

June 10, 2020

Chair David Rives  
Higher Education Coordinating Commission  
3225 25th Street SE  
Salem, Oregon 97302

Dear Chair Rives:

As President and Chief Executive Officer of Rogue Credit Union I pay close attention to emerging opportunities and threats that affect the communities we serve. On my radar right now is the stability of Southern Oregon University as it navigates years of financial challenges compounded by the COVID pandemic. I am asking you, as the state's higher education agency, to take action now to ensure SOU's continuing stability as a regional asset.

I lead an organization originally formed by 10 teachers employing nearly 500 people in six southern Oregon counties. We are faced with tough decisions on where to invest the funds that are entrusted to us by our members. These are not easy decisions, but the choices can have a far reaching impact – much like your work. I am aware of the competing needs you must manage and ask you to consider the value of a healthy and vibrant university to the economic well being of Southern Oregon.

Southern Oregon University is a business operation with strong fundamentals. It has an excellent leadership team that has navigated ongoing financial challenges successfully. It has made strategic investments to grow toward a better future. Those investments are starting to pay off. These factors mark SOU as a good investment.

My leadership team is filled with SOU alumni – including me. In fact, SOU is a critical factor in our ability to grow the capabilities of our team. It is a critical player in our regional economy, providing \$93 million in annual economic impact that lifts the region and also – more importantly – the continuing production of intellectual capital that feeds our economic growth. SOU will be key to our regional recovery from the pandemic.

Southern Oregon University is financially vulnerable; your commission has noted as much. It is also a smart investment for the state, providing a cornerstone to economic recovery for this region. Investing in improved regional stability funding *right now* can ensure SOU's continued success. The fate of Southern Oregon University and the communities they serve is in your hands and it is my sincere hope that you will invest in Southern Oregon's future!

Please take action today to make a one-time adjustment in your funding model that strengthens financial support for SOU's regional mission, while you continue to assess permanent change to that model.

Sincerely,



Gene Pelham  
President & CEO