

2021 UNIVERSITY EVALUATION: Eastern Oregon University



Source: Eastern Oregon University

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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 2021 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) and Roadmap for Oregon Postsecondary Education and Training (<https://www.oregon.gov/highered/policy-collaboration/Documents/Featured/Strategic-Roadmap-2021.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 EOU's fourth evaluation, and as such, it builds on the descriptive benchmarks identified in the 2019 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 inception. The form and content of subsequent annual 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 (2014) and Senate Bill 80 (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 (WOU), Southern Oregon University (SOU), Eastern Oregon University (EOU), and Oregon Institute of Technology (Oregon Tech).

EVALUATION PROCESS

In an effort to approach the first evaluation cycle in a collaborative manner, the HECC formed a work group comprising university provosts, the Inter-Institutional Faculty Senate, Oregon Education Investment Board staff, 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 process. After final review and consideration of stakeholder feedback, the HECC adopted the framework on September 10, 2015.

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.

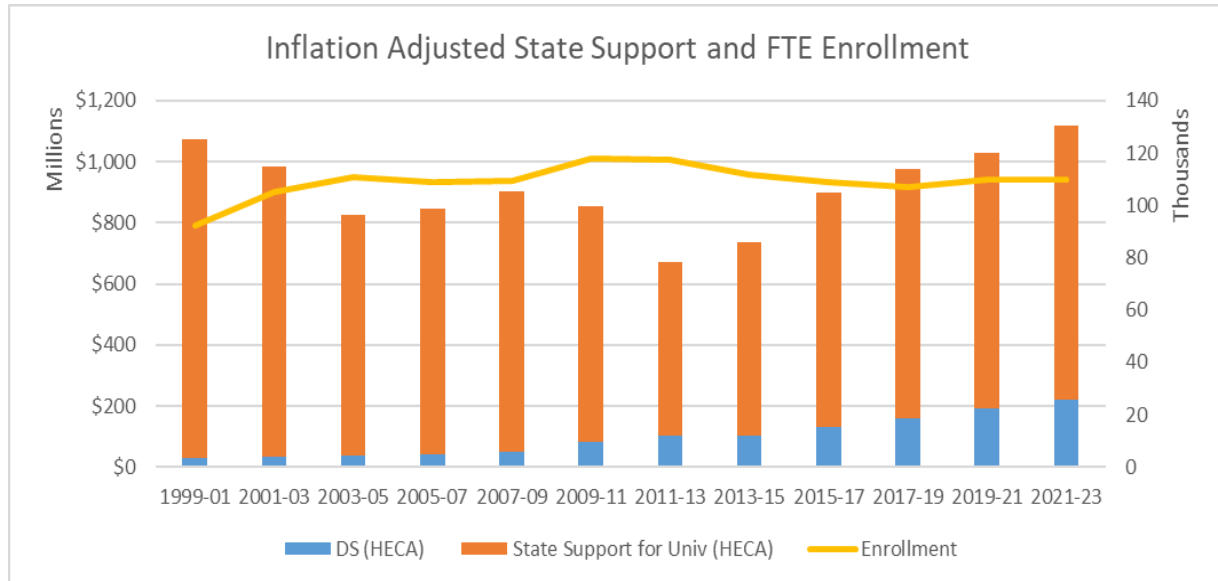
This report is focused on the legislative charge and the HECC’s primary areas of emphasis as indicated in its Strategic Plan. This report is not a comprehensive evaluation. It reflects the narrower scope of legislative issues of interest, incorporating findings from accreditation studies where there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

STATEWIDE CONTEXT

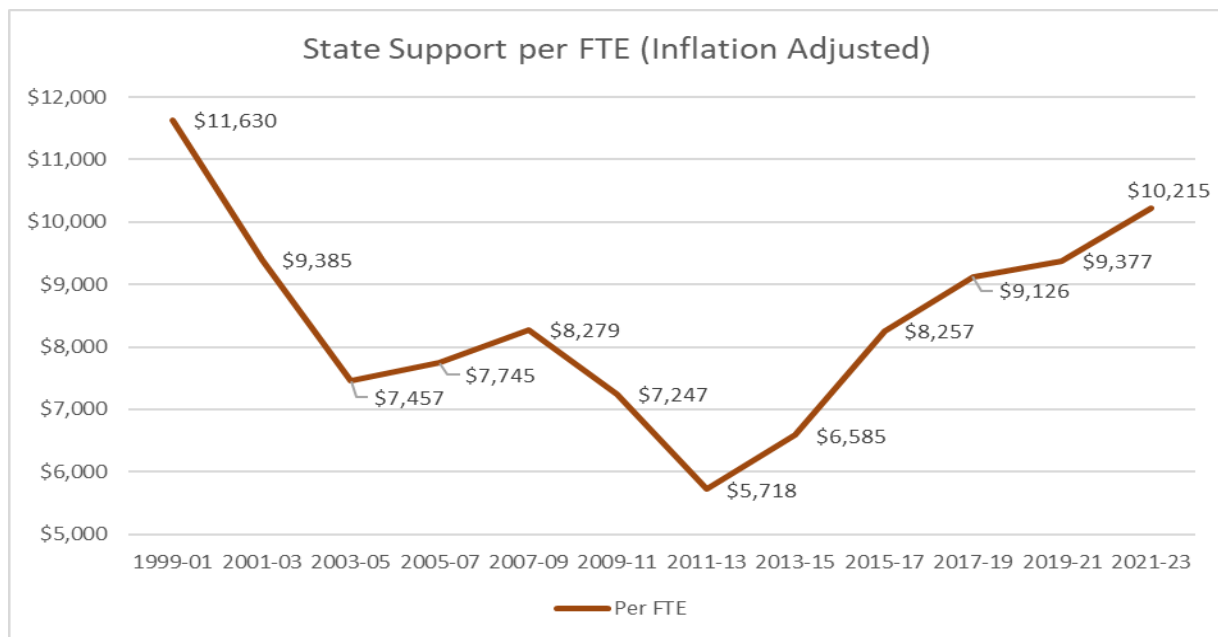
Funding History

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 (2021; *figures adjusted for inflation)



Source: HECC (2021; *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. Those benefits are outlined in a latter section of this report (Shared Administrative Services).

Local Conditions and Mission

As one of Oregon's seven public universities, EOU is unique as the only comprehensive post-secondary institution in eastern Oregon. 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. In March of 2018, the Oregon Legislature signed into law EOU's designation as "Oregon's Rural University." This official designation highlights EOU's key role in serving the economic vitality of eastern Oregon and in enabling the university to leverage federal resources, like Title III funding, towards serving Oregon's most underserved populations who reside in rural communities on the east side of the state. Eastern Oregon has long relied on its natural resources as an economic base, but the pandemic has had an acute impact on the region. Nine of the region's ten counties are classified as "distressed areas" based on unemployment, poverty, and job loss (Business Oregon, 2021).

EOU's mission was approved by the Oregon State Board of Higher Education (OSBHE) in October 2008, and reaffirmed by EOU's Board of Trustees in November 2016. The mission remains unchanged and continues to accurately reflect EOU's purpose to provide regional access to liberal arts, sciences, health sciences and professional programs and to promote the economic, social and cultural development of eastern and rural Oregon.

The university community has developed a shared, robust understanding and interpretation of the mission and how it relates to the present and evolving needs of EOU. To this end, the University Council managed a process that engaged the campus community in articulating a set of core values and principles intended to guide our behavior and actions. The resulting shared values and principles were approved by the Board of Trustees in April 2017:

Altruism:

We give selflessly to empower one another and the University community through inclusiveness, appreciation, and stewardship.

Civility:

We believe in the free and open exchange of ideas, embrace diverse backgrounds, and deliberately seek multiple perspectives.

Discovery:

We honor our heritage and invest in our future with innovation, vision, and creativity.

Integrity:

We uphold the foundation of professionalism, honesty, respect, and sincerity in all of our interactions.

Interdependence:

We cultivate vibrant connections and relationships to enhance opportunity and success locally and globally.

Quality:

We passionately pursue intellectual engagement, academic rigor, and the highest standards in all endeavors.

Based on the mission statement and the shared values and principles, EOU's university community developed a strategic planning framework. This document, *The Ascent 2029*, was adopted by the Board of Trustees in May 2017 and will serve as a guide through to EOU's centennial in 2029.

As the only four-year university in eastern Oregon, EOU serves a wide range of students with 33 bachelor's degree programs and 4 Masters programs available on its main campus, at a distance through 11 regional centers, and through a mix of in-person, hybrid, and online instructional modalities. Longstanding agreements with partner public universities in Oregon (see *COLLABORATION* section) ensure that students in the eastern region of the state also have access to degrees in nursing and agriculture to supplement EOU's program array.

As a nationally recognized leader and pioneer in online learning, EOU delivers 23 online degree programs and 21 online minors, bringing affordable and accessible education to students living throughout Oregon and beyond. In addition, EOU offers three (3) online graduate programs, two (2) hybrid (online/on-campus) graduate programs and eight (8) online certificates, as well as its onsite Elementary Education program in Gresham, Oregon. In 2019-20 and 2020-21, almost half of undergraduates were enrolled solely in distance education programs (47.6 percent) while 19.7 percent were enrolled in some distance education. Forty-eight percent of entering undergraduates are from rural schools in the state and beyond. Thirty-two percent are first generation, 43 percent are Pell grant recipients, and 55 percent are transferring in from another institution. Of all undergraduates, 41 percent are age 25 or older and 67 percent receive financial aid. Additionally, 28 percent of EOU students consider themselves culturally and ethnically diverse (IPEDS, 2021).

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. In 2020, EOU partnered with Wallowa Resources to create the Rural Engagement and Vitality Center (REV Center). The REV was created to develop and facilitate partnerships between Eastern Oregon University and communities and organizations in eastern Oregon with the principal aim to enhance the vitality of the region and to develop tomorrow's rural workforce and leaders. In its third year, the REV has been instrumental in realizing EOU's strategic goals of experiential learning, transformational education, and career-oriented partnerships for our students. To date, the REV has worked with every college at EOU, engaged 12 different faculty in 11 partner-driven projects (six paid contracts), facilitated 13 paid student internships, and supported two EOU course integrations with community partners. The REV works with over 30 different regional and statewide partner organizations, and is a member of EPIC-N, Oregon's Sustainable City Year Program, and Community Engagement Fellows through Western Washington University.

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. EOU’s beautiful setting and small size enhance the personal attention its students receive, while partnerships with colleges, universities, agencies and communities add to the educational possibilities of the region and state.

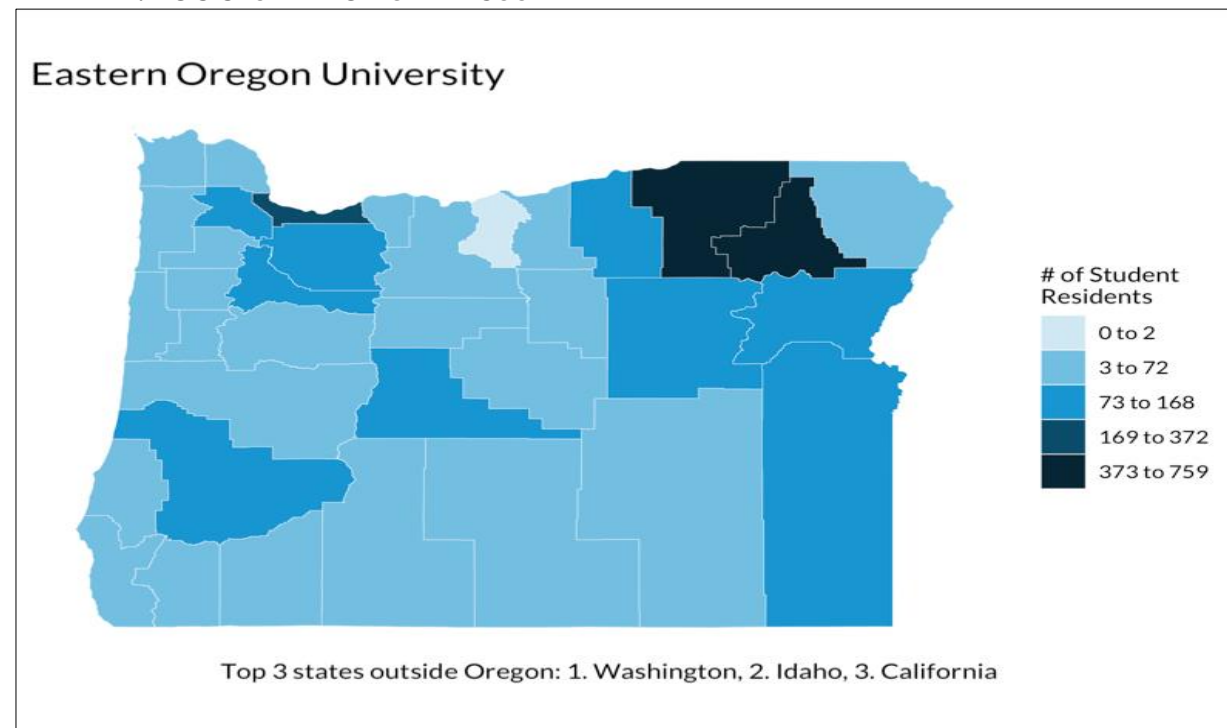
ECONOMIC AND COMMUNITY IMPACT¹

Eastern Oregon University

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 33 majors and 4 masters programs 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



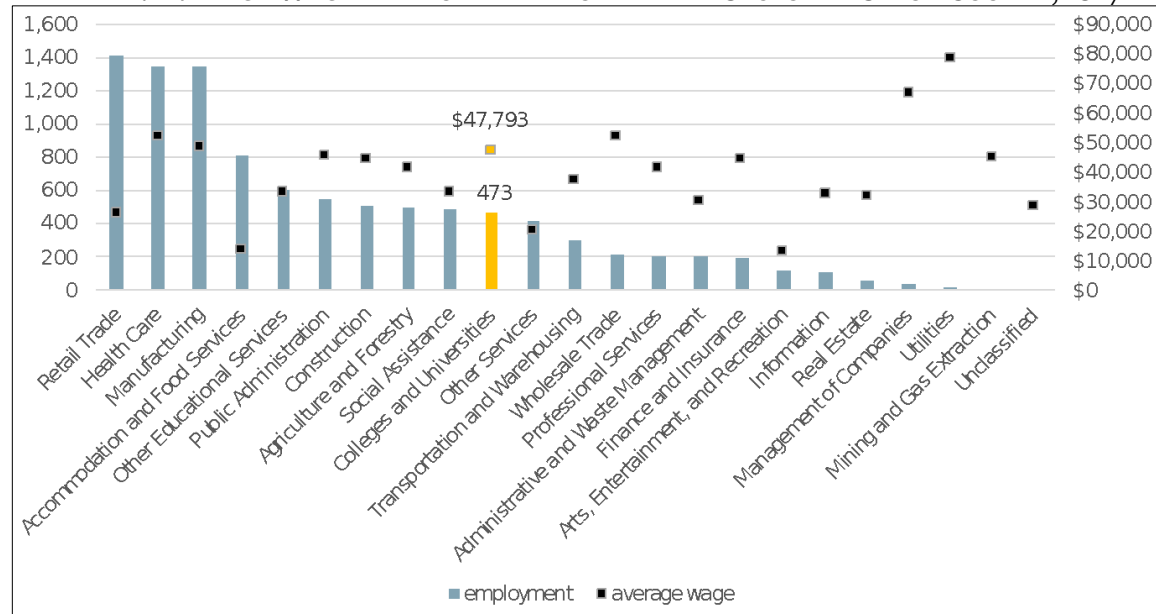
Source: Source: ECONorthwest using QCEW data

¹ Summary provided by ECONorthwest Economic Contributions report (January 2020) commissioned jointly by the EOU, OIT, SOU, and WOU.

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.² 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.

² <https://ucedc.org/about/economy/business-industry/>

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

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.³ 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.⁴

³ EOU Cost of Attendance.

⁴ 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.

ACCREDITATION

A comprehensive assessment and review of academic and institutional quality is available from the Northwest Commission on Colleges and Universities (NWCCU) that 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 the necessary resources to achieve its stated purposes through appropriate educational programs, is substantially doing so, and gives reasonable evidence that it will continue to do so in the foreseeable future. Institutional integrity is also addressed through accreditation. Reviews are structured as a cyclical process of continuous improvement. NWCCU accreditation occurs on a seven-year cycle that consists of four parts: Annual Reports each year; Mid-Cycle self-review and peer review in the third year; Policies, Regulations, and Financial Review (PRFR) in the sixth year; and Evaluation of Institutional Effectiveness (EIE) self-review and peer review in the seventh year. This section draws on relevant parts of NWCCU reports that are identified as of interest to the Legislature and in alignment with the HECC Strategic Plan.

Effective January 1, 2020, the NWCCU adopted revisions to the Standards for Accreditation and evaluation cycle. As part of its 2020 Standards for Accreditation and Eligibility Requirements NWCCU declared its commitment to the use of disaggregated data- and evidence-informed continuous improvements to help promote student achievement and close equity gaps.

NWCCU 2010 Accreditation Standards (effective January 1, 2010 - December 31, 2019)	NWCCU 2020 Accreditation Standards (effective January 1, 2020)
Standard 1. Mission and Core Themes	Standard 1. Student Success and Institutional Mission and Effectiveness
Standard 2. Resources and Capacity	Standard 2. Governance, Resources, and Capacity
Standard 3. Planning and Implementation	
Standard 4. Effectiveness and Improvement	
Standard 5. Mission Fulfillment, Adaption, and Sustainability	

EOU was first accredited by NWCCU in 1931. Accreditation was most recently reaffirmed in 2019 upon completion of the year seven evaluation review, resulting in numerous commendations and four continuous improvement recommendations for EOU. EOU was commended by the accreditor for improved student retention through improved advising and support services and to increase the diversity of the student body; the establishment of the Multicultural Center; 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; a firm 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, among others.

Since the last university evaluation of EOU in 2019, the institution has been working on the four NWCCU recommendations for continuous improvement. Two recommendations (#1 and #2) were fulfilled in 2020, following NWCCU review of EOU's ad hoc report, and two recommendations (#3 and #4) were deemed substantially in compliance but in need of improvement and updates were made in the mid cycle review for fall 2021.

The NWCCU recommends that Eastern Oregon University:

Recommendation 3: Fall 2018 Mission Fulfillment and Sustainability - 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. (2020 Standard(s) 1.C.5;1.C.7)

Recommendation 4: Fall 2018 Mission Fulfillment and Sustainability - 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. (2020 Standard(s) 1.B.1)

In 2024, the year six report on standard 2 – Policies Regulations, and Financial Review will be due, followed by year seven evaluation of institutional effectiveness in 2025. Accreditation reports, records of official NWCCU actions and materials may be accessed on EOU's accreditation cycle page.

EOU has been staying on track with all program evaluations and assessments, even during the past two years when higher education activity has been interrupted by the global pandemic. The Response to Recommendations #3 and #4 includes the following components of EOU's assessment and evaluation processes: Each academic program at EOU has defined specific program learning outcomes (PLOs) and is expected to engage in assessment of their PLOs, analysis of their results, and recommendations for improvements. The results of these student learning outcome assessments from 2009 forward can be seen on the Academic Program Assessment site. The General Education Core program is assessed via the assessment of General Education Learning Outcomes (GLOs), which EOU has chosen as Communication, Critical Thinking, Inquiry, and Civic Engagement. GLO assessments parallel the PLO cycle, with the results becoming part of the annual Academic Program Review in each discipline. The GLOs are assessed and evaluated on a rotating basis, mirroring the same outcomes assessed in the annual PLO cycle (EOU mid cycle report 2021, p. 26).

Several 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-AAQEP
- Master of Arts in Teaching (TSPC-AAQEP)

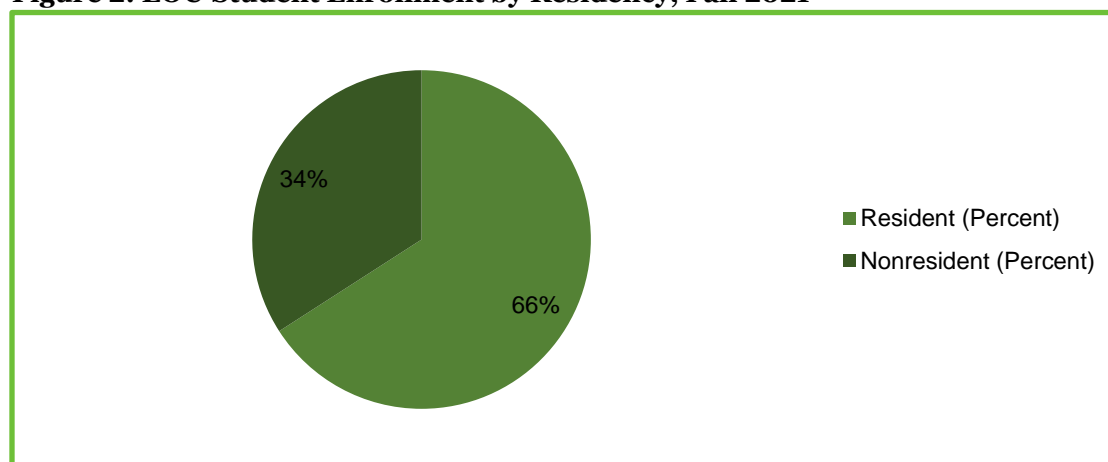
STUDENT ACCESS AND SUCCESS

Nationally, college and university enrollments are still on the decline for most institutions according to early data from the National Student Clearinghouse Research Center. Undergraduate enrollment across the board fell by 3.2 percent during fall 2021, echoing last fall's 3.4 percent decline. Since fall 2019, undergraduate enrollments have dropped by 6.5 percent across the country.⁵

Oregon has a similar pattern with slight variation across its public universities. This section of the report is focused on tracking trends in enrollment, completion outcomes, and demographic variances.

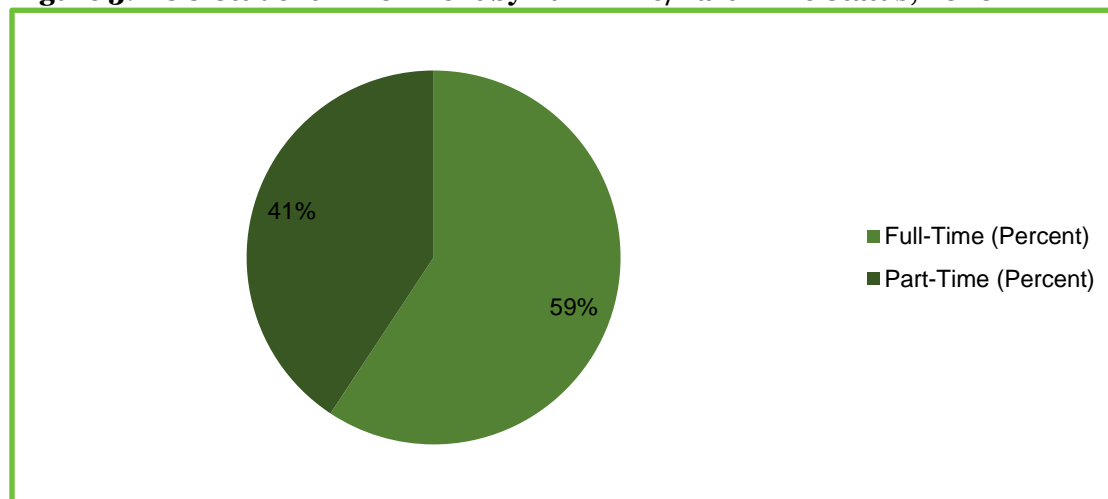
The majority of EOU students during fall 2021 (65.9 percent) were residents. The majority of EOU students (58.7 percent in 2020-21) also attended full-time.

Figure 2: EOU Student Enrollment by Residency, Fall 2021



Source: HECC (2021)

Figure 3: EOU Student Enrollment by Full-Time/Part-Time Status, 2020-21



Source: HECC (2021)

⁵ <https://www.insidehighered.com/news/2021/10/26/college-enrollments-continue-drop-fall>

Table 1: Headcount Enrollment, Historical

Fall of	Resident	Non-Resident	Total
2007	2,440	993	3,433
2008	2,697	969	3,666
2009	2,883	1,074	3,957
2010	2,977	1,160	4,137
2011	3,066	1,232	4,298
2012	3,005	1,203	4,208
2013	3,052	1,105	4,157
2014	2,715	938	3,653
2015	2,586	902	3,488
2016	2,258	918	3,176
2017	2,140	876	3,016
2018	2,074	904	2,978
2019	2,069	998	3,067
2020	1,880	973	2,853
2021	1,853	972	2,825

After several years of steady enrollment increases, headcount at EOU began to decline in 2011 and this decline continued through 2019 when there was a slight increase in total enrollment. Since then (2019), EOU's total headcount enrollment has decreased by 7.9 percent to a historical low of 2,825 students. During fall 2021, non-resident enrollment decreased year-over-year by one student while resident enrollment declined by 1.4 percent or 27 students. Overall, student Full Time Equivalent (FTE) enrollment decreased by 3.9 percent from fall 2019 to fall 2021.

EOU's overall enrollment decline over the last ten years has concentrated among resident students, which declined 38.3 percent between fall 2012 and fall 2021. Additionally, fall 2021, when compared to fall 2019, enrollment had a decrease of 7.9 percent for newly admitted undergraduates, largely due to COVID-19 trends at the state and national level.

While single year enrollment changes do not constitute a trend on their own, and the culmination of winter and spring term of 2019-20, academic year 2020-21, and fall 2021 numbers were affected by extemporaneous circumstances, they are generally consistent with longer term enrollment patterns at EOU. During this evaluation period (two-years), EOU's total enrollment decreased each year for both resident and non-resident students.

Source: HECC (2021)

Table 2: EOU Headcount Enrollment by Race/Ethnicity

Race/ Ethnicity	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Change Fall 2020 to Fall 2021
Non-Resident Alien	44	52	23	25	2
American Indian/ Alaska Native	55	56	59	55	(4)
Asian	55	51	46	39	(7)
Black Non-Hispanic	58	66	59	66	7
Hispanic	312	363	399	395	(4)
Native Hawaiian or Pacific Islander	87	109	82	74	(8)
Two or more races, Underrepresented Minorities	118	133	117	91	(26)
Two or more races, not Underrepresented Minorities	19	27	25	24	(1)
White Non-Hispanic	2,156	2,134	1,905	1,933	28
Unknown	74	76	138	123	(15)

Source: HECC (2021)

For the 2014 cohort, underrepresented students graduated at rates that were 1-4 percentage points lower than the overall population. As a whole, underrepresented minorities completions have increased year-over-year. The graduation rate for EOU's first time freshmen who entered in fall 2014 is as follows:

Table 3: Four-Year and Six-Year Graduation Rate, First Time, Full Time Freshmen Entering EOU in Fall 2014

	Four-Year Graduation Rate	Six-Year Graduation Rate
All Students	23.8 %	39.0 %
Underrepresented Minorities	22.8 %	35.1 %
Pell Grant Recipients	N/A	N/A

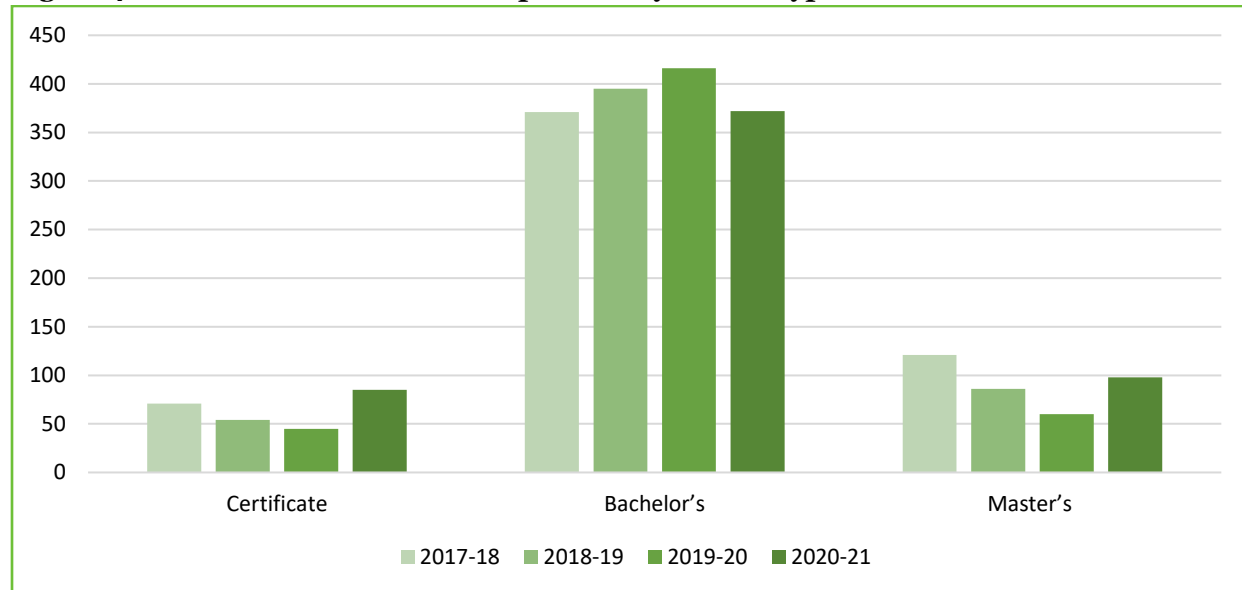
Source: HECC (2021)

Table 4: EOU Resident Student Completions by Award Type

	2017-18	2018-19	2019-20	2020-21
Certificate	71	54	45	85
Associate's	0	0	0	1
Bachelor's	371	395	416	372
Master's	121	86	60	98

Source: HECC (2021)

Figure 4: EOU Resident Student Completions by Award Type



Source: HECC (2021)

Overall, EOU's total completion figures have stayed relatively flat over the last four years at the cumulative completion level. However, when broken down by degree type over the last four academic years, certificates are up 21.1 percent, bachelor degrees are up 0.7 percent, and masters degrees have decreased by 14.9 percent with the cumulative completion rate hovering at 0.1 percent for their resident and non-resident graduates between 2017-18 and 2020-21 academic years.

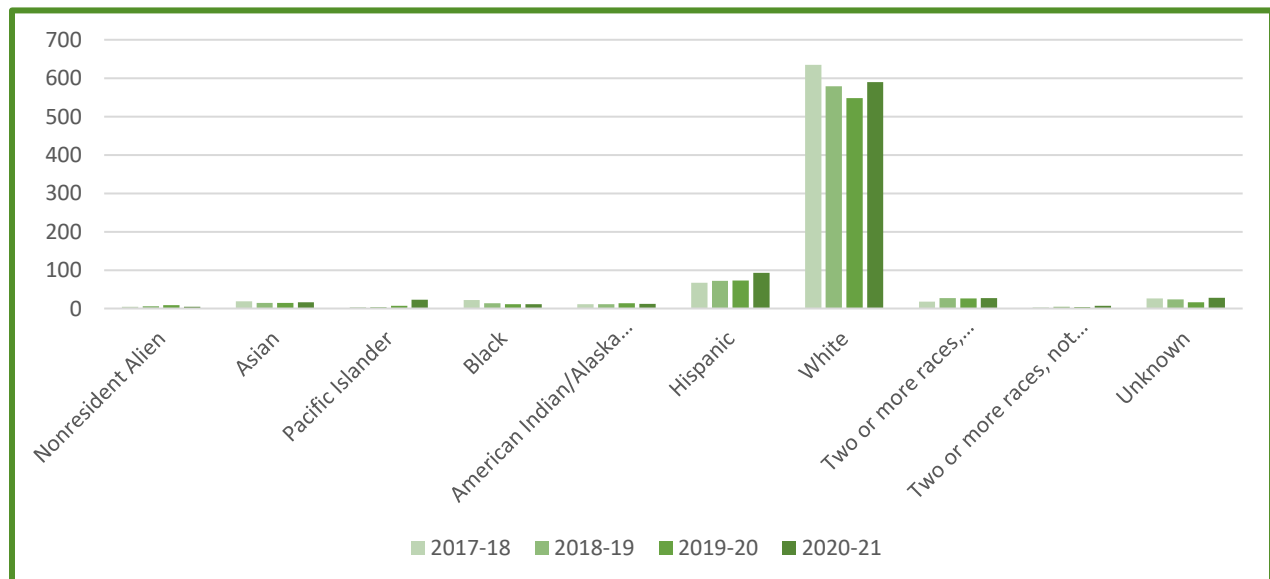
EOU is making year over year increases in the total number of degrees awarded to under-represented minority students. EOU has increased the completions of the students who identify as Asian, Pacific Islander, American Indian/Alaska Native, and Hispanic.

Table 5: EOU Completions by Race/Ethnicity

	2017-18	2018-19	2019-20	2020-21
Nonresident Alien	5	6	9	5
Asian	19	15	15	16
Pacific Islander	4	4	7	23
Black	22	14	11	11
American Indian/Alaska Native	11	11	14	12
Hispanic	67	72	73	93
White	635	579	548	590
Two or more races, Underrepresented Minorities	18	27	26	27
Two or more races, not Underrepresented Minorities	3	5	4	7
Unknown	26	24	16	28
Total URM Students	122	128	131	166

Source: HECC (2021)

Figure 5: EOU Completions by Race/Ethnicity



Source: HECC (2021)

AFFORDABILITY

Among the factors that the HECC is required (under ORS 352.065 and 352.025(1d)) 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 fund 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 45.4 percent in the last 10 years, including increases of 5.2 percent⁶ and 1.6 percent in 2020-21 and 2021-22 respectively.⁷ In the current academic year, tuition did not change and fees increased 8.9 percent.⁸ Resident graduate students have faced similar increases.

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 2020-21 academic year, EOU recorded \$1,828,692 in resident tuition remissions (8.2 percent of resident gross tuition charges), which is a 0.5 percent increase over the prior year. The year prior, the 2019-20 academic year, EOU recorded \$1,819,631 in resident tuition remissions (9.4 percent of resident gross tuition charges).

Eastern Oregon University also engages in a number of targeted programs designed to increase access and completion among targeted populations. For example, EOU's Oregon Trail Electric Cooperative (OTEC) scholarship⁹ 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 – \$14,973 for the 2021-22 academic year¹⁰ – exceeds resident tuition and fees.

⁶ This increase was due to fee reductions as a result of the COVID-19 pandemic and was not subject to the 5% threshold.

⁷ 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).

⁸ 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.

⁹ <https://www.eou.edu/fao/scholarships/scholarship-opportunities/>

¹⁰ Source: <https://www.eou.edu/fao/coa/>

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 2019-20 academic year,¹¹ 42 percent 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 57 percent.¹² Average earnings among bachelor's degree recipients five years after graduation were \$48,235, compared to a statewide average of \$48,412. The average debt among graduates was \$20,000, compared to a statewide average of \$21,406, and 50 percent of EOU students had federally supported loans, compared to a statewide average of 41 percent. According to the College Scorecard, during the 2019-20 academic year, 48 percent of students received Pell Grants.¹³

¹¹ Source: <https://www.oregon.gov/highered/research/Documents/Snapshots/EOU-Snapshot.pdf>

¹² Statewide averages from: <https://www.oregon.gov/highered/research/Documents/Snapshots/Statewide-Snapshot.pdf>

¹³ <https://collegescorecard.ed.gov/school/?208646-Eastern-Oregon-University>

ACADEMIC QUALITY AND RESEARCH

The HECC relies on four key areas to track academic quality and research at each institution: regular external accreditation reviews to assess each institution's progress in meeting its stated mission, vision and goals; evidence of regular academic program review to improve quality; regular faculty evaluation and opportunities for professional development; and institutional reports of research activity evidenced by research expenditures. Research contributions are also reflected in economic impact and collaborations both discussed elsewhere in this report.

In 2014, the HECC adopted a new formula for distributing state resources to public universities that incentivizes growth in enrollment and graduation outcomes. A required review of the formula after five years was initiated in 2020 with revisions due for adoption in the next legislative cycle. In partnership with all public universities, the HECC leverages collaboration with organizations such as the State Higher Education Executive Officers Association (SHEEO) and the Association of American Colleges and Universities (AAC&U) 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 Retention, Tenure, Promotion Handbook (May 2021) for the regular evaluation of faculty. These guidelines and processes can be reviewed at: <https://www.eou.edu/faculty/files/2021/05/RTP-Handbook-Approved-May-2021.pdf>

EOU Faculty Professional Development

Center for Teaching, Learning and Assessment.

EOU's CTLA provides funds and opportunities for Faculty to participate in annual summer instructional technology and pedagogy institutes as well as ongoing development opportunities throughout the academic year. An annual budget of \$30k has provided faculty pedagogical opportunities in 2020-22 to gain certification in Diversity Training for the classroom. In 2021, GEER funding supported instructional equipment and enhanced online course design.

Sabbatical Leave.

The University understands that sabbaticals are an important element that contributes directly to the development, recruitment, and retention of high-quality 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. Sabbatical leaves may be for one academic year, two-thirds of an academic year, or one-third of an academic year.

Faculty Travel Funds.

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.

Faculty Scholars Program.

Eastern Oregon University's Faculty Scholars Program is an important means by which the University assists teaching faculty in their ongoing dedication to scholarship. All members of the teaching faculty and Library Faculty are encouraged to apply for the Faculty Scholars Program summer salary awards and the professional opportunities that they provide.

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 run by faculty with administrative support provided by the Provost's Office.

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. The Advising Center also provides individualized training by professional advisors for faculty new to advising. (Tenure Track Faculty are not normally 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, the Military/Veterans Coordinator, Financial Aid, the Learning Center, Disability Services, and the viewing of the Advising Center's PTSD Training video.

Research Activity

EOU reported total research expenditures of approximately \$417,799 in 2019-20 and \$226,984 in 2020-21.

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 6: 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>)	N/P
Capital Construction Services	N/P
OWAN	N/P
NERO Network	N/P
RAIN	N/P
Orbis Cascade Alliance	P
ONAMI	N/P
Other	

INSTITUTIONAL COLLABORATION

On the La Grande campus, EOU maintains longstanding partnerships with OHSU's BS in Nursing and OSU's 2021 strategic focus on Agriculture Sciences and Rangeland Sciences programs at their La Grande site. EOU provides general education ramps into OHSU's and OSU's programs. As the partnership evolves, space needs and barriers to access are reviewed regularly as Memoranda of Understanding between the institutions are updated.

EOU's work with community colleges over several decades underscores a commitment to the transfer adult learner population trying to complete their post-secondary studies while working full time. Over half of EOU's 11 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), EOU Central Oregon Community College (COCC) and EOU Roseburg (UCC and SWOCC). Each center has a director who serves as a professional advisor for EOU students in the region, who are enrolled in one of twenty three (23) online majors or one or more of twenty-one (21)

online minors. In addition, EOU offers three (3) online graduate programs and eight (8) online certificates, as well as face-to-face and/or hybrid instruction for its onsite programs in Education (Gresham, Ontario, and Pendleton. The most recent pathway partnerships are in the online Fire Services Administration-Emergency Medical Services Administration degree programs that articulate with Klamath Community College, Blue Mountain Community College, Treasure Valley Community College EMT, structural fire, and wildland fire associate degrees. Municipal, state and federal fire agencies are informing the direction of this work.

In 2012, EOU embarked on an ambitious project, The Eastern Promise, to develop valuable partnerships with regional school districts and community colleges to provide a one-stop shop for early college credit, dual credit, and educational professional development for educators. With initial funding from the State of Oregon, the Eastern Promise has shown promising results for students and educational partners. It has grown into a financially sustainable program, earning accolades as a successful replication model throughout the state and beyond. Eastern Promise is built upon five pillars: (1) equity; (2) college-going culture; (3) accelerated college credit; (4) cross-sector partnerships; and (5) cross-sector professional learning communities (Pierson & Hodara, 2016).

In 2021-22, EOU reviewed its Eastern Promise program and is currently engaged in an update of how dual credit might be more clearly framed for students and parents. Early conclusions have arisen from research and review of evidence-based best practices for recruitment, retention, and completion of first-generation rural students. EOU has engaged in stakeholder input and commitments to Eastern Promise, has done a thorough analysis of gaps in serving regional rural students, and is currently seeking alignment with Eastern Promise partners' existing strategies to create an eastern Oregon alliance of ESDs and Community Colleges committed to (1) rural student recruitment onto Eastern Oregon Career Pathways, (2) early outreach, (3) pre-college guided aptitude and career exploration opportunities, (4) dual credit integration with career learning areas, and (5) career pathways for economic success. EOU believes that framing dual credit with career orientation will help create regional career-oriented systems for EOU and its partners, addressing both the needs of rural students from elementary school through high school and meeting the needs of workforce ready and post-secondary career attainment in and for the eastern Oregon region.

EOU's revisioned role as a receiver of sponsored dual credit from several ESDs and Community Colleges in the eastern Oregon region is founded on the work of the Major Transfer Map (MTM) and Core Transfer Map (CTM) workgroups of the HECC and are geared towards in-demand careers in the region. The revision of the Eastern Oregon Career Pathways is scheduled for an April 2022 launch with school districts and community colleges in eastern Oregon.

Pathways

Transfer student success is a key area of focus both in Oregon and nationally. The statutes outlining goals for transfer student success and cooperation between Oregon's higher education sectors (ORS 350.395, 350.400, 350.404, 350.412, and 348.470) are the framework for HECC's continued partnership with the 7 public universities and 17 community colleges. 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 (AAOT) degree, for example), research that resulted from House Bill 2525 (2015) and the subsequent HB 2998 (2017) report 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. Public universities are working with community colleges to improve advising and information on career pathways to reduce the excess number of community college credits taken. Moreover, despite the best efforts of advisors, faculty, and administrators, some students who complete statewide degrees such as the AAOT are ill-served with excess credit if they transfer into certain majors. Major requirements at the university level change, which can hinder community college students and advisors in effective degree planning.

The passage of HB 2998 in 2017 required the HECC to work closely with both public universities and community colleges to create a new framework for statewide transfer, a Core Transfer Map (CTM) of at least 30 credit hours of general education (formerly known as the Foundational Curricula), and a process for the creation of Major Transfer Maps (MTMs) in major fields of study to aid transfer students in moving smoothly into university study, with fewer lost or excess credits.

Public university and college faculty, registrars, institutional researchers, advisors, and administrators have been advisors and participants to the HB 2998 implementation process, adding insight and value to the newly created Major Transfer Maps and continuing to work closely with HECC staff and other institutions to move this work forward. Additionally, EOU has been an active participant in statewide projects such as the statewide Oregon Transfer and Articulation Committee (OTAC), which oversees and maintains the statewide transfer degrees.

Related to transfer student success, college credit in high school, or accelerated learning, has also benefited from enhanced statewide collaboration amongst Oregon's public universities and 17 community colleges in 2018-19 and 2019-20. The HECC convened Oversight Committee for High School Based College Credit Partnerships and the Advanced Placement and International Baccalaureate Policy Workgroup both have support and representation from EOU. Implementing 340.310, OAR 715-017-0005, and SB 207(2017)/SB 160(2019) the groups ensure that college credit earned in high school is transferrable and supports student pathways to postsecondary degrees and certificates.

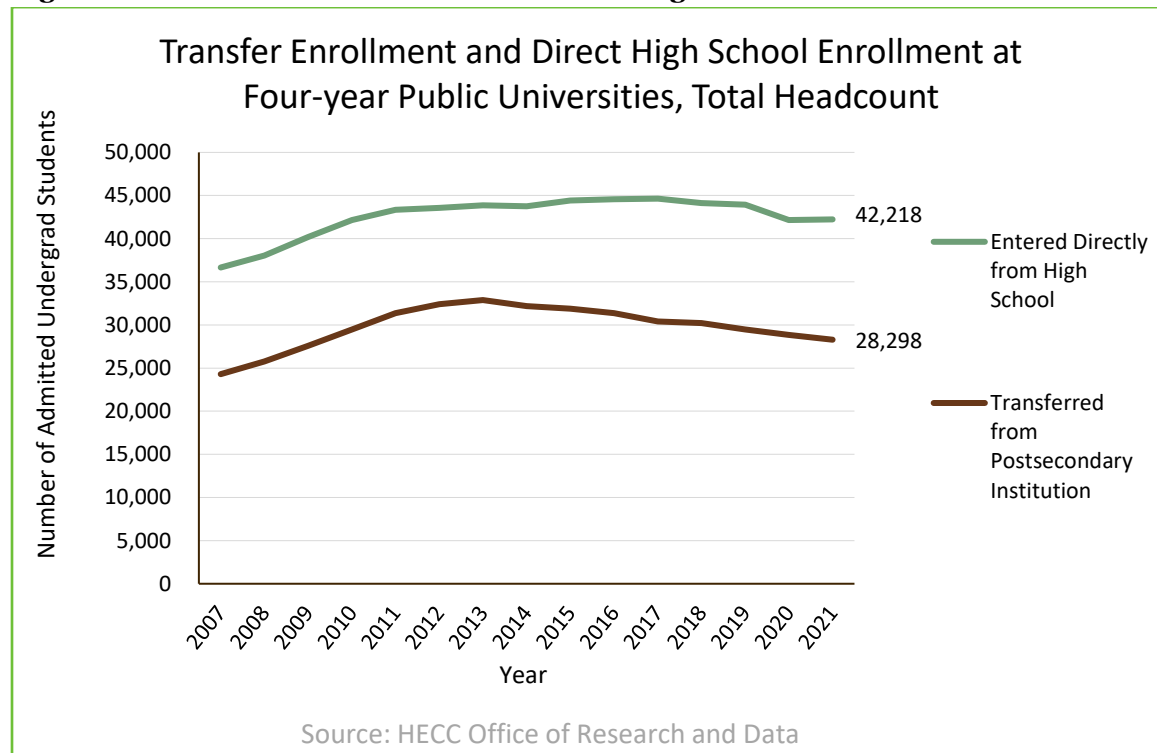
State approval of high school based college credit partnership programs promotes transparency, educational equity, and comprehensive advising so that students may access, earn, and transfer these credits smoothly. State approval, through peer review, confirms that a college course taught on campus and the course taught in a high school are essentially the same, and treated the same when transferred. When another institution does not adhere to the State's expectations for credit transfer, HECC staff facilitates dialogue between institutions and/or departments to resolve concerns. HECC staff have support at all levels at institutions as we work on resolving concerns. As a result of these conversations, Universities have achieved transfer alignment as expected by the state statutes and standards. HECC staff will continue to work with all institutions whenever concerns come to light.

In 2019-2020, the mapping of higher education credit articulated for Advanced Placement (AP) and International Baccalaureate (IB) exams was coordinated and published by HECC and advised by the AP/IB Policy Workgroup. This process led to a more transparent and better-aligned articulations list, with the expectation that over time articulations will become increasingly similar among community colleges, comprehensive regional universities and larger research universities. Several important factors contributed to Oregon's statewide policy re-design, including action by the Oregon Legislature, advancement of Oregon's Transfer Agreements, and increased focus on transparency for students around course articulations in the K-12 – postsecondary transition. The AP/IB Statewide Course Credit Policy now provides full transparency with course articulations available at community colleges and public universities. In the online table, a student can find out how a particular AP exam subject and score articulates to all 24 public postsecondary institutions in Oregon as well as to which core transfer map

content area that articulation applies. The AP/IB Statewide Course Credit Policy serves as a reference point to compare and align course articulations for specific subjects and exams, as well as inclusion in the Core and Major Transfer Maps.

In the 2021 legislative session, Oregon passed Senate Bill 233 that further supports the work of statewide transfer through the establishment of a Transfer Council to implement common course numbering. The Commission will submit its first progress report to the legislature on SB 233 in March 2022. One notable change to the legislative requirements is a decrease in the number of MTMs to be approved from three per calendar year down to one until calendar year 2026. The intent behind this temporary change is to allow faculty to spend time aligning learning outcomes, credits, and course numbers at the course level.

Figure 6: Fall Term Enrollment at All Public Oregon Universities



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; N/P 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	P
Legislative Fiscal Impact Statement Support	P
Risk Management Analyst (TRUs only)	P
Public University Fund Administration ³	P
Eastern Oregon University	
Retirement Plans *	
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.

Statewide Summary

The financial condition at all seven universities during FY2021, as measured by the adjusted composite financial index (CFI), has improved as shown in the table below. This is largely due to extraordinary federal revenues received which have allowed the universities to offset the revenue losses and increased costs associated with responding to the pandemic. Furthermore, bond refunding activity reduced long-term liabilities. Foundation asset value increases (likely due to changing market conditions) affected available net assets within the financial ratios improving the CFI.

The concern, however, is that the related federal revenues are temporary. Sustainability is the question. The cost saving measures employed during the response were also temporary in many cases. It is uncertain what this will mean for the universities' finances going forward with expected weak enrollments and cost containment challenges resulting from transformational change that is not yet evident.

Resuming in-person operations before the omicron variant emerged led to an expectation that revenues would improve especially in auxiliary operations. Recovery from the worst of the pandemic is still expected during FY2022. However, continued surges could put that expectation at risk. More context on how the pandemic has impacted the universities is provided on the next page of this report.

Adjusted Composite Financial Index (CFI) Over Time					
	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
EOU	5.27	3.34	2.52	2.20	4.14
OIT	5.39	3.95	2.89	2.74	4.76
OSU	3.26	2.02	2.08	2.35	4.53
PSU	3.95	2.79	3.24	2.14	5.80
SOU	3.11	0.78	1.15	3.53	4.24
UO	4.03	3.20	4.63	3.74	7.25
WOU	4.18	1.12	2.67	2.94	4.64
*adjusted to remove pension and OPEB related liabilities. Benchmark is 3.0 or higher.					

THE IMPACT OF COVID-19

The global pandemic has created a number of challenges. Early on, many were predicting various scenarios from minimal disruption to doomsday. These included massive student refunds, substantial added expenditures, double-digit declines in tuition, auxiliary and other revenues, and the potential for students to second-guess their higher education plans altogether. Luckily, the pandemic has not proven to be the financial disaster that was widely anticipated.

It is true that many institutions suffered revenue losses and increased costs. Also, higher education employment fell by 13 percent nationally, wiping out more than a decade of employment increases. Oregon public universities reported additional costs of \$80.6 million with another \$366.9 million in foregone or lost revenue. Most made due with temporary measures including a combination of federal revenue, spending cuts, hiring freezes, furloughs or pay cuts.

Three federal relief acts provided \$344.1 million in funding with roughly half earmarked for emergency student aid. As of August 31, 2021, about half of the funding has been spent with the majority expected to be spent by the end of FY2022.

With recovery from the worst of the pandemic expected during FY2022, the institutions are projecting higher revenues, but also rising expenses as temporary measures come to an end. In the aggregate, projected E&G budgets for FY2022 show a 1.3 percent increase in net tuition and fee revenue and an expected 2.1 percent increase in total revenue. Expenses are expected to increase by 8.1 percent. Effectively, this results in a 6 percent structural budget gap.

The expectation is that some will finance the gap with fund balance adjustments (i.e. cost savings and federal stimulus dollars) which will increase the aggregate fund balance to an estimated 2.5 months of reserves. Nonetheless, five of the universities expect to use an estimated \$14.0 million in fund reserves during the year.

Projected FY2022 General Fund Information (as of December 2021)							
The year over year trend in:	EOU	OIT	OSU	PSU	SOU	UO	WOU
Tuition/fee revenue	-1.6%	-5.3%	5.0%	-8.1%	-6.9%	5.8%	-18.5%
Total revenue	-0.8%	4.3%	3.2%	-3.4%	0.1%	5.8%	-8.0%
Total expenses	10.4%	-1.4%	11.1%	5.9%	13.1%	7.4%	2.7%
Operating Gain or Loss?	Loss	Gain	Gain	Loss	Loss	Loss	Loss
Use of Fund Balance?	Yes	No	No	Yes	Yes	Yes	Yes
Projected Fund Balance at the end of FY2022 (months of revenue)	3.1	3.5	2.4	4.3	1.1	1.6	1.4

EOU FINANCIAL RATIOS summary

Ratio	FY21	FY20	FY19	FY18	FY17	Benchmark
Primary Reserve Ratio	0.22	0.18	0.15	0.17	0.21	>0.4
Viability Ratio	0.80	0.54	0.41	0.44	0.49	>1.0
Return on Net Assets	13.8%	4.9%	2.2%	3.8%	-0.2%	>6%
Net Operating Revenues	(3.0%)	(4.0%)	(3.9%)	(8.3%)	(2.9%)	>4%
Composite Financial Index	2.40	1.10	0.66	0.56	0.72	N/A
Adjusted CFI*	5.27	3.34	2.52	2.20	4.14	>3.0
*adjusted to remove pension and OPEB related liabilities						

PRIMARY RESERVE RATIO

Are resources sufficient and flexible enough to support the mission?

Amounts, \$ Thousands	2017	2018	2019	2020	2021
Expendable Net Assets	\$12,284	\$10,268	\$9,302	\$11,357	\$14,899
University/Foundation	\$6,355/\$5,929	\$2,925/\$7,343	\$3,305/\$5,997	\$3,837/\$7,520	\$5,707/\$9,192
Expenses	\$58,004	\$59,887	\$62,597	\$64,152	\$68,886
Calculated Ratio	0.21	0.17	0.15	0.18	0.22

EOU's primary reserve ratio has improved year over year due to an increase in expendable net assets, which is due to a decrease in debt as a result of bond refunding. This was balanced against an increase in expenses as EOU added staff during the pandemic and saw increased costs to deliver online courses. In addition, EOU's foundation saw substantial increases. Over time, EOU's primary reserve has been stable at a level around two to two and a half months' worth of expenses.

Viability ratio

Are debt resources managed strategically to advance the mission?

Amounts in \$ Thousands	2017	2018	2019	2020	2021
Expendable Net Assets	\$12,284	\$10,268	\$9,302	\$11,357	\$14,899
Total Long-Term Debt	\$25,014	\$23,474	\$22,823	\$21,210	\$18,542
Calculated Ratio	0.49	0.44	0.41	0.54	0.80

EOU's viability ratio has improved as well. The value of total expendable net assets has improved while the outstanding balance of long-term debt declined substantially as a result of bond refunding. EOU's viability ratio is currently at the point where they can cover 80 cents out of every dollar currently owed with expendable net assets. This represents a substantial improvement over their historic level and will be important to track going forward.

Return on net assets ratio

Does asset performance and management support the strategic direction?

Amounts in \$ Thousands	2017	2018	2019	2020	2021
Total Change in Net Position	(\$145)	\$2,603	\$1,568	\$3,528	\$10,524
Total Beginning Net Position	\$68,992	\$68,274	\$70,877	\$72,445	\$76,044
Calculated Ratio	(0.2%)	3.8%	2.2%	4.9%	13.8%

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 has shown significant improvement in this ratio over the past five years. The improvement this year was due substantially to a decrease in debt due to bond refunding as well as a good year for EOU's foundation due largely to strong investment returns.

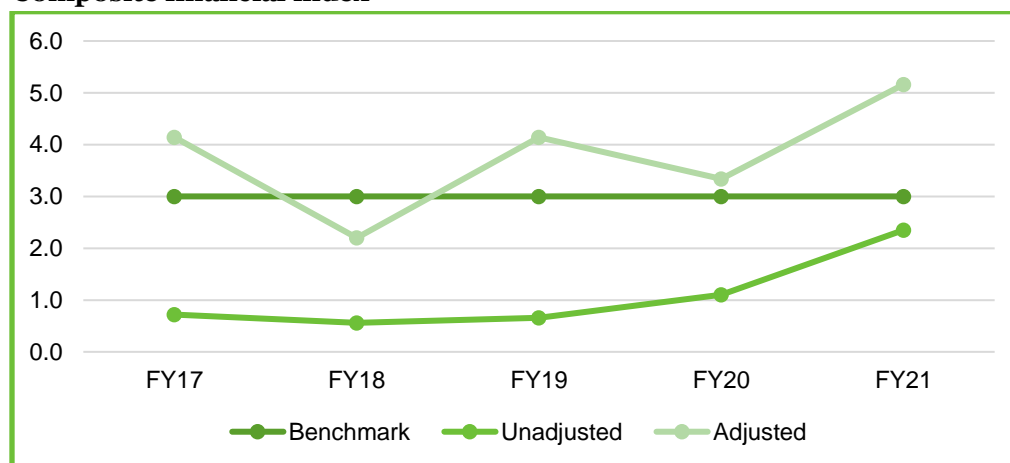
NET OPERATING Revenues ratio

Do operating results indicate the institution is living within available resources?

Amounts in \$ Thousands	2017	2018	2019	2020	2021
Net Operating Income	(\$1,622)	(\$4,586)	(\$2,322)	(\$2,456)	(\$2,450)
Total Operating Revenues	\$55,635	\$55,301	\$60,275	\$61,696	68,745
Calculated Ratio	(2.9%)	(8.3%)	(3.9%)	(4.0%)	(3.0%)

EOU's net operating revenues ratio remained relatively stable the past few years, although negative during all of them. Year over year, total personnel expense within the general fund increased at EOU. This is largely because temporary cost cutting measures like pay freezes, furloughs or even voluntary pay reductions were not executed to the extent they were at other institutions.

Composite financial index



Ratio analysis SUMMARY

Overall, EOU is in an improving financial position. They have improved the level of expendable net assets, improved the performance of existing assets, and have improved their overall liquidity position. 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.

EOU – general fund financial data

	FY2017	FY2018	FY2019	FY2020	FY2021
Revenues					
Gross tuition and fees	20,952,498	21,870,942	23,376,590	24,012,570	26,503,832
Less fee remissions	(2,187,399)	(2,591,422)	(2,734,317)	(2,896,683)	(3,136,099)
Net tuition	18,765,098	19,279,520	20,642,273	21,115,887	23,367,733
State operating appropriations	19,870,936	20,051,272	20,357,177	21,158,781	21,664,494
State debt service appropriations	647,928	637,752	637,752	637,752	637,752
Indirect cost recovery	254,346	271,763	261,470	281,072	559,423
All other	805,623	975,701	1,059,051	1,240,178	1,071,257
Total revenues	40,343,931	41,216,007	42,957,724	44,433,670	47,300,659
Expenses					
Salary & Wages	19,735,924	20,430,341	21,484,588	21,757,863	22,180,144
Benefits: Health	4,855,723	5,195,859	5,361,139	5,593,809	5,689,105
Benefits: Retirement	3,614,425	4,572,831	4,943,380	5,347,647	5,333,409
Benefits: Other	1,519,540	1,774,647	1,769,863	1,769,870	1,779,123
Supplies & Services	7,927,102	7,713,981	7,938,061	7,277,334	9,066,321
Capital Expenditures	566,064	533,549	452,770	422,249	557,195
Institutional Student Aid	3,312	-	-	-	-
Net Fund Transfers	(289,462)	172,754	(172,531)	(76,102)	(123,932)
Total expenses	37,932,627	40,393,961	41,777,270	42,092,671	44,481,365
Net Income (Loss)	2,411,304	822,047	1,180,454	2,340,999	2,819,294
As a % of Revenue	6%	2%	3%	5%	6%
Fund Balance Information					
Beginning Fund Balance	4,579,000	6,990,304	7,812,351	8,992,805	11,333,804
Ending Fund Balance	6,990,304	7,812,351	8,992,805	11,333,804	14,153,098
Balance as a % of Revenue	17%	19%	21%	26%	30%
Months of Operating Balance	2.1	2.3	2.5	3.1	3.6
Additional Information					
% of Revenue that is Tuition	47%	47%	48%	48%	49%
Remission Rate	10%	12%	12%	12%	12%
Wages and Benefits as % of Total:	78%	79%	80%	82%	79%

BOARD OF TRUSTEES

The Boards of Trustees at each public university and their respective university constituents are continuing the process of developing effective working relationships. The Commission continues to recommend that the areas that all Boards should be attentive to include timing and access, for example, not scheduling meetings during exams, or when classes are not in session; and encouraging feedback by making an effort to allow non-board members to weigh in early on in the meetings rather than having to sit through the whole meeting.

Governing Board Focus Area	Evaluation Question	Supporting Narrative (documentation may include links to materials on board website)	Data Source
Transparency (ORS 352.025(1)(a))	Board meets at least four times per year. ORS 352.076(7).	<p>During the 2020-21 fiscal year, the Board of Trustees of Eastern Oregon University <u>met five times</u>.</p> <p><u>During the 2019-20 fiscal year, the Board of Trustees of Eastern Oregon University met six times.</u></p>	Board of Trustees
	Board provides public notice of agenda and meetings. ORS 352.025(1)(a).	<p>Public notices were posted for all meetings of the board and its committees, along with an agenda and other materials. See, e.g., the <u>February 18, 2021 regular board meeting</u>.</p> <p>A press release is issued with a description of the meeting agenda topics prior to each regular meeting.</p>	Board of Trustees

		<p>All such materials for meetings of the board as a whole can be accessed at the <u>board document archive webpage</u>.</p> <p>Such materials for meetings of the board's committees can be reached at the document archive pages for those committees: <u>Academic and Student Affairs Committee;</u> <u>Finance and Administration Committee;</u> <u>Governance Committee</u></p>	
	The Board operates in a transparent manner and in compliance with Public Meetings and Public Records laws. ORS 352.025(1)(a).	<p>See above and <u>Board Statement No. 1, Conduct of Public Meetings</u>, which sets the board's standards for notice and conduct of public meetings.</p> <p>In addition, the board maintains web pages where the public may learn about the <u>purpose and structure of the board</u>, read <u>profiles of each of the trustees</u>, and view all of the board's <u>governing documents</u> and <u>meeting minutes</u>.</p>	Board of Trustees
	The Board has adopted bylaws. ORS 352.076(6).	The board adopted the university bylaws on <u>June 4, 2015</u> . It amended the bylaws on <u>November 6, 2017</u> and on <u>April</u>	Board of Trustees

		<p><u>11, 2019</u>. These amendments moved to the board on the recommendation of the Governance Committee as described in the materials for the <u>November 2017</u> and <u>April 2019</u> board meetings. Bylaws are published on the Board Governing Documents webpage. <u>Bylaws of Eastern Oregon University</u>.</p>	
<p>Accountability (ORS 352.025(1)(a))</p>	<p>The Board demonstrates its accountability on behalf of the university and awareness of its mission and fiduciary duties.</p>	<p>The board's <u>Finance and Administration Committee</u> receives briefings on the university's finances at every meeting, and makes recommendations to staff and the board regarding critical financial decisions such as capital improvements, tuition and fees, and annual budgets. <u>It met five times in both FY '21 and FY '20.</u></p> <p>The board reviews and adopts the university's quarterly financial reports, annual financial statement, and annual auditor's report. The board annually sets the university's tuition, fees, and budget as well as taking action on a variety of other financial topics. Financial matters were on the agendas of</p>	<p>Board of Trustees</p>

	<p>the following board meetings conducted in FY '21: <u>November 12, 2020</u>; <u>February 18, 2021</u>; <u>March 5, 2021</u>; and <u>May 20, 2021</u>. Financial matters were on the agendas of the following board meetings conducted in FY '20: November 14, 2019; February 20, 2020; April 13, 2020, and June 4, 2020.</p> <p>The board has adopted and amended Board <u>Statement No. 11, Education and General Fund Balance</u>, which sets goals for the university's financial reserves.</p> <p>The board <u>adopted a strategic plan</u> for <u>the university</u> at the May 24, 2017 board meeting. The board receives updates on elements of plan implementation at every meeting.</p> <p>The board has adopted governing documents that articulate its ethical and fiduciary responsibilities, such as <u>Board Statement No. 6, Ethics and Conflicts of Interest</u>.</p> <p><u>Board Statement No. 8, Evaluation of Board Performance</u>, describes the process by which the board</p>	
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		<p>evaluates its own performance. The board conducted annual evaluations of its performance in FY '17, FY '18, FY '19, and FY '21. In FY '20, the board adopted a comprehensive evaluation of its performance conducted by the Board Comprehensive Evaluation Ad Hoc Committee.</p>	
	<p>The Board has established a process for determining tuition and mandatory enrollment fees that provides for participation of enrolled students and the recognized student government of the university. ORS 352.102(2)</p>	<p>The university's Budget & Planning Committee/Tuition Advisory Committee (BPTAC) serves to meet the requirements of <u>HB 4141 (2018)</u>. Four student members serve on this committee, two being student government officers.</p> <p>Each quarter, the BPTAC Committee reviews the Quarterly Management Reports and is briefed on enrollment. The BPTAC reviews the prior year's annual financial statements.</p> <p>The committee met six times in FY '21. In both FY '20 and FY '21 the BPTAC held tuition discussions at three of its meetings. A separate meeting was held <u>with student</u> government. Two open forums</p>	Board of Trustees

		<p>were scheduled inviting all students to attend.</p> <p>In FY '21 the BPTAC's <u>recommendations</u> were reviewed by the Board's Finance and Administration Committee at its <u>May 5, 2021 meeting</u> and by the Board of Trustees at its <u>May 20, 2021 meeting</u>.</p> <p>In FY '20 the BPTAC's recommendations were reviewed by the Board's Finance and Administration Committee at its May 26, 2020 meeting and by the Board of Trustees at its June 4, 2020 meeting prior to the board's vote of approval.</p>	
	<p>Board selects and regularly assesses the university president. ORS 352.096.</p>	<p>Board Statement No. 7, Evaluation of Presidential Performance, establishes an annual process for evaluating the president's performance. The board followed this process in FY '20 and FY '21.</p> <p>That statement also requires periodic comprehensive evaluations that address multiple years of presidential performance. At the <u>November, 12, 2020 board meeting</u>, the board decided to retain the</p>	<p>Board of Trustees</p>

		consulting arm of the Association of Governing Boards to assist with conducting the first comprehensive evaluation of President Insko's performance, and to conduct that evaluation (for the period of FY '16-'21) in the fall of 2021.	
Engagement in the University's Mission (ORS 352.025(1)(b))	The Board adopts the mission statement. ORS 352.089(1).	The board adopted the university's mission statement in <u>Board Resolution No. 16-08 (November 10, 2016)</u> .	Board of Trustees
Coordination across the State of Oregon (ORS 352.025(1)(e))	The Board forwards the university's mission statement to the HECC. ORS 352.089(2).	The board secretary forwarded Board Resolution 16-08 to Veronica Dujon of the HECC by letter dated February 23, 2018. The letter was sent via USPS and email. Ms. Dujon confirmed receipt by email February 27, 2018.	Board of Trustees
	The Board forwards any significant change in the university's academic programs to HECC. ORS 352.089(1).	During FY ' 21, the board approved four new programs which were forwarded to the HECC: <u>Agricultural Entrepreneurship</u> (Feb 2021); <u>Special Education Initial Teacher Licensure</u> (Feb 2021); <u>Data Analytics</u> (May 2021); and <u>Marketing</u> (May 2021). In FY '20, the board approved two new programs, which were	Board of Trustees

		forwarded to the HECC: Sustainable Rural Systems (November 14, 2019) and Cyber Security (June 4, 2020).	
Real Property Holdings (ORS 352.025 (2)(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.	All property acquired since the Board of Trustees became the university's governing body on July 1, 2015 has been taken and held in the name of the State of Oregon, acting by and through the governing board. No property was acquired in FY '21. One property was acquired in FY '20.	Finance VP

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 and the university was reaffirmed in 2019. The institution has been working on four NWCCU recommendations for continuous improvement. Two recommendations (#1 and #2) were fulfilled in 2020, following NWCCU review of EOU's ad hoc report, and two recommendations (#3 and #4) were deemed substantially in compliance but in need of improvement and updates were made in the mid cycle review for fall 2021. In 2024, the year six report on standard 2 – Policies Regulations, and Financial Review will be due followed by year seven evaluation of institutional effectiveness in 2025. Accreditation reports, records of official NWCCU actions and materials may be accessed on [EOU's accreditation cycle](#) page.

The 2,825 students who were enrolled at EOU in Fall, 2021 represented a decrease of 7.9 percent over two years. Since 2011, EOU's enrollment has declined 33.3 percent. EOU's enrollment decline over the past decade has been particularly concentrated among resident students, whose total fell 38.3 percent between fall 2012 and fall 2021. This year, resident (in-state) students account for 65.9 percent of EOU's total student body. EOU's six-year graduation rate is xx.x percent for Pell Grant recipients, 35.1 percent for underrepresented minority students, and 39.0 percent for all students. EOU is making year-over-year increases in the total number of degrees awarded to under-represented minority students. While single year enrollment changes do not constitute a trend on their own, and the culmination of winter and spring term of 2019-20, academic year 2020-21, and fall 2021 numbers were affected by extemporaneous circumstances, they are generally consistent with longer-term enrollment patterns at EOU.

Partly as a result of state funding cuts, PERS and PEBB funding mandates, resident undergraduate tuition and fees at Eastern Oregon University increased 45.4 percent in the last 10 years, including increases of 5.2 percent¹⁴ and 1.6 percent in 2020-21 and 2021-22 respectively.¹⁵ In the current academic year, tuition did not change and fees increased 8.9 percent.¹⁶ Resident graduate students have faced similar increases.

In the 2020-21 academic year, EOU recorded \$1,828,692 in resident tuition remissions (8.2 percent of resident gross tuition charges), which is a 0.5 percent increase over the prior year. The year prior, the 2019-20 academic year, EOU recorded \$1,819,631 in resident tuition remissions (9.4 percent of resident gross tuition charges).

¹⁴ This increase was due to fee reductions as a result of the COVID-19 pandemic and was not subject to the 5% threshold.

¹⁵ 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).

¹⁶ 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.

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 – \$14,973 for the 2021-22 academic year¹⁷ – exceeds resident tuition and fees

Overall, EOU is in an improving financial position. They have improved the level of expendable net assets, improved the performance of existing assets, and have improved their overall liquidity position. Over time, EOU's primary reserve has been stable at a level around two to two and a half months' worth of expenses. 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.

¹⁷ Source: <https://www.eou.edu/fao/coa/>

