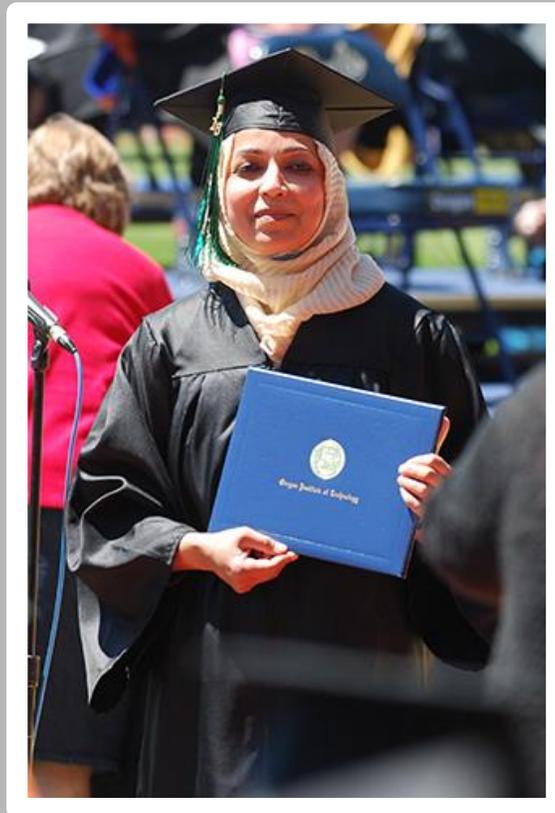


# 2019 UNIVERSITY EVALUATION: Oregon Institute of Technology



Source: Oregon Institute of Technology

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# INTRODUCTION

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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 Oregon Institute of Technology (Oregon Tech) 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](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 Oregon Tech's third evaluation and as such, it builds on the descriptive benchmarks identified in the 2016 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, it describes how Oregon Tech's Board of Trustees has operated since its formation in July 2015. The form and content of subsequent annual evaluations are 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 timeframe 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 (Oregon Tech) 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. The evaluation criteria are codified in Oregon Revised Statute ([ORS 352.061](#)).

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

- a) A report on the university's achievement of outcomes, measures of progress, goals and targets; and
- 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).
- c) An assessment of how well the establishment of a governing board at the university comports with the findings set forth in ORS 352.025.

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

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

## 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 report 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.

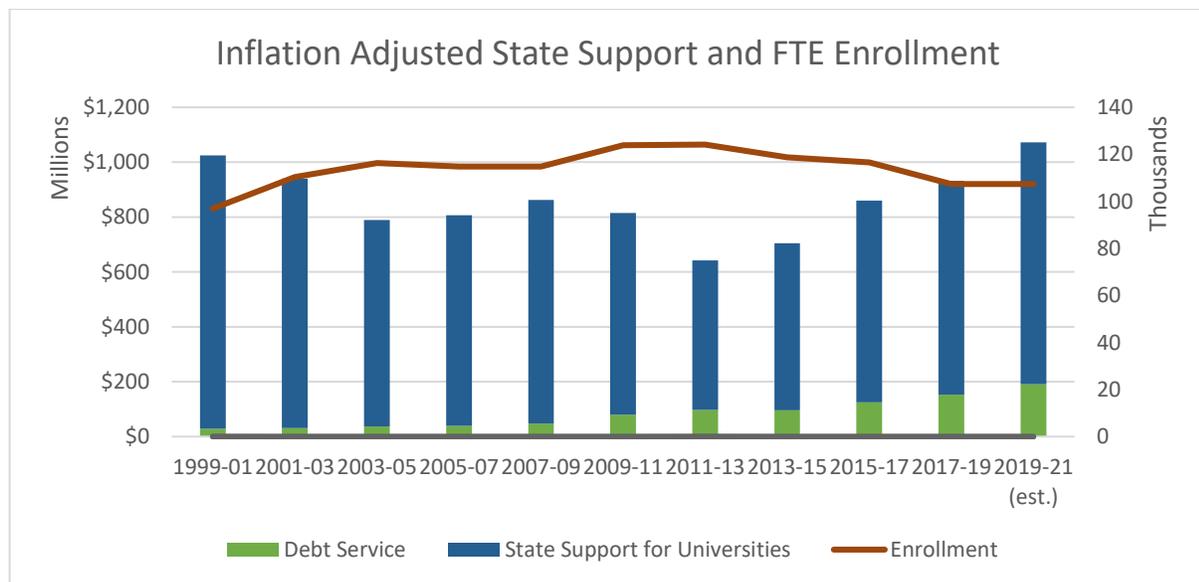
This report is focused on the legislative charge and the HECC’s primary areas of emphasis as indicated in its Strategic Plan. This report is not a comprehensive evaluation. It reflects the narrower scope of legislative issues of interest, incorporating findings from accreditation studies where there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



(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

Oregon Tech locations throughout the Northwest include the main campus in Klamath Falls, an urban campus in Wilsonville, a Seattle<sup>1</sup> site which offers specific degree options, and the Dental Hygiene degree completion partnership with Chemeketa Community College on its Salem campus. Oregon Tech’s academic programs emphasize professional, accredited bachelor’s and master’s degree programs in engineering, computing, data science, cybersecurity, technology, business and management, and a variety of health professions. Recognized as the only public polytechnic university in the Northwest, over time Oregon Tech has broadened its activities to include the delivery of graduate programs in Engineering, Civil Engineering, Manufacturing Engineering Technology, Renewable Energy Engineering, Marriage and Family Therapy, Allied Health, and Applied Behavior Analysis. HECC approved three new programs since the last time Oregon Tech was evaluated: B.S. in Cybersecurity, Doctor of Physical Therapy, and a B.S. in Data Science.

The practical application of theory in real world situations underscores all Oregon Tech academic programs. Students experience hands-on learning through labs, projects, internships, externships, and research, guided by faculty and staff who retain their professional connections to applicable industries and disciplines. Oregon Tech programs lead to careers in health professions, renewable energy, environmental science, information technology, engineering, engineering technology, communication, psychology, and management. Due to the degree emphases and educational methodologies, 88 percent of graduates report employment in their degree field or enrollment in graduate programs within six months of graduation (NWCCU Year Seven Self Study 2016). Oregon Tech is known for employing technology directly on campus. Its Klamath Falls campus has two on-site power plants, including a large solar array and geothermal power station that provide both electric power and heat for campus, significantly reducing the university’s “carbon footprint.”

ORS 350.075 and 350.085 require the HECC to review and approve public university mission statements. Oregon Tech’s Board of Trustees adopted its new mission statement on May 30, 2019, and it was approved by the HECC on August 8, 2019. The mission and core themes of Oregon Tech are reproduced here:

**MISSION:**

Oregon Institute of Technology ("Oregon Tech"), Oregon's public polytechnic university, offers innovative, professionally-focused undergraduate and graduate degree programs in the areas of engineering, health, business, technology, and applied arts and sciences. To foster student and graduate success, the university provides a hands-on, project based learning environment and emphasizes innovation, scholarship, and applied research. With a commitment to diversity and leadership development, Oregon Tech offers statewide educational opportunities and technical expertise to meet current and emerging needs of Oregonians as well as other national and international constituents.

## **ECONOMIC AND COMMUNITY IMPACT**

### **Oregon Institute of Technology**

*Summary provided by ECONorthwest Economic Contributions report (January 2020) commissioned jointly by EOU, Oregon Tech, SOU, and WOU:*

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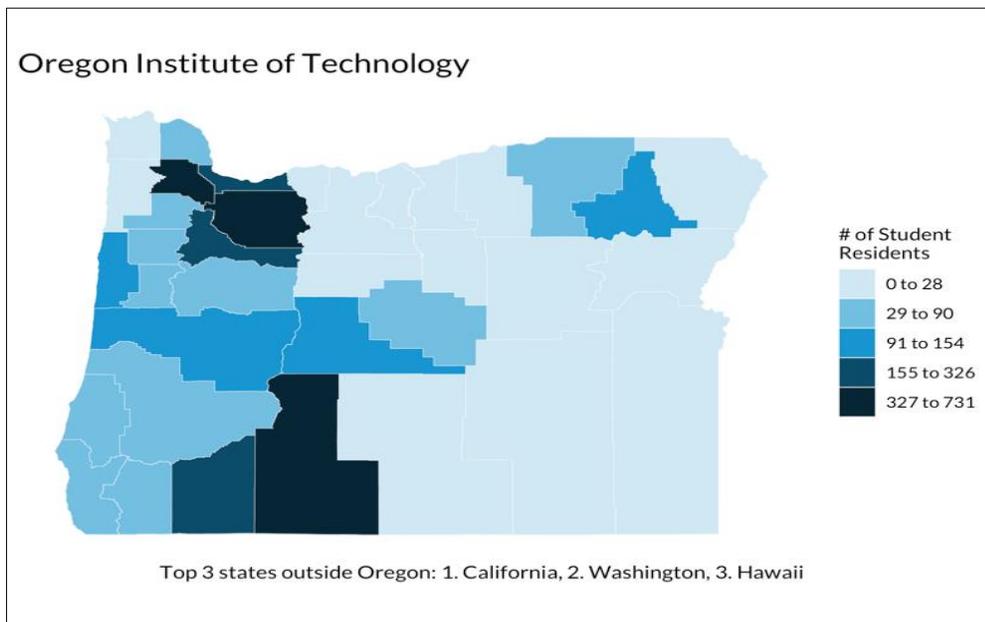
<sup>1</sup> The La Grande dental hygiene site is closed due to MODA Health’s ceasing support of the campus. The last class graduated in March 2017.

Oregon Tech is the only polytechnic university in the Pacific Northwest, providing the state with roughly 700, career-ready graduates each year. Oregon Tech’s campuses include a main campus in the rural Klamath Falls region, bringing STEM opportunities to the area, as well as an urban campus in Wilsonville, which provides opportunities for direct industry experience with the local tech sector.

Oregon Tech provides the state and the county with a wealth of high-skill graduates at a reasonable cost to students. Based on the U.S. Department of Education’s College Scorecard, Oregon Tech’s average annual enrollment costs to graduate salary ratio is the third lowest in the state among reported institutions (30 cents per dollar earned), with graduates earning 20 percent above the national average salary upon graduating. Five years after completion Oregon Tech graduates have the highest salary of any Oregon public university or college by a significant margin according to HECC Higher Education Snapshot data. (<https://www.oregon.gov/highered/research/Pages/snapshots.aspx>). Further, according to an analysis by Opportunity Insights the Mobility Rate, a measure of economic mobility for students who come from the families in the lowest income quintile and reach the highest income quintile, at Oregon Tech exceed all other Oregon colleges and universities, public or private <sup>2</sup>

Oregon Tech educates thousands of students in academic and technical programs each year. The University offers more than 40 degree programs and certificates in their College of Engineering, Technology, and Management, and College of Health, Arts, and Sciences. Most Oregon Tech students come from counties closest to where the university’s campuses are located, such as Washington, Clackamas, and Klamath counties.

**EXHIBIT 1. OREGON TECH MAP OF STUDENT ORIGIN BY COUNTY**

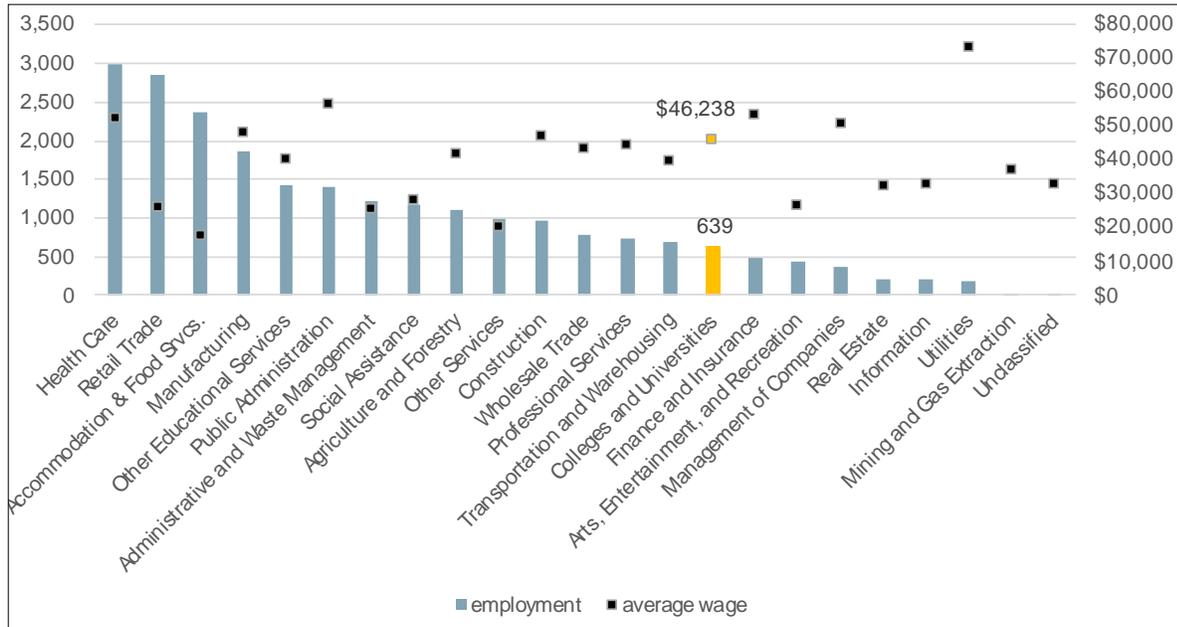


**Oregon Tech’s Place within the county**

Jobs at Oregon Tech are predominantly categorized under the College and University job sector. In 2017, Klamath County had 639 jobs in the Colleges and University sector. These jobs are an important source of middle-income jobs in the county, paying on average \$46,238 in annual wages, the eighth highest paying sector. Oregon Tech has 353 permanent employees in Klamath County with an average annual salary of \$63,909, far above the county average.

<sup>2</sup> [https://www.oregon.gov/highered/about/Documents/Commission/COMMISSION/2019/9%20and%2010%20October%202019/Oregon%20Higher%20Education%20Commission%20Presentation%2010.10.19%20vfinal5%20\(002\)%20AMY.pdf](https://www.oregon.gov/highered/about/Documents/Commission/COMMISSION/2019/9%20and%2010%20October%202019/Oregon%20Higher%20Education%20Commission%20Presentation%2010.10.19%20vfinal5%20(002)%20AMY.pdf)

**EXHIBIT2. AVERAGE WAGE AND TOTAL EMPLOYMENT BY SECTOR IN KLAMATH COUNTY, 2017**



Source: ECONorthwest using QCEW data

**Oregon Tech Supports High Paying Jobs that Benefit the Region**

Oregon Tech supported 487 direct jobs, paying on average \$107,462 in wages and benefits and producing \$82.2 million in economic output. Campus operations also supported important secondary impacts such as 95 local vendors and small business jobs who contract with Oregon Tech (indirect) as well as the spending by both direct and indirect employees in the local economy, which supported 991 induced jobs in the county.

**EXHIBIT3. OPERATIONAL CONTRIBUTIONS OF OREGON TECH**

Type of Impact	Output	Labor Income	Jobs
<b>Klamath County</b>			
Direct	\$82,207,000	\$52,334,000	487
Indirect	\$12,673,868	\$6,877,838	95
Induced	\$138,887,064	\$55,002,506	991
<b>Total</b>	<b>\$233,767,931</b>	<b>\$114,214,344</b>	<b>1,573</b>

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

**University Upgrades Support Regional Jobs**

Capital spending on Oregon Tech’s main campus supported additional economic activities. Ongoing construction projects such as the Center for Excellence in Engineering and Technology and Cornett Hall Renovation project went to support 53 direct construction jobs in 2018, paying on average \$65,829 in wages and benefits.

## EXHIBIT 4. CONSTRUCTION CONTRIBUTIONS OF OREGON TECH

Type of Impact	Output	Labor Income	Jobs
Klamath County			
Direct	\$0	\$0	-
Indirect	\$12,290,211	\$4,222,555	66
Induced	\$2,573,387	\$902,614	19
<b>Total</b>	<b>\$14,863,597</b>	<b>\$5,125,169</b>	<b>86</b>

Source: ECONorthwest using inputs from TRU and the IMPLAN model

## Student and Visitor Spending Converge on Campus

Oregon Tech enrolled 5,500 undergraduates in 2017 who on average spent \$16,290 on non-tuition expenses such as housing, food, and entertainment.<sup>3</sup> Combined this spending injected \$89.6 million into the local economy. Conversely, the university attracted 47,705 visitors to the campus to either visit students or attend other campus activities. Such visitors spent about \$3.9 million in Klamath County on food, lodging, and entertainment.<sup>4</sup>

## 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 Oregon Tech. A more comprehensive assessment and review of academic and institutional quality is available from the Northwest Commission on Colleges and Universities (NWCCU), which accredits Oregon Tech 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.

Oregon Institute of Technology (Oregon Tech) was established in 1947 to retrain members of the military returning from World War II. In its early years, the Oregon Technical Institute (OTI) delivered primarily vocational education and training. After being renamed the Oregon Institute of Technology in 1973, the university developed associate degree programs in technology areas to replace vocational skills training.

Since becoming a baccalaureate university in 1966, Oregon Tech has emphasized professional, accredited programs in engineering, computing, technology, management, and allied health. Recognized as the only public institute of technology in the Northwest, Oregon Tech has broadened its activities to include the delivery of graduate programs. Current graduate degree program offerings include Engineering, Civil Engineering, Manufacturing Engineering Technology, Renewable Energy Engineering, Allied Health and Marriage and Family Therapy. A graduate certificate in Applied Behavior Analysis is also offered ([Year Seven Self Study 2016](#)). Most recently, a Doctor in Physical Therapy degree to be offered in collaboration with OHSU has been approved by HECC.

<sup>3</sup> Oregon Tech Cost of Attendance.

<sup>4</sup> 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.

Oregon Tech is the home of the Oregon Center for Health Professions, the Oregon Renewable Energy Center and the Oregon Manufacturing Innovation Center. Through these centers, the university supports major activities in allied health and the health sciences, development of renewable energy and advances cutting edge manufacturing and metals research.

Oregon Tech also delivers a variety of undergraduate degrees and courses through Oregon Tech Online, including specialized degree completion programs offered to working professionals throughout the nation. Oregon Tech Online has experienced significant growth in web-based curricula and enrollment.

In Spring 2016, Oregon Tech was reaffirmed for accreditation with the NWCCU following its Year Seven Evaluation (*Mission Fulfillment and Sustainability*). The following information is drawn from the NWCCU Report<sup>5</sup> and the Ad Hoc Report submitted by Oregon Tech to NWCCU in Fall 2017 (Fall 2017 AD Hoc NW Report).

The NWCCU commended the librarians of Oregon Tech for their extraordinary support of faculty, students, and individual courses as well as for their contributions to curriculum development, academic departments, and numerous departmental and institutional committees. The Commission also found Oregon Tech's commitment to ensuring physical facilities that are safe, secure, sufficient, attractive and sustainable noteworthy. Oregon Tech was also applauded for its outreach to communities in support of a broader community impact in spite of continuing financial challenges. The Commission lauded the Financial Aid staff for their initiative to improve financial literacy to student loan recipients, and commended the faculty, staff and students for the high degree of positive involvement in the academic processes of the institution such as general education, assessment, teaching support, planning, student support and advising, and governance.

In affirming accreditation, the NWCCU requested that Oregon Tech address the first two recommendations that came out of the evaluation in an Ad Hoc report due in Spring 2017. These two recommendations, indicated below, are areas that did not meet the NWCCU's criteria for accreditation.

- 1) Oregon Tech is to complete, approve and execute an agreement between the institution and the Foundation that clearly defines the relationship between the two institutions.
- 2) Oregon Tech is to develop, enforce and document enforcement of a policy for credit for prior learning assessment that clearly meets the criteria of Standard 2.C.7 of the NWCCU Accreditation Manual.

The Spring 2017 Ad Hoc report was submitted on schedule. The NWCCU indicated that Recommendation 1 was in compliance but Recommendation 2 was still out of compliance and requested another Ad Hoc Report in Fall 2017 to document evidence of compliance. The Fall Ad Hoc Report was submitted at the end of September 2017. The NWCCU decision reported on February 1, 2018 indicated that Oregon Tech is in compliance with the standard and that Recommendation 2 was fulfilled.

The remaining three recommendations, listed below, are indicative of areas in which Oregon Tech was considered to be substantially in compliance but could improve. Oregon Tech submitted an Ad Hoc Report, as requested by NWCCU, in March 2019 along with its scheduled Year Three Mid-Cycle Self-Assessment Report.

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<sup>5</sup> NWCCU 7-5-2016 OIT Accreditation Reaffirmed 7 Year Evaluation (002).pdf

- 3) Oregon Tech is to utilize planning and assessment effectively to guide Core Theme enactment, decision making, resource allocation and capacity and engage and enable input by constituents.
- 4) Oregon Tech regularly review its assessment processes to ensure that they appraise authentic achievements and yield meaningful results that lead to improvement.
- 5) Oregon Tech engage in a regular, systematic, participatory, self-reflective and evidence-based assessment of its accomplishments.

Oregon Tech is on track with its accreditation schedule.

**Table 1: Individual programs in Oregon Tech are accredited by professional organizations**

<b>Program or School</b>	<b>Degree Level(s)</b>	<b>Recognized Agency</b>	<b>Date</b>
Civil Engineering	BS	ABET	2017
Computer Engineering Technology	AE, BS	ABET	2015
Electrical Engineering	BS	ABET	2017
Electronics Engineering Technology	BS	ABET	2015
Embedded Systems Engineering Technology	BS	ABET	2015
Geomatics	BS	ABET	2013
Manufacturing Engineering Technology	BS	ABET	2015
Mechanical Engineering	BS	ABET	2017
Mechanical Engineering Technology	BS	ABET	2015
Renewable Energy Engineering	BS	ABET	2017
Software Engineering Technology	AE	ABET	2015
Software Engineering Technology	BS	ABET	2015
Department of Management	BS	International Assembly for Collegiate Business Education (IACBE)	2015
Clinical Laboratory Sciences	BS	National Accrediting Agency for Clinical Laboratory Sciences (NAACLS)	2015
Dental Hygiene	AAS, BS	American Dental Association Commission on Dental Accreditation (CODA)	2017

Diagnostic Medical Sonography	BS	Commission on Accreditation of Allied Health Education Programs (CAAHEP)	2015
Echocardiography	BS	Commission on Accreditation of Allied Health Education Programs (CAAHEP)	2015
Paramedic Education Program	AAS	Commission on Accreditation for Emergency Medical Services Professions (CoAEMSP)	2012
Polysomnography	Certificate, AAS	Commission on Accreditation for Polysomnography (CoA PSG)	2011
Respiratory Care	BS	Commission on Accreditation for Respiratory Care (Co ARC)	2011
Vascular Technology	BS	Commission on Accreditation of Allied Health Education Programs (CAAHEP)	2015

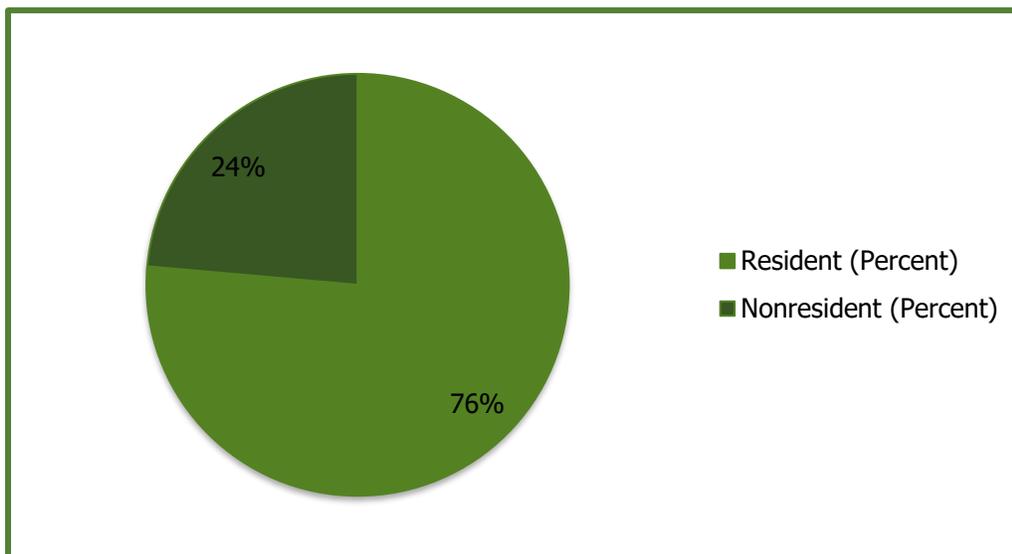
## STUDENT ACCESS AND SUCCESS

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Nationally, Fall 2019 saw college enrollment decreases for the ninth consecutive year, according to recent data from the National Student Clearinghouse Research Center.<sup>6</sup> 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 Oregon Tech students during Fall 2019 (76.4%) were residents. During the 2018-19 academic year, the majority of students attended part-time.

**Figure 2: Oregon Tech Student Enrollment by Residency, Fall 2019**



Source: HECC (2019)

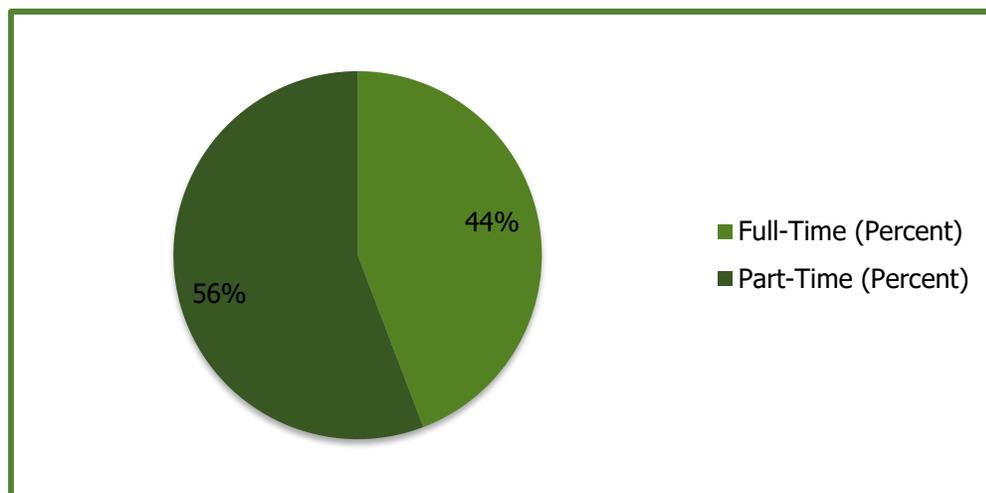
Following a near decade of enrollment increases, Fall 2019 saw headcount enrollment drop for the second year in a row: for non-residents (-1.4%), residents (-0.1%), and overall (-0.4%) while Full Time Equivalent (FTE) enrollment grew by 1.3% as the university focused its efforts on more full-time degree seeking students in order to increase degree completion in line with the HECC's strategic focus. To these ends, Oregon Tech saw its largest Full Time Equivalent (FTE) freshmen class in 30 years in 2019, which increased 14% year-over-year and 24% since fall 2017.

While single year enrollment changes do not constitute a trend on their own, they are generally consistent with longer-term enrollment patterns at Oregon Tech. Over the last decade, Oregon Tech's total enrollment has grown by more than 35.4% (from 3,927 in 2009 to 5,319 in 2019). Growth has been significant for both non-resident and resident students, increasing 26.0% and 38.6% respectively.

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<sup>6</sup> [https://nscresearchcenter.org/wp-content/uploads/CTEE\\_Report\\_Fall\\_2019.pdf](https://nscresearchcenter.org/wp-content/uploads/CTEE_Report_Fall_2019.pdf)

**Figure 3: Oregon Tech Student Enrollment by Full-Time/Part-Time Status, 2018-19**



Source: HECC (2019)

Of the Oregon Tech students enrolled in Fall 2019, 978 were newly admitted undergraduates, compared to 869 newly admitted undergraduates in the previous academic year. Of the 5,319 students enrolled in Oregon Tech in Fall 2019, 18.3% (971) were from underrepresented minority populations. Among the resident student population, underrepresented minority students constituted 17.5%.

There was an increase in enrollment in every category by race/ethnicity for underrepresented minority students, and especially so for American Indian/Alaska Native and Hispanic students.

**Table 2: Oregon Tech Headcount Enrollment by Race/Ethnicity**

Race/ Ethnicity	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Change Fall 2018 to Fall 2019
Non-Resident Alien	92	127	116	111	-5
American Indian/ Alaska Native	60	54	49	62	13
Asian	353	399	368	358	-10
Black Non- Hispanic	104	103	90	91	1
Hispanic	503	597	578	613	35
Pacific Islander	29	35	30	25	-5
Two or more races, Underrepresen ted Minorities	176	180	208	180	-28

Two or more races, not Underrepresented Minorities	96	107	96	77	-19
White Non-Hispanic	3,506	3644	3504	3587	83
Unknown	313	244	302	215	-87

Source: HECC (2019)

Different student populations do not graduate at similar rates. However, data from the class of 2012 show Oregon Tech is closing equity gaps when it comes to Pell Grant recipients and underrepresented minorities graduation rates. The four and six-year graduation rates for Oregon Tech's First Time Freshmen who entered in fall 2012 are as follows:

**Table 3: Four-Year and Six-Year Graduation Rate, First-Time, Full-Time Freshmen Entering Oregon Tech in Fall 2012**

	Four-Year Graduation Rate	Six-Year Graduation Rate
All Students	22.2 %	55.2 %
Underrepresented Minorities	23.3 %	51.7 %
Pell Grant Recipients	22.0 %	57.2 %

Source: HECC (2019)

\*Fall 2012 cohort is the latest year of available data.

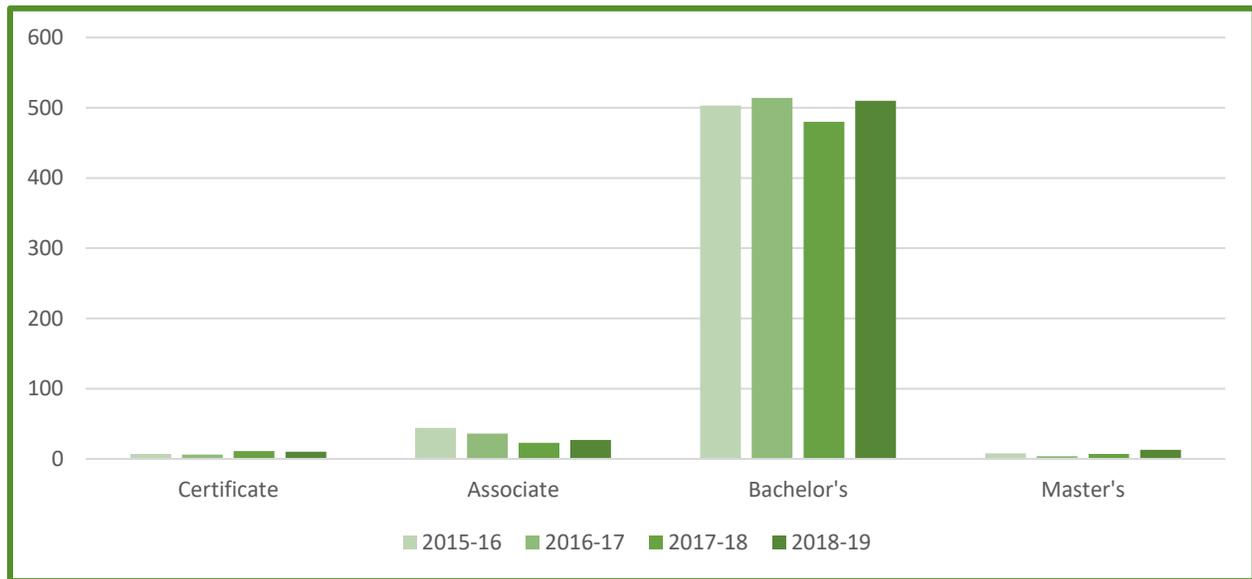
The number of bachelor's degrees awarded to resident students has been fluctuating. Year-over-year, Oregon Tech awarded one less certificate, four more associate's degrees, 30 more bachelor's degrees, and six more master's degrees.

**Table 4: Oregon Tech Resident Student Completions by Award Type**

	2015-16	2016-17	2017-18	2018-19
Certificate	7	6	11	10
Associate's	44	36	23	27
Bachelor's	503	514	480	510
Master's	8	4	7	13
Doctoral	-	-	-	-
Professional	-	-	-	-

Source: HECC (2019)

**Figure 4: Oregon Tech Resident Student Completions by Award Type**



Source: HECC (2019)

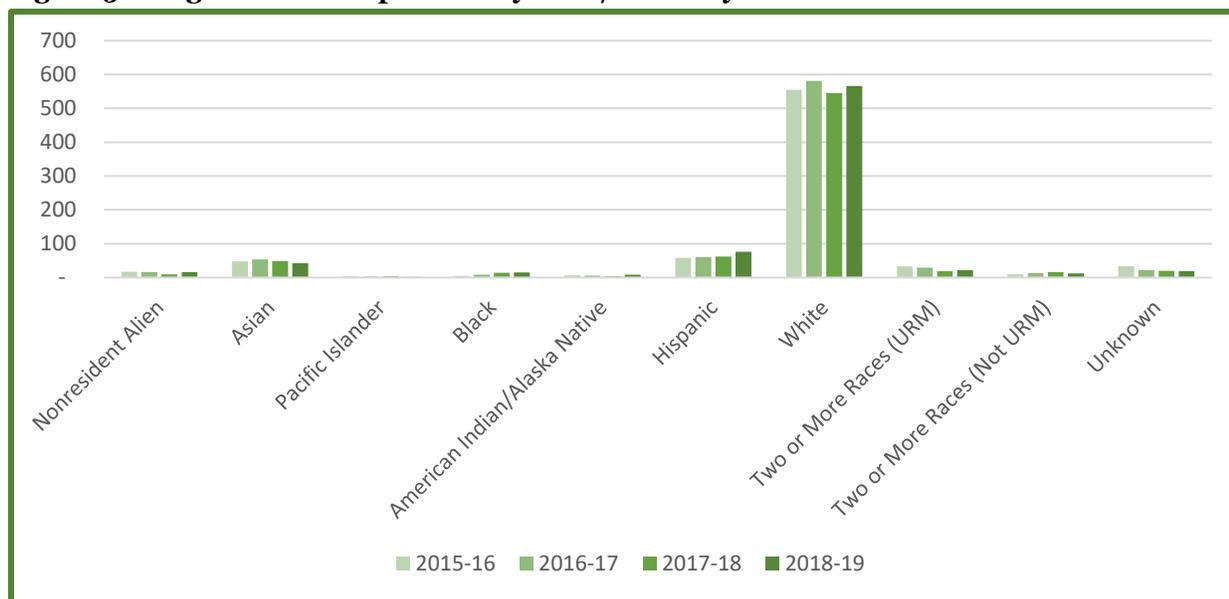
Oregon Tech saw an increase of 4.7% in the number of students graduating in 2019 compared to the year before. In the 2018-19 academic year, Non-resident alien, Black (non-Hispanic), American Indian/Alaska Native, Hispanic, White (non-Hispanic), and students who identify as two or more underrepresented minorities had varying increases in completions. Asian, Pacific Islander, students who identify as two or more races not underrepresented minorities, and unknown students had varying declines in completions.

**Table 5: Oregon Tech Completions by Race/Ethnicity**

Race/Ethnicity	2015-16	2016-17	2017-18	2018-19
<b>Nonresident Alien</b>	17	16	9	16
<b>Asian</b>	48	54	49	42
<b>Pacific Islander</b>	4	3	4	2
<b>Black</b>	5	8	14	15
<b>American Indian/Alaska Native</b>	7	6	4	8
<b>Hispanic</b>	58	60	62	76
<b>White</b>	555	581	546	566
<b>Two or more races, Underrepresented Minorities</b>	33	29	19	22
<b>Two or more races, not Underrepresented Minorities</b>	9	13	16	12
<b>Unknown</b>	34	22	20	19

Source: HECC (2019)

**Figure 5: Oregon Tech 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 6: 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 Oregon Tech’s affordability.

Many students and prospective students at Oregon Tech, 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 Oregon Tech increased 67.0% in the last 10 years, including increases of 4.7% and 5.3% in 2018-19 and 2019-20 respectively.<sup>7</sup> In 2019-20, tuition increased 6.0% at Oregon Tech’s Klamath Falls and Wilsonville campuses, with fees increasing 13.7% at the Klamath Falls campus and 1.5% at the Wilsonville campus.<sup>8</sup> 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.

Students, however, do have access to financial aid at Oregon Tech. In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), Oregon Tech students benefit from Oregon Tech’s significant commitment of institutional resources to scholarships, remissions, and tuition discounts. In the 2018-19 academic year, Oregon Tech recorded \$3,921,945 in resident tuition remissions (23.4% of resident gross tuition charges), which is a 3.8% increase over the prior year. The year prior, the 2017-18 academic year, Oregon Tech recorded \$3,777,194 in resident tuition remissions (22.4% of resident gross tuition charges).

<sup>7</sup> Source: <https://www.oit.edu/college-costs/tuition-fees> as well as historical OUS tuition data. Defined to include full-time resident base tuition and all mandatory fees (including incidental fees).

<sup>8</sup> A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) Oregon Tech will pay \$8,775 in tuition at both campuses and \$1,944 in fees at the Klamath Falls campus or \$405 in fees at the Wilsonville campus for a total annual cost of \$10,512 at the Klamath Falls campus and \$9,180 at the Wilsonville campus.

Oregon Tech also engages in a number of targeted programs designed to increase access and completion among targeted populations.<sup>9</sup> For example, Oregon Tech’s new Presidential Scholarship awards students with high school or college GPAs above 3.0 varying amounts of aid based on their academic credentials. Oregon Tech’s leadership and diversity scholarship awards up to \$2,000 a year for residents or WUE students (and \$3,000 for non-residents) from traditionally underserved backgrounds who have a history of involvement and leadership in their community.

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. Oregon Tech estimates the average student budget for living expenses annually at ~\$16,315, an amount which exceeds tuition and fees of \$10,512. The total cost of attendance is \$26,827 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 Oregon Tech scorecard for the 2017-18 academic year,<sup>10</sup> 63% of Oregon Tech’s students were unable to meet expenses with expected resources, family contributions, student earnings and grant aid, compared to a statewide average of 60%.<sup>11</sup> Average earnings among bachelor’s degree recipients five years after graduation were \$65,623, compared to a statewide average of \$45,785. The average debt among graduates was \$22,875, compared to a statewide average of \$22,421 and 45% of Oregon Tech students had federally supported loans, compared to a statewide average of 47%. According to the College Scorecard, during the 2017-18 academic year, 25% of students received Pell Grants.<sup>12</sup>

## ACADEMIC QUALITY AND RESEARCH

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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.

Oregon Tech has clearly established processes and oversight committees for a variety of academic priorities:

- curriculum planning (see [www.oit.edu](http://www.oit.edu) for details) and Curriculum Planning Commission (CPC) <https://my.oit.edu/committees/cpc/default.aspx>
- Graduate Council <https://my.oit.edu/committees/grad-council/default.aspx>

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<sup>9</sup> Source: <https://www.oit.edu/college-costs/scholarships>

<sup>10</sup> Source: <https://www.oregon.gov/highered/research/Documents/Snapshots/OIT-Snapshot.pdf>

<sup>11</sup> Statewide averages from: <https://www.oregon.gov/highered/research/Documents/Snapshots/Statewide-Snapshot.pdf>

<sup>12</sup> [https://collegescorecard.ed.gov/school/?209506-Oregon Institute of Technology](https://collegescorecard.ed.gov/school/?209506-Oregon%20Institute%20of%20Technology)

- Commission on Assessment <http://www.oit.edu/faculty-staff/provost/assessment>
- General Education Advisory Council (GEAC) Standing Committee <http://www.oit.edu/docs/default-source/faculty-staff-documents/councils-commissions-committees/standing-committees/2017-18-standing-committees.pdf?sfvrsn=10>
- Academic Standards Committee (Faculty Senate) <http://www.oit.edu/faculty-staff/resources/faculty-senate/committees>

Program Reduction and Elimination Policy (PREC) <http://www.oit.edu/docs/default-source/human-resources-documents/faculty-policies-and-procedures/program-reduction-and-elimination---oit-20-050.pdf?sfvrsn=2>

Oregon Tech also has established processes for program reduction and elimination (Program Reduction and Elimination Policy (PREC) <http://www.oit.edu/docs/default-source/human-resources-documents/faculty-policies-and-procedures/program-reduction-and-elimination---oit-20-050.pdf?sfvrsn=2>)

Faculty evaluation and professional development are fundamental to sustaining academic quality. Oregon Tech has clearly defined processes for faculty evaluation (see <http://www.oit.edu/docs/default-source/human-resources-documents/faculty-policies-and-procedures/faculty-evaluation-policy---oit-21-040.pdf?sfvrsn=4>).

Faculty Evaluation Policy <http://www.oit.edu/docs/default-source/human-resources-documents/faculty-policies-and-procedures/faculty-evaluation-policy---oit-21-040.pdf?sfvrsn=4>

Faculty Evaluation Form <http://www.oit.edu/docs/default-source/human-resources-documents/faculty-policies-and-procedures/faculty-evaluation-policy---ape-form-for-teaching-faculty.pdf?sfvrsn=2>

### **Oregon Tech's mission has a strong focus on excellence in instruction.**

While professional development is required, faculty members are encouraged to advance their knowledge in education or a specific discipline. Ways in which Oregon Tech faculty currently engage in professional development include professionally relevant employment, seeking grant opportunities, presentations at conferences and workshops, publishing scholarly work in journals, applied research, and participating in professional societies, to name a few. Faculty members often support student teams in competitive projects or engagement with industry partners and professional societies outside the scope of normal classroom activities. Many Oregon Tech faculty also have long established ties to various industries and research laboratories. Scholarship of the faculty tends to naturally fall in areas that enhance course content and promote excellence in teaching.

Two examples of the above fall into the applied research category.

1. **Oregon Renewable Energy Center (OREC).** The OREC mission is to enhance development and promote availability of renewable energy through; Energy Systems Engineering, Applied Research, Technical Assistance and Information Dissemination, Academic Degree Programs and Industrial Training and Development. The vision is to grow the Oregon Renewable Energy Center into a vibrant, globally recognized preeminent center that expands the use of renewable energy and serves the needs of local, state and regional renewable energy industries and people. Oregon Tech and OREC focuses on applied research that falls within Technology Readiness Levels 3 – 7, and combines the capabilities of faculty, graduate and undergraduate students working with

companies that want to move beyond basic research to prototype development, testing and simulations in relevant environments, and applicability of designs to manufacturing processes. OREC is a perfect demonstration of Oregon Tech's support of faculty professional development through applied research that supports its teaching mission.

- 2. The Upper Klamath Basin Water Measurement Coordination Group** is charged by the Department of the Interior, Bureau of Reclamation to provide assistance with the evaluation of sites for the installation of improved water measurement. Oregon Tech's presence and reputation with the local community provides Reclamation a trusted and technical source for analyzing and recommending water measurement solutions to the many problems associated with a current and future changing climate. Oregon Tech has entered into a grant agreement (approximately \$400,000) with the Bureau of Reclamation to facilitate improved water measurement in the Klamath Basin. The faculty and students in the Environmental Science Bachelor's Degree Program will engage to "facilitate on the Upper Klamath Water Measurement Coordination Group to improve water measurement in the basin; assist with the evaluation of sites for the installation of improved water measurement devices; implement and report on experimental hydrologic field measurements; assist irrigators/producers with hydrologic field measurements; develop and disseminate technical support videos and materials; and develop and facilitate multi-party lab user agreements." This funded initiative is yet another example of Oregon Tech's support of faculty (and students) to develop professionally through applied research.

Professional development activities for faculty include:

#### ACP/Dual Credit-

Oregon Tech embraces ACP/Dual Credit and incorporates this effort in the University Core Themes which guide the university in the fulfillment of its mission. Faculty in academic departments are given the opportunity to participate as liaisons in Dual Credit and the University is looking at mechanisms by which these efforts will be captured on a much larger scale as professional development. Currently faculty are paid stipends for participation based on the number of teachers they interact with.

Summer Productivity Grants - During the summer 2016 the Provost's Leadership Team awarded 18 summer productivity grants totaling \$50,000 for a variety of professional development activities to be accomplished by October 1, 2016. The results were overwhelming not only in terms of development, but also additional acquisition of funds via outside grants. Two examples of work that have led to outside grant funding are listed here:

1. Proposal for Applied Behavior Analysis (ABA) training which resulted in an Oregon Talent Council grant for development of an ABA Autism Training program.
2. Proposal for Using Sustainable, Natural Pozzolans from the Eruption of Mt. Mazama for Soil Stabilization and Gravel Roadway Dust Mitigation, which resulted in an NITC grant.

## **RESEARCH ACTIVITY**

Partnerships with other higher education institutions in the region and across the state, in a variety of research center collaborations, create opportunities for faculty and students to engage in cutting edge research and applications in a variety of fields. Some of these collaborative research opportunities are described in the Collaboration section above, as is Oregon Tech's underlying pedagogy of practical application of theory in real world situations. In 2017-18 Oregon Tech reported total research grant awards of approximately \$14 million, and increased to \$17 million in 2018-19.

## 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) that 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 November 2018, the presidents of Oregon Tech, Southern Oregon University (SOU), Rogue Community College (RCC) and Klamath Community College (KCC) formed the Southern Oregon Higher Education Consortium (SOHEC), Oregon's first regional coalition of colleges and universities. Partners established the consortium to prompt discussion about what kinds of economic growth are needed in southern Oregon, what industries the institutions should help support or attract, and how higher education can best align to meet those needs. During the past year SOHEC has created a website, shared housing, explored collaborative academic programming, worked on developing dual admission, improved transfer and developed or implemented additional programs. In addition, Oregon Tech engages in a number of collaborative initiatives with other universities and partners, as indicated below (*P* indicates Participation, *N/P* indicates Non-Participation):

**Table 7: Oregon Institute of Technology Collaborative Initiatives Participation**

<b>Other University Collaborations</b>	<b>University Response</b>
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> )	N/P
Capital Construction Services	N/P
OWAN	P
NERO Network	P
RAIN	N/P
Orbis Cascade Alliance	P Oregon Tech Library Director is on board of directors
ONAMI	N/P
CAMCOR at UO	P (as needed)
Oregon Manufacturing Innovation Center (OMIC)	P with PSU, OSU, PCC
Oregon Renewable Energy Center and Geo-Heat Center (OREC)	P with other university energy research centers, depending on the project
National Institute for Transportation and Communities (NITC)	P with PSU, UO, University of Utah, University of South Florida
Population Health Management Research Center (PHMRC)	P with Klamath County Public Health and OHSU

Rural Health Initiative	P with Sky Lakes Medical Center and OHSU
STEM Partnerships: South Metro-Salem STEM Hub (SMSP) and Southern Oregon STEM Hubs, NASA Space Grant Consortium, MESA	P with 6 other higher education partners and 16 school districts for SMSP, including OSU/NASA P with SOU and two other higher ed partners and 5 school districts for Southern Oregon P with PSU for with MESA
Office of Academic Agreements	P - Articulations agreements with 25 community colleges in Oregon and nearby states and dual enrollment agreements with 5 community colleges
Academic Agreements	P with PSU for engineering and with SOU for Applied Psych/Applied Behavior Analysis

### **Oregon Manufacturing Innovation Center (OMIC R&D)**

OMIC R&D is an ambitious industry-university collaboration aimed at shaping the future of manufacturing in the State of Oregon. This applied research center brings together industry, government and academia as partners. Ten founding institutions—seven industry and three university members—signed a multi-year collaboration agreement in June 2017. Industry includes Boeing, Daimler, Hangsterfer’s, Vigor, ATI, Silver Eagle and Blount. Universities include the Oregon Tech, Portland State University (PSU), and Oregon State University (OSU). Each member brings financial investment to the table to support shared research projects.

The wider OMIC community includes a variety of government and private entities as stakeholders and key partners in the initiative including: the UO as an education partner, Oregon Legislature, the Office of the Governor, Oregon Employment Department, Business Oregon, Greater Portland Inc., AFL-CIO, Columbia County, and the City of Scappoose among others. The State of Oregon has made a significant investment in the past legislative session to support the work of OMIC R&D. OMIC has grown to 27 industries and 3 universities today, with great potential for further growth.

The university partners are working on applied research projects as directed and funded by the member manufacturing companies. In addition, the academic partners are providing learning opportunities and pathways for students and professionals. Significant machinery has already been donated by new members toward OMIC R&D. All partners benefit from the sharing of equipment, space and inter-institution expertise.

OMIC is a demonstration of Oregon Tech’s leadership in applied research that supports its teaching mission. Oregon Tech had the flexibility and drive to work through complex logistical obstacles and relationships to collaborate with industry, government and academic partners to bring OMIC to fruition. Oregon Tech has taken on a significant role as the host institution in support of the operation of OMIC R&D, as well as the co-owner of the Scappoose industrial site that will house the R&D activity.

**Oregon Tech collaborates with other Oregon postsecondary institutions through many avenues.** Most visible are the institution’s dual enrollment agreements, reverse transfer work, articulated pathways (articulation agreements) and our partnership with STEM Hubs and Regional Promise Grants.

The University has dual enrollment agreements with Klamath, Chemeketa, Portland, Clackamas and Mt. Hood Community Colleges. Through these agreements students are able to be admitted to each institution using their total credits for a term to count for financial aid without an individual manual consortium agreement. Students have the freedom to take course at one or both institutions. Students who are dual can view their degree audit, have access to advisors, can utilize library and other services electronically or in person. Close to 2,500 students have participated in this opportunity and 183 are currently enrolled in Oregon Tech courses.

Reverse transfer agreements provide the opportunity for Oregon Tech to forward the Oregon Tech transcripts of students who are close to an associate degree to the Community College where they evaluate it for degree completion. Many students have been awarded an associate degree after they transferred to Oregon Tech through these agreements.

Oregon Tech has been developing Articulated Pathways or Articulation agreements for over 30 years. These formal agreements require the faculties to do the difficult work of curricular alignment. Through these program-to-program documents, students can readily see how their credits will transfer and be able to plan effectively toward their educational goal. Since the curricula often change the agreements are reviewed and renewed yearly. This also allows the alignment discussions to be ongoing and robust. Oregon Tech partners with all Oregon community colleges in creating Articulation agreements that are appropriate and advantageous. Agreements are accessible on the Oregon Tech web site and also are posted on the Community College web page. Each agreement spans up to three catalog years and to date 137 agreements are in place. Additionally, Oregon Tech maintains transfer guides for popular majors from feeder Community Colleges.

## **PATHWAYS**

One area of collaboration that does present some challenges, 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. In addition, 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 can change without notice, which can hinder community college students and advisors in effective degree planning.

Statewide, 41 percent of students entered who entered an Oregon public university in Fall 2016 did so from a community college or other transfer institution.<sup>13</sup> (Oregon Tech enrolled nearly 61 percent of its students as transfers in that same period).

Oregon Tech participated in many statewide transfer student success initiatives, including the HB 2525 workgroup – contributing key research and shaping the final report. Oregon Tech recently concluded a three-year effort to remake its university general education core around a set of institutional learning outcomes, similar to the AAC&U LEAP Essential Learning Outcomes. This project was in part spurred by the need to make transfer pathways more visible to students and advisors. Oregon Tech, as a transfer serving institution, works closely with its community college partners: Klamath Community College, Rogue Community College, and Portland Community College (among others). The Southern Oregon Higher Education Consortium (SOHEC) is actively working to enhance transfer pathways from KCC and RCC to Southern Oregon University and Oregon Tech. Oregon Tech has recently begun investigating joining Western Oregon and Blue Mountain Community College in the Interstate Passport (<http://www.wiche.edu/passport>), a learning outcomes based framework for lower division general education transfer.

House Bill 2998, passed in 2017, required the Commission to work closely with both 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.

Oregon Tech 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 (OTAC) was critical to the design of the Foundation Curriculum and USTAs both now rebranded as the Oregon Transfer Maps. Oregon Tech 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).

## SHARED ADMINISTRATIVE SERVICES

Oregon Tech 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)

**Table 8: Shared Administrative Services**

Provider	University Response
<b>University Shared Services Enterprise (USSE, hosted by OSU)</b>	
Financial Reporting	P
Capital Asset Accounting (currently only Oregon Tech)	P
Payroll & Tax Processing (includes relationship w PEBB, PERS/Federal retirement*)	P

<sup>13</sup> HECC Office of Research and Data, “University Student Data” <http://www.oregon.gov/highered/research/Pages/student-data-univ.aspx>

Collective Bargaining *	P
Information Technology/5 <sup>th</sup> Site <sup>1</sup>	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) <sup>2</sup>	P
Endowment Services	P
Other Miscellaneous Statements of Work:	
Provosts Council Administrative Support	P
Legislative Fiscal Impact Statement Support	P
Risk Management Analyst (TRUs only)	N/A
Public University Fund Administration <sup>3</sup>	P
<b>Oregon Institute of Technology</b>	
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 Oregon Tech, continue to participate in these mandated services.

# FINANCIAL HEALTH ASSESSMENT

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This section of Oregon Tech'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.

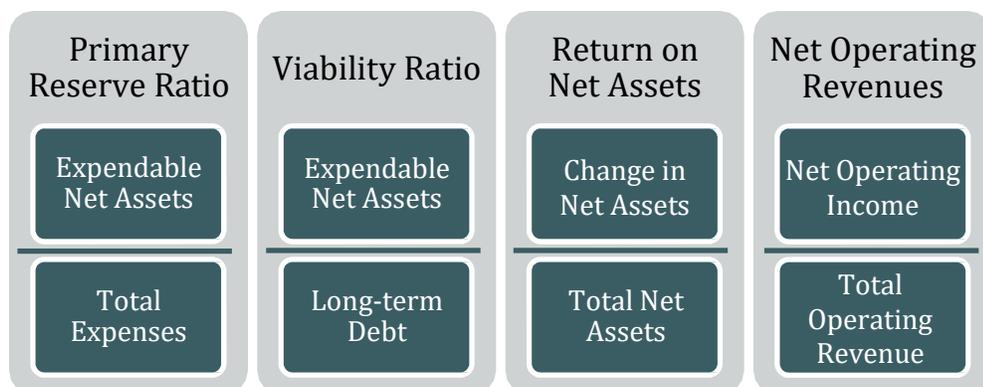
The overall financial health of an institution can be assessed via two dimensions of inquiry. First, is the institution financially capable of successfully carrying out its current programs? Second, is the institution able to carry out its intended programs well into the future? Along those two dimensions, 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. The overall trend for Oregon Tech's CFI is slightly negative, as the institution moved from a 2.73 in FY 17 to 2.18 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 \$17.5 million or 23% of total liabilities at Oregon Tech. 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 Oregon Tech 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.

<b>OREGON TECH FINANCIAL RATIOS</b>				
<b>Ratio</b>	<b>FY 19</b>	<b>FY 18</b>	<b>FY 17</b>	<b>Benchmark</b>
Viability Ratio	0.73	0.83	0.79	>1.0
Primary Reserve Ratio	0.31	0.39	0.41	>0.4
Net Operating Revenues Ratio	-3.9%	-8.6%	2.1%	>4%
Return on Net Assets Ratio	10.6%	8.0%	8.2%	>6%
<b>Composite Financial Index (CFI)</b>	<b>2.18</b>	<b>1.85</b>	<b>2.73</b>	<b>&gt;3.0</b>
<b>Adjusted CFI*</b>	<b>3.09</b>	<b>2.74</b>	<b>4.76</b>	<b>&gt;3.0</b>
*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.

Oregon Tech's expendable net assets fell 5.9% from FY 17 to FY 19 with this drop occurring entirely in FY 19. By the same token, Oregon Tech's viability ratio increased slightly between FY 17 and FY 18 and decreased in FY 19 to the point where the institution could cover just under three fourths of every dollar currently owed with currently available assets. As a result, and although its viability ratio is below the benchmark, it appears the institution is in a relatively stable position.

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.

Oregon Tech's primary reserve ratio had been right at the benchmark in FY 17 and FY 18 but fell in FY 19. Oregon Tech staff indicate this is partially due to increases in expenses related to the Oregon Manufacturing Innovation Center (OMIC) which is a component of the overall expense base. With no other significant, extraordinary draws on reserves, Oregon Tech is maintaining its reserves at a reasonable level by balancing expenses with revenues. Still, 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. Oregon Tech's net operating revenues ratio has been negative the past three years and has decreased slightly since FY 17. Although the losses are relatively small, 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 investment in strategies that will enhance net assets in the future. Oregon Tech's performance on this ratio was both stable and above the established benchmark during the past three years.

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 their enrollment trends, which have seen an increase from 3,299 to 3,352 over the past three years. Oregon Tech is projecting to add an additional 1,650 students over the next decade.

However, the strategic capital development report is projecting about a six percent growth in on-campus student enrollment over the next decade for Oregon Tech. As the report states, "In order for Oregon Tech to reach its enrollment forecast for 2029, which would require it to enroll about 1,650 additional FTEs, NCHEMS' model assumes that it would have to improve its recruitment and retention by over 25 percent across the board." Data from the fall fourth week enrollment report shows a 0.9% increase in Oregon Tech's FTE over the same point last year, a promising sign and a reversal of a slight decline in enrollment that had been seen in the prior year's report.

As demonstrated in the chart below, Oregon Tech is about equally dependent on state funding and tuition for their continuing financial stability. This means Oregon Tech needs to look to increase enrollment as a bulwark against potential future decreases in state funding. Meanwhile, increased spending on student services (academic support spending increased by almost 40% and student services by 25% from FY 18 to FY 19 while instructional costs increased only 9%) should help drive increased retention and student success.

Projected Educational & General (E&G) Fund Balance, FY2020					
	FY18 Actuals	FY19 Actuals	FY 20 Budget	Variance	
Enrollment Fees	29,796,000	31,845,000	33,804,000	1,959,000	6%
Govt Resources and Allocations	27,657,000	28,945,000	31,213,000	2,268,000	8%
Misc	1,828,000	2,309,000	2,915,000	606,000	26%
<b>Total Revenues</b>	<b>59,281,000</b>	<b>63,099,000</b>	<b>67,932,000</b>	<b>4,833,000</b>	<b>8%</b>
Unclassified	23,631,000	25,519,000	26,373,000	854,000	3%
Classified	5,422,000	5,637,000	5,726,000	89,000	2%
Grad Assistant	25,000	67,000	121,000	54,000	81%
Student Labor	769,000	904,000	968,000	64,000	7%
Benefits & OPE	14,633,000	16,138,000	18,063,000	1,925,000	12%
Salary Savings	-	-	(1,381,000)	(1,381,000)	
<b>Total Labor</b>	<b>44,480,000</b>	<b>48,265,000</b>	<b>49,870,000</b>	<b>1,605,000</b>	<b>3%</b>
<b>Supplies and Services</b>	<b>10,654,000</b>	<b>12,990,000</b>	<b>13,187,000</b>	<b>197,000</b>	<b>2%</b>
Direct Expense	3,218,000	4,260,000	3,731,000	(529,000)	-12%
Transfers and Projcts/Fund Changes	393,000	662,000	2,137,000	1,475,000	223%
<b>Total Expenditures</b>	<b>58,745,000</b>	<b>66,177,000</b>	<b>68,925,000</b>	<b>2,748,000</b>	<b>4%</b>
<b>Net Revenue</b>	<b>536,000</b>	<b>(3,078,000)</b>	<b>(993,000)</b>	<b>2,085,000</b>	<b>-68%</b>
<b>Fund Balance</b>	<b>12,702,000</b>	<b>9,896,000</b>	<b>9,008,000</b>	<b>(888,000)</b>	<b>-9%</b>
	23.0%	15.8%	13.3%		

The table above includes projected FY 20 revenue and expenditure data for Oregon Tech’s general fund, which includes its E&G operations. Oregon Tech has been spending down its fund balance over the past two years, largely due to increases in labor expenses outpacing increases in tuition revenue. A reduced fund balance leads to the potential risk of being subjected to volatility. However, Oregon Tech is still at a relatively strong level, based on FY 20 projections.

## BOARD OF TRUSTEES

The Board of Trustees at Oregon Tech maintains working relationships with its university constituents. These productive relationships with campus constituents are the result of intentional efforts of the board.

The Board of Trustees held meetings on the following dates:

- August 02, 2018 (Exec. Comm.)
- August 13-14, 2018
- November 15, 2018
- January 24, 2019
- March 21, 2019
- May 30, 2019

<http://www.oit.edu/trustees/meetings-events>

Public notices, agendas and meeting materials are posted on the Board's webpage and emailed to media, Foundation Board members, Alumni Advisory Board members, faculty, staff, students, and other interested parties in advance of each meeting.

<http://www.oit.edu/trustees/meetings-events>

Board meetings are duly noticed, and publicized. All meetings, except for executive sessions as allowed by law, are open to the public, live-streamed, recorded and available for viewing on the Board's webpage. Meeting agendas, materials, and copies of materials distributed or shown at meetings are posted on the Board's webpage. The Board complies with public records requests, in coordination with the University Board Secretary and Records Coordinator, in compliance with public records law.

<http://www.oit.edu/trustees/meetings-events/recordings>

The Board of Trustees adopted amended Bylaws on January 24, 2019. The document is published on the Board's webpage.

[https://oregontechsfstatic.azureedge.net/sitefinity-production/docs/default-source/board-of-trustees-documents/2019-meetings/january/bylaws\\_amended-2019-01-24.pdf?sfvrsn=9377b121\\_2](https://oregontechsfstatic.azureedge.net/sitefinity-production/docs/default-source/board-of-trustees-documents/2019-meetings/january/bylaws_amended-2019-01-24.pdf?sfvrsn=9377b121_2)

The founding Board created and signed a Values Statement. Each new Trustee reviews and signs an individual statement, agreeing to abide by the values. <http://www.oit.edu/trustees/members>

The Board established a standing Finance & Facilities Committee that also acts as the Audit Committee.

The Board and the F&F Committee receive regular reports from the VPF&A including budget, investments, debt finance, tuition and fees, real property, personal property and risk management.

The Board adopted policies on board committees and their responsibilities, debt management, delegation of authority reserving authority for certain transactions, operating budget fund balance, ethics and conflict of interest, performance of official business, presidential performance process, and tuition and fee setting process.

The Board approved Resolutions on shared governance, establishing responsibilities of individual trustees including fiduciary responsibilities, and adopting the University mission statement and core themes.

All governing documents are posted on the Board's webpage. <http://www.oit.edu/trustees/bylaws-policies>

See all governing documents posted on the Board's webpage: <http://www.oit.edu/trustees/bylaws-policies>).

The Board adopted a Policy on Tuition and Fee Process on February 22, 2016 and amended the policy on June 30, 2016 and January 24, 2019. The Policy calls for a Tuition Recommendation Committee made up of six students, representing both campuses, appointed by the ASOIT Presidents, two of which represent ASOIT and two of which represent historically underserved students of the university; two faculty members one of which is the chair of the Fiscal Operations Advisory Council; and two senior administrators. The Committee is required to meet at least twice and hold a minimum of one public forum, with broad notification, at each campus location to discuss and obtain input. The Tuition Recommendation Committee maintains a publicly accessible website and has historically held forums and other opportunities for student input during the tuition setting process.

[https://oregontechsfstatic.azureedge.net/sitefinity-production/docs/default-source/board-of-trustees-documents/2019-meetings/january/policy\\_tuition-and-fee-process\\_amended-2019-01-24.pdf?sfvrsn=cc26d5c\\_2](https://oregontechsfstatic.azureedge.net/sitefinity-production/docs/default-source/board-of-trustees-documents/2019-meetings/january/policy_tuition-and-fee-process_amended-2019-01-24.pdf?sfvrsn=cc26d5c_2)

November 15, 2016 the Board appointed Dr. Nagi Naganathan as the 7<sup>th</sup> president of Oregon Tech. Dr. Naganathan started his Presidency at Oregon Tech on April 1, 2017. The Board approved Dr. Naganathan's goals for the AY2017-18 at the October 26, 2017 meeting. . He addressed his progress on meeting those goals in his written annual self-assessment to the Chair and Vice Chair on July 31, 2018. On August 13,

2018 Dr. Naganathan addressed his progress with the full board. On September 11, 2018 the Chair met with the President to share feedback on the self-assessment and proposed 2018-19 goals. At the November 15, 2018 meeting the Board approved the Chair's presidential evaluation report, including the short-term action plan and newly established goals for 2018-19. The board's policy on presidential evaluations is on the website

[https://oregontechstatic.azureedge.net/sitefinity-production/docs/default-source/board-of-trustees-documents/2016-meetings/june/policy-on-presidential-evaluation-process.pdf?sfvrsn=d3d19660\\_2](https://oregontechstatic.azureedge.net/sitefinity-production/docs/default-source/board-of-trustees-documents/2016-meetings/june/policy-on-presidential-evaluation-process.pdf?sfvrsn=d3d19660_2)

The Board amended the mission statement on May 30, 2019.

[https://oregontechstatic.azureedge.net/sitefinity-production/docs/default-source/board-of-trustees-documents/2019-meetings/may/resolution-19-1-mission-statement.pdf?sfvrsn=ed8f6967\\_2](https://oregontechstatic.azureedge.net/sitefinity-production/docs/default-source/board-of-trustees-documents/2019-meetings/may/resolution-19-1-mission-statement.pdf?sfvrsn=ed8f6967_2)

The Board forwarded the revised mission statement to HECC and HECC approved the changes at its August 8, 2019 meeting.

The Board authorized staff to forward recommendations of approval to the HECC via the Provost's Council for a Bachelor of Science Degree in Data Science, Bachelor of Science in Cybersecurity, and a Doctorate of Physical Therapy.

A 28.65-acre parcel adjacent to and west of the campus in Klamath Falls, Oregon, acquired on September 13, 2018 is held in the name of the State of Oregon, acting by and through the Board of Trustees of Oregon Tech.

## CONCLUSION

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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.

In August 2019, HECC approved revisions to Oregon Tech's mission statement that further clarified and sharpened Oregon Tech's mission as a polytechnic university and the university's commitment to innovation, scholarship, diversity, and leadership development. The statement also reaffirms the university's commitment to serve Oregonians statewide.

Oregon Tech is accredited by the Northwest Commission on Colleges and Universities (NWCCU), and is fully on track with the 7-year NWCCU cycle for accreditation. It was last reaffirmed for accreditation in Spring 2016 following the Year Seven (Mission Fulfillment and Sustainability) review. NWCCU issued five recommendations, including that Oregon Tech develop an agreement that clearly defines the relationship between Oregon Tech and its Foundation; that Oregon Tech develop and enforce a policy for credit for prior learning assessment, and three others related to assessment practices. Oregon Tech has addressed these recommendations in three ad hoc reports. Oregon Tech has also submitted the Year One (Mission and Core Themes) Report (March 2017). Its Year Three Report was submitted in March 2019. A response from NWCCU is pending.

Headcount enrollment at Oregon Tech peaked in the Fall of 2017, and the institution has since seen a 3.1% decrease in total headcount. However, the total student credit hours taught (SCH at census) have remained strong: from 41,299 in Fall 2017 to 42,753 in Fall 2019 without accounting for dual-credit hours and from 48,400 in Fall 2017 to 48,506 in Fall 2019, when dual-credit instruction is included. Resident students have increased 13.7% since 2015, while their non-resident counterparts grew by 3.5% over the same timeframe. In Fall 2019, resident students make up 76.7% of the total student body. Over a ten-year period, total headcount enrollment is up 35.4%. Oregon Tech awarded 4.7% more degrees in 2018-19 than the prior year. The six-year graduation rate for Pell Grant recipients is 57.2%, slightly higher than the university's overall graduation rate of 55.2% and for underrepresented minority students (51.7%). Oregon Tech currently enrolls 971 underrepresented minority students, an increase of 92.3% since Fall 2010.

Partly as a result of state funding cuts, PERS and PEBB funding mandates, resident undergraduate tuition and fees at Oregon Tech increased 67.0% in the last 10 years, including increases of 4.7% and 5.3% in 2018-19 and 2019-20 respectively.<sup>14</sup> Specifically in 2019-20, tuition increased 6.0% at both Oregon Tech's Klamath Falls and Wilsonville campuses, with fees increasing 13.7% at the Klamath Falls campus and 1.5% at the Wilsonville campus.<sup>15</sup> 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, Oregon Tech recorded \$3,921,945 in resident tuition remissions (23.4% of resident gross tuition charges), which is a 3.8% increase over the prior year. The year prior, the 2017-18 academic year, Oregon Tech recorded \$3,777,194 in resident tuition remissions (22.4% of resident gross tuition charges). Oregon Tech also engages in a number of targeted programs designed to increase access and completion among targeted populations.<sup>16</sup> For example, Oregon Tech's new Presidential Scholarship awards students with high school or college GPAs above 3.0 varying amounts of aid based on their academic credentials.

The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. Oregon Tech estimates the average student budget for living expenses annually at ~\$16,315, an amount that exceeds tuition and fees of \$10,512. The total cost of attendance is \$26,827 including tuition and fees plus living expenses.

Overall, Oregon Tech remains financially stable with a relatively strong financial position. Short-term declines in their financial ratios in the past year, due in part to extraordinary OMIC expenses, are not likely indicative of any longer term financial risk.

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.

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<sup>14</sup> Source: <https://www.oit.edu/college-costs/tuition-fees> as well as historical OUS tuition data. Defined to include full-time resident base tuition and all mandatory fees (including incidental fees).

<sup>15</sup> A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) Oregon Tech will pay \$8,775 in tuition at both campuses and \$1,944 in fees at the Klamath Falls campus or \$405 in fees at the Wilsonville campus for a total annual cost of \$10,512 at the Klamath Falls campus and \$9,180 at the Wilsonville campus.

<sup>16</sup> Source: <https://www.oit.edu/college-costs/scholarships>

