

EOU’s viability ratio has decreased over the past three years and is below the benchmark. The value of total expendable net assets has decreased by 24.2% from FY 17 to FY 19. The most significant factors in this were salary increases and benefit increases in PERS and health care rates, both of which occurred largely in FY 18. EOU’s viability ratio has declined from FY 17 to FY 19 to the point where the institution can cover 41 cents out of every dollar currently owed. A viability ratio at this level indicates the institution needs to consider the use of debt in service of its mission.

The primary reserve ratio compares expendable net assets to total expenses, providing a snapshot of how long the institution could continue operating without additional revenue. A decline in the primary reserve ratio indicates expenses are growing faster than revenues and certainly faster than the growth in expendable net assets.

EOU’s primary reserve ratio has declined over the past three years, likely due to the drop in expendable net assets, and is below the benchmark. A low primary reserve ratio indicates that available resources are not sufficient or flexible enough to support the institution’s mission. This could leave the institution without the means to invest in new programs or opportunities without additional revenue.

The net operating revenues ratio indicates whether total operating activities for the fiscal year generated a surplus or created a deficit. It attempts to demonstrate whether an institution is living within its available resources. EOU’s net operating revenues ratio remained relatively stable the past three years, although negative during all three years. Continuing negative operating revenues ratios may indicate that an institution does not currently have capacity to develop a stronger fund balance or make strategic operating investments without the use of existing fund balance, expense reductions, or revenue enhancements.

The return on net assets ratio demonstrates whether an institution is financially better off than in previous years. It shows an institution’s total economic return. A positive return on net assets ratio means an institution is increasing its net assets and is likely to have increased financial flexibility and ability to invest in strategic priorities. A negative return on net assets ratio may indicate the opposite, unless the negative ratio is the result of strategic investments. EOU showed slight improvement in this ratio over the past three years, although it is not much above 0%.

More contextual information will lead to a better understanding of the CFI with a discussion of some of the underlying factors that affect it. The first is EOU’s enrollment trends, which have seen a decrease from 2,393 FTE to 2,329 FTE over the past three years, mirroring most institutions in the state. EOU is forecasting an additional 2,500 FTE over the next 10 years.

However, according to the strategic capital development plan, EOU’s on-campus enrollment is expected to remain relatively stable over the next decade. Indeed as the report states, “In order for EOU to reach its on-campus enrollment forecast for 2029, which would require it to enroll about 2,500 additional on-campus FTEs (again assuming that it retains a 60/40 mix of on-campus to online enrollments), NCHEMS’ model assumes that it would have to improve its recruitment and retention by over 60 percent across the board.”

According to 2019 fall fourth week enrollment data, EOU’s FTE are down 1.7% from a similar point a year ago, a reverse of last year’s trend, which saw a very slight (19 FTE) increase in enrollment based on fall fourth week data. The fall fourth week enrollment data includes on-campus and online students. Enrollment growth is expected to come from online students in future years.

A source of risk is the overreliance on one source of revenue, typically defined by more than 50% of the total. Almost 50% of E&G revenue is derived from state funding as shown below. Due to elements of the SSCM (primarily specific mission differentiation items), EOU receives significantly more formula funding per FTE than most other institutions. Should mission differentiation funding decline (or stagnate) as a result of a flat or declining PUSF, or should the model change, this could put EOU at risk of revenue volatility.

Projected Educational & General (E&G) Fund Balance, FY2020					
	FY18 Actuals	FY19 Actuals	FY 20 Budget	Variance	
Enrollment Fees	19,280,000	20,644,000	21,494,000	850,000	4%
Govt Resources and Allocations	20,689,000	20,995,000	21,797,000	802,000	4%
Misc	1,247,000	1,319,000	1,211,000	(108,000)	-8%
Total Revenues	41,216,000	42,958,000	44,502,000	1,544,000	4%
Unclassified	9,108,000	9,463,000	9,578,000	115,000	1%
Classified	4,760,000	4,892,000	5,281,000	389,000	8%
Administrative and Other	6,088,000	6,612,000	7,153,000	541,000	8%
Student Labor	474,000	518,000	576,000	58,000	11%
Benefits & OPE	11,543,000	12,074,000	13,130,000	1,056,000	9%
Total Labor	31,973,000	33,559,000	35,718,000	2,159,000	6%
Supplies and Services	8,248,000	8,390,000	8,530,000	140,000	2%
Transfers (Net)	173,000	(173,000)	(14,000)	159,000	-92%
Total Expenditures	40,394,000	41,776,000	44,234,000	2,458,000	6%
Net Revenue	822,000	1,182,000	268,000	(914,000)	-77%
E&G Fund Balance	7,812,000	8,994,000	9,262,000	268,000	3%
	18.95%	20.94%	20.81%		

The table above includes projected FY2020 revenue and expenditure data for EOU’s E&G operations. EOU is on track to strengthen its E&G fund balance to over 20% of revenues and to be revenue positive for the third conservative year. If enrollment is lower than expected with tuition collections lower than expected, a stable fund balance is still possible.

BOARD OF TRUSTEES

The Board of Trustees at Eastern Oregon University maintain working relationships with its university constituents. During 2018-19 the EOU Board of Trustees met six times: four times in regular session, once in special session, and once for its annual planning retreat (see <https://www.eou.edu/governance/2018-19-academic-year/>). The Board issues call-to-meeting letters and agendas prior to public sessions of the Board. Public notices were posted for all meetings of the board and its committees, along with an agenda and other materials. See, e.g., the [May 23, 2019 regular board meeting](#). All such materials for meetings of the board as a whole can be reached at the [board document archive for 2018-19](#). Such materials for meetings of the board's committees can be reached at the document archive pages for those committees:

- [Academic and Student Affairs Com.](#)
- [Finance and Administration Com.](#)
- [Governance Committee](#)

In addition, the board maintains webpages where the public may learn about [the purpose and structure of the board](#), read [profiles of each of the trustees](#), view all of the board's [governing documents](#) and [meeting minutes](#), and read [press releases about board activity](#).

The Board adopted bylaws for the university on [June 4, 2015](#). It amended the bylaws on [November 6, 2017](#) and on [April 11, 2019](#). The current bylaws can be found here: [Bylaws of Eastern Oregon University](#).

The Board [maintains a webpage](#) where current versions of all of its governing documents may be found. These include the board's statements governing: 1) the conduct of its meetings ([Board Statement No. 1](#)) and its committees ([Statement No. 3](#)); 2) the powers delegated to the president ([Statement No. 2](#)) and the internal governance structure of the university ([Nos. 5 and 10](#)); 3) the ethical duties of the trustees ([Nos. 4 and 6](#)); and 4) evaluation of the performance of the president ([No. 7](#)) and of the Board itself ([No. 8](#)). The resolutions of the board of trustees and other governing documents are also on this page.

The board adopted the university's mission statement in [Board Resolution No. 16-08 \(November 10, 2016\)](#). The Board [adopted a strategic plan for the university](#) at the May 24, 2017 board meeting. The board receives updates on elements of plan implementation at every meeting.

The trustees have received an abundance of training materials (both [hard-copy](#) and [online](#)) and live training opportunities (such as the attendance of three trustees at the April 2019 AGB National Conference on Trusteeship) to learn the standards and principles of board conduct. Trustees regularly apply of this training. The board has adopted governing documents that articulate its ethical and fiduciary responsibilities, such as [Board Statement No. 6, Ethics and Conflicts of Interest](#), and [Board Resolution 16-02 \(April 21, 2016\) on the Responsibilities of Individual Trustees](#).

Consistent with the requirements of [HB 4141 \(2018\)](#), the university formed a [Tuition Advisory Committee \(TAC\)](#) which included 3 student members. The TAC met ten times. Two of those meetings were with the student government officers and two were open forums that all students were invited to. The TAC [produced recommendations](#) that were reviewed by the Board's Finance and Administration Committee at its [April 3, 2019 meeting](#) and by the Board of Trustees at its [May 23, 2019 meeting](#) prior to the board's vote of approval, later in that meeting of the tuition and fees proposal.

Board Statement No. 7, Evaluation of Presidential Performance, adopted in April 2016, establishes an annual process for evaluating the president's performance. The Board has followed this process annually, including in academic year 2018-19.

The Board of Trustees at EOU has not acquired any property since the Board took over authority for the university on July 1, 2015.

CONCLUSION

This report is guided by Oregon Revised Statute (ORS) 352.061 which requires that the HECC report on the university's achievement of outcomes, measures of progress, goals and targets; assess the university's progress toward achieving the mission of all education beyond high school, described in the 40-40-20 goal; and assess how well the establishment of its governing board comports with the findings of ORS 352.025. This report relies heavily on regularly-conducted academic accreditation reports and the self-assessments prepared for these accreditation reviews, as well as on state and federal data. The contents of this report signal areas of alignment with the HECC Strategic Plan, which in turn supports the objectives of higher education for the State of Oregon.

EOU is accredited by the Northwest Commission on Colleges and Universities (NWCCU), and is fully on track with the 7-year cycle for accreditation. EOU was last affirmed for accreditation following its Year Seven (Mission Fulfillment and Sustainability) review in Fall 2018 at which point all previous recommendations from NWCCU were fulfilled. EOU received five commendations/points of praise and four recommendations for areas where the institution is substantially in compliance but in need of improvement. The next accreditation activity, Year One (Mission and Core Themes) report, is due in Spring 2020.

Fall 2019 enrollment showed a year-over-year increase in total enrollment for the first time since 2011, but a decrease of 16.3% since 2008 and 28.6% since 2011. EOU's enrollment of underrepresented students has steadily increased over the last decade representing a 65.2% increase since 2010 and a 74.3% increase since 2015. EOU currently enrolls the highest number of underrepresented minority students in its recent history. This year, resident students account for 66.4% of EOU's total student body. EOU's six-year graduation rate is 30.4% for Pell Grant recipients, 30.9% for underrepresented minority students, and 38.1% for all students. In 2018-19 EOU had the lowest number of completions since the 2012-13 academic year. EOU awarded 6.5% fewer degrees in 2018-19 than the prior year, continuing a declining trend that began in 2016. The number of degrees awarded to underrepresented minority students has increased by 4.9 percentage points year-over-year, and is 88.2% above the 2010-11 academic year total.

Partly as a result of state funding cuts, PERS and PEBB funding mandates, resident undergraduate tuition and fees at Eastern Oregon University increased 45.8% in the last 10 years, including increases of 3.8% and 4.9% in 2018-19 and 2019-20 respectively.¹² In the current academic year, tuition increased 5.0% and fees increased 4.0%.¹³ Resident graduate students have faced similar increases. This is compared to a 5.47% average increase in resident, undergraduate tuition and fees across all public universities for the current year.

In the 2018-19 academic year, EOU recorded \$1,606,681 in resident tuition remissions (9.0% of resident gross tuition charges), which is a 5.2% decrease over the prior year. The year prior, the 2017-18 academic year, EOU recorded \$1,695,276 in resident tuition remissions (9.1% of resident gross tuition charges). The EOU Foundation also awarded over \$600,000 in private scholarships to students in 2018-19.

¹² Source: <https://www.eou.edu/staccts/tuition-and-fees/> as well as historical OUS tuition data. Defined to include full-time resident base tuition and all mandatory fees (including incidental fees).

¹³ A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) at Eastern Oregon will pay \$7,515 in tuition and \$1,586 in fees for a total annual cost of \$9,101.

The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. Eastern Oregon University estimates the average student budget for living expenses annually – \$14,421 for the 2019-20 academic year¹⁴ – exceeds resident tuition and fees of \$9,101. The total cost of attendance is \$23,522 including tuition and fees plus living expenses.

Overall, EOU is in a stable financial position. EOU deserves credit for stabilizing their institution coming out of the financial conditions placed on them at the time of their board's creation in 2015. Still, EOU's financial position is potentially precarious and sensitive to enrollment changes as well as the balance between state formula revenues and other sources of revenue.

As noted at the outset, this report describes performance in several areas that are of particular importance to the HECC and to the State of Oregon. In partnership with institutional leadership, legislators, and other stakeholders, the HECC will continue to consider modifications to this annual process and product in order to improve its usefulness to our universities and to the people of Oregon.

¹⁴ Source: <https://www.eou.edu/fao/coa/>

