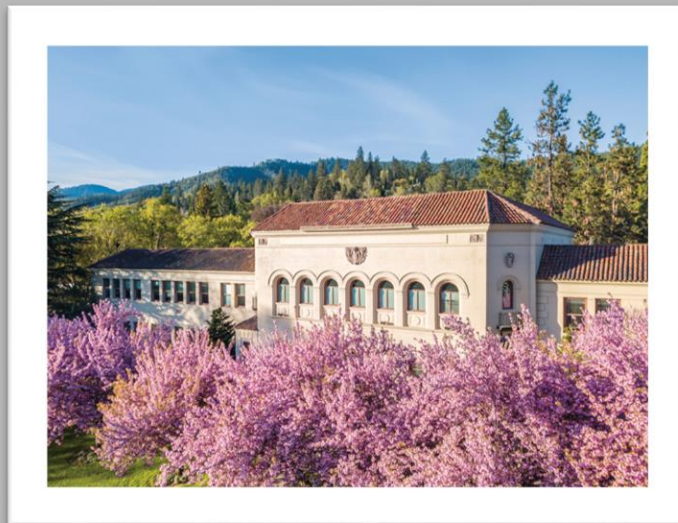


2021 UNIVERSITY EVALUATION: Southern Oregon University



Source: Southern 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 Southern Oregon University (SOU) 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 SOU'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 SOU'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.

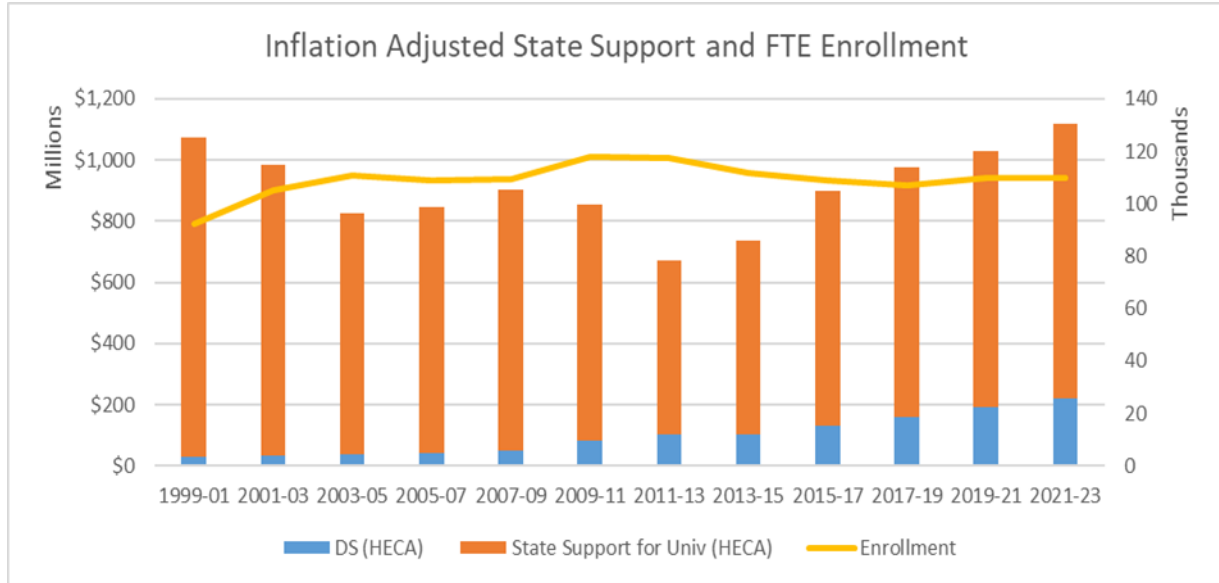
This report is focused on the legislative charge and the HECC’s primary areas of emphasis as indicated in its Strategic Plan. This report is not a comprehensive evaluation. It reflects the narrower scope of legislative issues of interest, incorporating findings from accreditation studies where there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

STATEWIDE CONTEXT

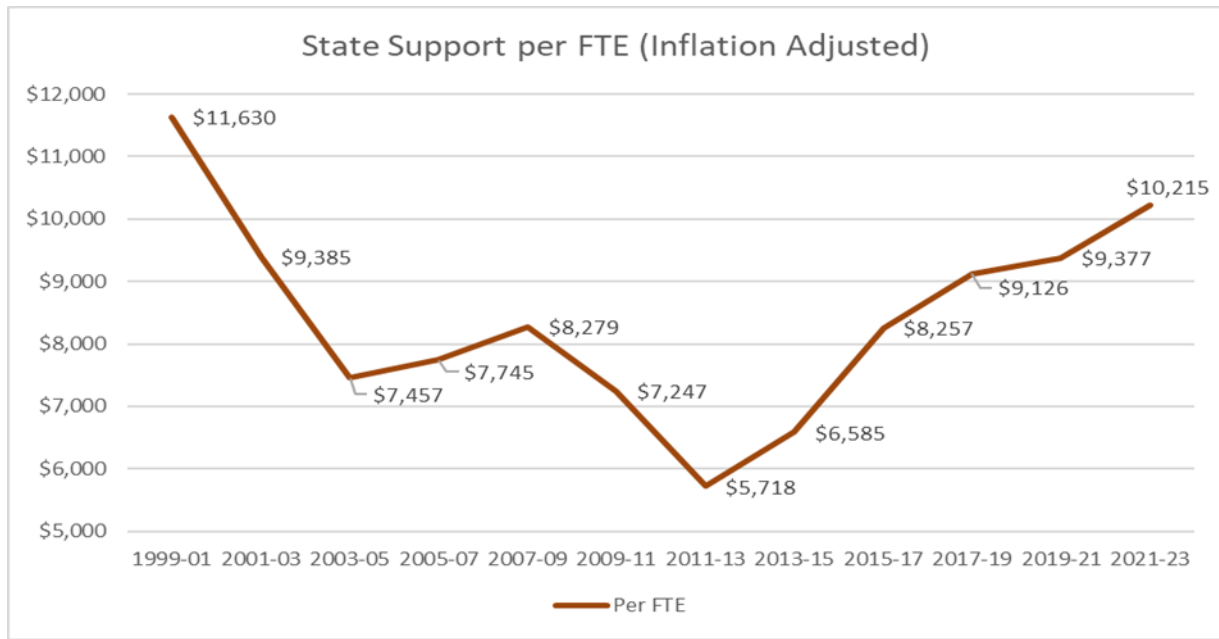
Funding History

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

Southern Oregon University (SOU) has provided outstanding educational opportunities to students for over 140 years. The Institution is a key partner with businesses, government organizations, and community partners as well as other educational institutions. Over the past several years, the University has faced significant challenges, including the changing profile of higher education in Oregon, reductions in state allocations, shifting student demographics, and evolving workforce opportunities. SOU declared retrenchment in 2013. Since then it has been guided by a holistic, intentional and realistic plan that articulates reductions in costs and increased efficiencies, but also creates opportunities to build programs and operating principles that should carry the institution into the next strategic planning process. SOU continues to adapt to the needs of the region and its students, and is committed to its mission and goals of preparing students for success in college and beyond. The HECC has approved 3 major programs since the last time SOU was evaluated in 2019: B.A./B.S. in Digital Cinema, B.A./B.S. in Gender, Sexuality, and Women's Studies, and B.A./B.S. in Sustainability; and 10Certificates in Sustainable Tourism, Teaching English to Speakers of Other Languages (TESOL), Holistic Education, Music Industry, Sound Design, Transgender Studies, Cybersecurity, Documentary Production, Geospatial Science, and Professional Social Media.

Liberal arts universities such as SOU have mission statements that describe high-level expectations for their students. Southern Oregon University strives to achieve a balance between providing a liberal arts education and meeting the professional and workforce needs of its region. These objectives are expressed in SOU's core themes and inform the indicators that are assessed to show the extent that their curriculum, academic programs, and support services address these themes.

The mission of SOU was originally approved by the State Board of Higher Education in 2008, consistent with its legal authority for higher education in the state of Oregon. Oregon Revised Statute 352.089(1), established in July, 2014, requires higher education governing boards to adopt a mission statement for the university and forward that statement to an office designated by the Higher Education Coordinating Commission for review. ORS 350.075 and 350.085 require the HECC to review and approve public university mission statements.

In January 2017, the SOU began a strategic planning process, including a revision of its mission and vision, which was approved by its Board of Trustees in November 2017 and approved by the HECC on January 11, 2018.

MISSION:

Southern Oregon University is a regionally-engaged learning community committed to being the educational provider of choice for learners throughout their lives.

We inspire curiosity and creativity, compel critical thinking, foster discovery, and cultivate bold ideas and actions.

We achieve student success, professional preparation, and civic engagement through service excellence, evolving technologies, and innovative curriculum.

We foster access, equity, inclusion and diversity in thought and practice.

We prepare our learners to be responsible, engaged citizens in our democracy.

We promote economic vitality, sustainability, cultural enrichment, and social well-being in our region, the state, the nation, and the world.

As of this writing, 60 percent of key performance indicators (KPIs) for seven institutional strategic directions have been completed; 32 percent have been started; and, 17 percent have not been started.

Of significant importance is the progress SOU has made within Strategic Direction I: SOU will transform its pedagogy and curriculum (how and what it teaches) to enhance the success of its learners and graduates; and, in particular, Goal One: SOU will develop curriculum and provide learning experiences that prepare all learners for life and work in an evolving future; connect directly with the challenges of the southern Oregon community, region, and world; and build self-confidence and the capacity to think critically, innovate boldly, and create lives of purpose. To that end, SOU established and convened a taskforce to research, define, and develop a new framework for transforming general education.

1. The task force is in its third year of operation, and work is well underway with Faculty Senate approval of a new model.
2. An application process has been established for new course development; 70 faculty from 33 different programs have submitted 176 new or revised courses for review by the University Studies Committee.
3. SOU continues to provide ongoing professional development for faculty/staff including but not limited to the alignment of curricular design with learning outcomes (Sources: Center for the Advancement of Teaching and Learning (CATL), Association of American Colleges and Universities (AAC&U), EDI recommended best practices.)
4. Implementation of the new general education curriculum is slated for fall, 2023.

Also worth noting is SOU's ongoing effort to develop policies and processes for creating and approving alternative stackable credentials for both degree seeking and non-degree seeking students, in particular adult learners with degrees/some or no college, who wish to skill up. To date, SOU offers 30 Micro-credentials and more than 20 standalone Certificates.

ECONOMIC AND COMMUNITY IMPACT¹

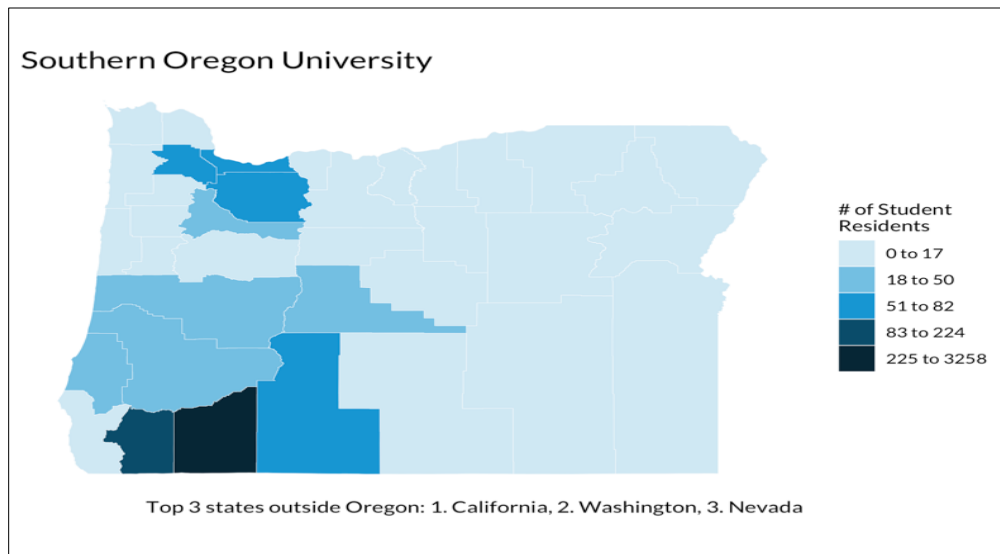
Southern Oregon University

Based in Ashland with an additional satellite campus in downtown Medford, Southern Oregon University (SOU) is an important driver of the regional economy in Southern Oregon. The university consists of seven Academic Divisions: Oregon Center for the Arts, STEM, Education/Health & Leadership, Business/Communication & the Environment, Social Sciences, Humanities & Culture, and Undergraduate Studies. A satellite campus of Oregon Health Science University is also located on the main campus of SOU.

SOU has the most affordable tuition of any four-year public university in Oregon. Students pay 44 percent less than the state average tuition for publicly funded institutions.² This provides an important benefit to students once they begin their careers. Based on the U.S. Department of Education’s College Scorecard, SOU average annual enrollment costs to graduate salary ratio is the lowest in the state among reported institutions (23 cents per dollar earned), with graduates earning slightly less than the national average salary of \$47,060.[†]

The University offers 37 degree programs offered within the seven Academic Divisions. Most SOU students come from counties closest to where the university’s campuses are located (Jackson and Josephine).

Exhibit 1. SOU Student Origin by County



Southern Oregon’s place within the county

As with other universities in Oregon, SOU plays an important role in the regional economy. According to the Quarterly Census of Employment and Wages, the sector is the fifteenth largest in Jackson County with

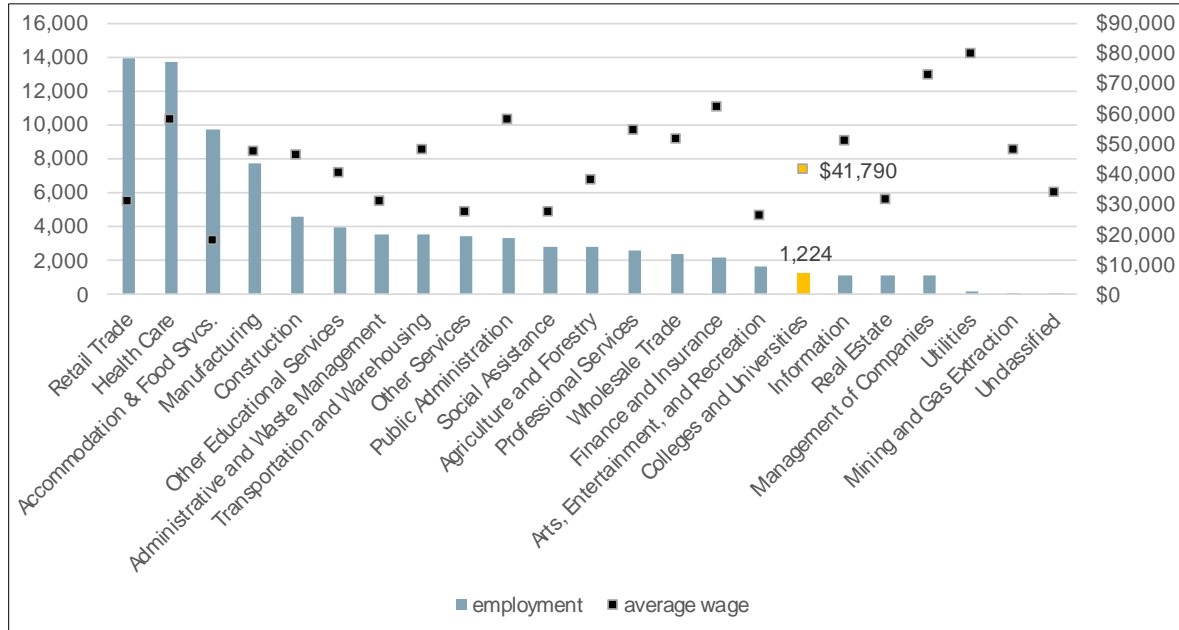
¹ Summary provided by ECONorthwest Economic Contributions report (January 2020) commissioned jointly by EOU, OIT, SOU, and WOU.

² U.S. Department of Education College Score Card.

[†] SOU has identified the need to verify these data to confirm consistency between National Center for Educational Statistics (NCES), The College Scorecard, and SOU Financial Aid data.

1,224 employees, and falls in the middle of the spectrum for pay, averaging \$41,790 per year. This indicates that the college and university employment sector is an important source of middle-income jobs in the county. Exhibit 2 illustrates the employment and average pay by sector in Jackson County.

Exhibit 2. Average Wage and Total Employment by Sector in Jackson County, 2017



Source: ECONorthwest using QCEW data

SOU Contributes to a Robust Job Sector

Of the 1,224 jobs in the colleges and universities sector, 63 percent of those are direct SOU operations jobs. During the 2017-2018 academic year, SOU operations supported 775 direct jobs, which includes salaried professors and administrators. These jobs paid on average about \$79,259 in salaries and benefits and produced \$92.7 million in economic output.

Exhibit 3. Operational, Student, and Visitor Contributions of Southern Oregon

Type of Impact	Output	Labor Income	Jobs
Jackson County			
Direct	\$92,726,595	\$61,426,422	775
Indirect	\$19,499,912	\$11,364,705	156
Induced	\$170,224,461	\$69,256,288	1,215
Total	\$282,450,969	\$142,047,415	2,146

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

Renovation and Upgrades Further Support the Region

Capital spending on SOU’s main campus supported additional economic activities. Ongoing construction projects such as the Britt Seismic Renovation, the Student Health, and Wellness lobby remodel project and

boiler replacement went to support 154 direct construction jobs in 2018, paying on average \$65,676 in wages and benefits and contributing \$29.9 million in direct economic output to the region.

Exhibit 4. Construction Contributions of Southern Oregon

Type of Impact	Output	Labor Income	Jobs
Jackson County			
Direct	\$0	\$0	0
Indirect	40,332,300	13,508,287	218
Induced	10,296,749	3,750,261	78
Total	\$50,629,049	\$17,258,548	296

Source: ECONorthwest using inputs from TRU and the IMPLAN model

Student and Visitor Spending

SOU enrolled 5,475 undergraduates in 2017 who on average spent \$15,144 on non-tuition expenses such as housing, food, and entertainment.³ Combined this spending injected \$82.9 million into the local economy. Additionally, the university attracted 73,722 visitors to the campus to either visit students or attend other campus activities. Such visitors spent about \$6 million in Jackson County on food, lodging, and entertainment.⁴

³ Southern Oregon University 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 SOU 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 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	

SOU was first accredited by NWCCU in 1928. SOU offers baccalaureate degrees in the liberal arts, sciences and several professional fields. It also provides a selected number of masters-level graduate programs as well as educational programs that serve the needs of the local and regional community.

As previously reported, in February 2017 SOU was reaffirmed for accreditation by NWCCU following its Year Seven Self-Evaluation. Five recommendations resulted from the NWCCU evaluation, and SOU has responded and fulfilled all five NWCCU required continuous improvement reporting between 2018 and 2021. Accreditation reports, records of official NWCCU actions and materials may be accessed on SOU’s [Institutional Research page](#).

In July 2021, the NWCCU accepted the fall 2019 Mid-Cycle Evaluation Report and the Spring 2021 Ad Hoc Report. The spring 2021 Ad Hoc report detailed the wide-ranging impacts of SOU’s response to the COVID-19 pandemic. In addition to the switch from in-person to remote learning, the COVID-19 pandemic impacted nearly every aspect of the institution. In response to SOU’s mid-cycle report, the accreditation team noted that SOU has a plan for library funding in place and that SOU’s library faculty indicated that the additional resources they received were helpful and met current needs. The evaluation team also noted that SOU’s core themes are connected to planning, and that the “the strategic plan and core themes are

familiar to and appear to be meaningful to university constituents.” They also acknowledged that the revised core themes have full approval from the SOU Board of Trustees.

SOU’s next evaluation will be the Year 6 report that focuses on Standard 2-Policies, Regulations, and Financial Review and that report is due in the fall of 2022, followed by Year 7 – Evaluation of institutional effectiveness in fall 2023.

SOU has kept current with regional accreditation requirements despite the hardships and challenges that pervaded over the course of the global COVID-19 pandemic beginning in early spring 2020 and that continue into early 2022. It has never been more urgent that public universities make intentional, vigilant, and determined effort to ensure the quality of student learning and the wellbeing of individuals and campus communities.

The following programs are accredited by external evaluators:

- Business (Accreditation Council for Business Schools and Programs,
- Chemistry (American Chemical Society),
- Music (National Association of Schools of Music),
- Clinical Mental Health Counseling Program (Council for Accreditation of Counseling and Related Educational Programs)
- Education (Oregon Teacher Standards and Practices Commission)
- Environmental Education (North American Association for Environmental Education)

STUDENT ACCESS AND SUCCESS

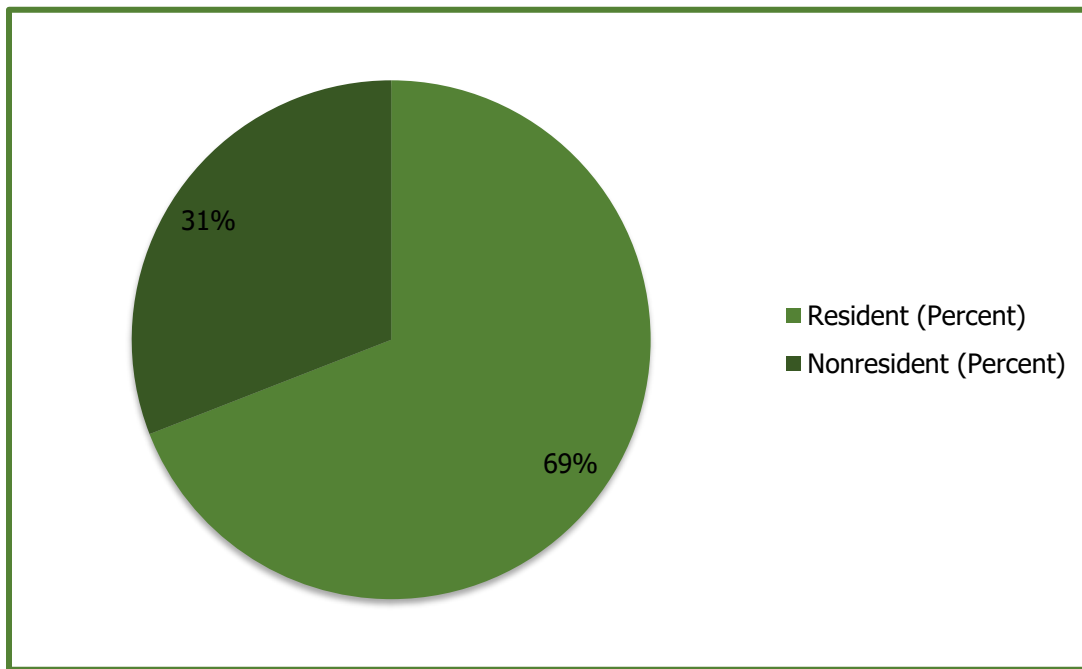
Nationally, college and university enrollments are still on the decline for most institutions according to early data from the National Student Clearinghouse Research Center. Undergraduate enrollment across the board fell by 3.2 percent during fall 2021, echoing last fall’s 3.4 percent decline. Since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

As described by Figures 2 and 3, the majority of SOU students during fall 2021 (68.8 percent) are resident, and the majority (57.7 percent in 2020-21) also attend full-time.

SOU enrollment has experienced a sharp enrollment decline (15.3 percent) since its last evaluation in 2019. In the most recent year (fall 2020 to fall 2021) headcount enrollment slightly increase from 5,041 to 5,056 students. During this evaluation cycle, non-resident enrollment decreased by 15.9 percent while resident enrollment decreased by 15.0 percent. Overall, student FTE decreased from fall 2019 to fall 2021 by 17.6 percent.

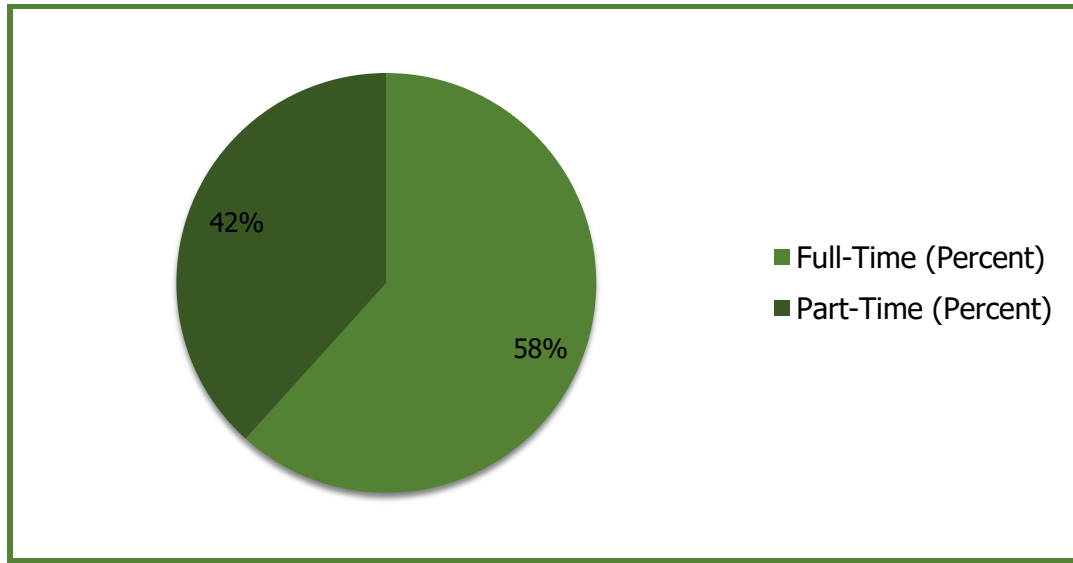
Figure 2: SOU Student Enrollment by Residency, fall 2020-21



Source: HECC (2021)

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

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



Source: HECC (2021)

**Table 1:
SOU Headcount Enrollment, Historical**

Fall of	Resident	Non-Resident	Total
2007	3,774	1062	4,836
2008	3,970	1112	5,082
2009	3,890	1,214	5,104
2010	4,924	1,519	6,443
2011	5,091	1,653	6,744
2012	4,803	1,678	6,481
2013	4,460	1,680	6,140
2014	4,426	1777	6,203
2015	4,342	1873	6,215
2016	4,208	1880	6,088
2017	4,204	1935	6,139
2018	4,270	1849	6,119
2019	4,267	1699	5,966
2020	3,468	1573	5,041
2021	3,627	1429	5,056

In fall 2021, SOU enrolled 5,056 students. Of those, 903 were newly admitted undergraduates, compared to 976 newly admitted undergraduates in the previous academic year. SOU's overall enrollment decline over the last ten years has concentrated among resident students, which declined 24.5 percent between fall 2012 and fall 2021. Additionally, the fall 2021 had a decrease of 7.5 percent for newly admitted undergraduates. 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 SOU.

SOU students come from diverse backgrounds. In fall 2021, 19.2 percent of SOU's total enrollment came from underrepresented student populations.

Table 2: SOU 4th Week Headcount Enrollment by Race/Ethnicity

Race/ Ethnicity	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Change Fall 2020 to Fall 2021
Non-Resident Alien	119	116	51	67	16
American Indian/ Alaska Native	100	95	87	82	(5)
Asian	137	167	140	143	3
Black Non-Hispanic	122	111	93	84	(9)
Hispanic	648	658	535	531	(4)
Pacific Islander	56	61	55	55	-
Two or more races, Underrepresented Minorities	253	243	251	217	(34)
Two or more races, not Underrepresented Minorities	69	71	66	70	4
White Non-Hispanic	3,630	3,499	2,683	2,516	167
Unknown	985	945	1,080	1,291	211

Source: HECC (2021)

Underrepresented minority students and Pell Grant recipients graduate at rates that are, on average, x to x percentage points more/less than the rate for the overall student population.

The four and six-year graduation rate for SOU first time freshmen who entered in the fall term of 2014 is as follows:

Table 3: Four-Year and Six-Year Graduation Rate, First Time, Full Time Freshmen Entering fall 2012

	Four-Year Graduation Rate	Six-Year Graduation Rate
All Students	29.8 %	52.9 %

Underrepresented Minorities	24.1 %	51.0 %
Pell Grant Recipients	N/A	N/A

Source: HECC (2021)

*Fall 2014 cohort is the latest year of available data. Includes students who completed at any Oregon public university.

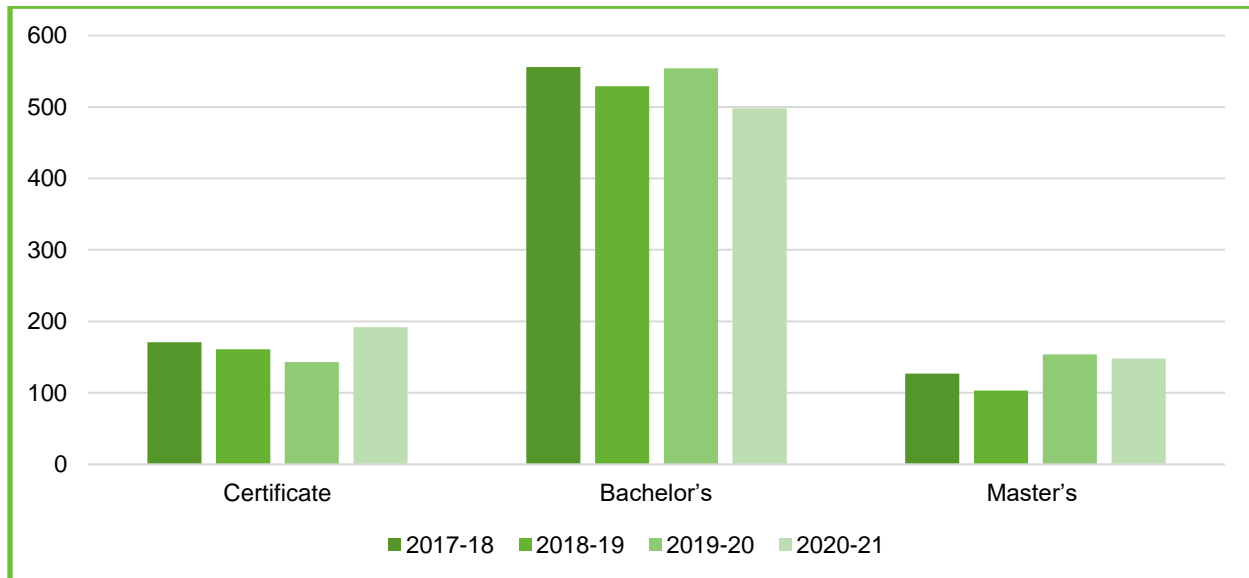
SOU's number of resident completions by award type have relatively held steady over the last four years. No associate's degrees, doctoral degrees, and professional degrees were awarded because SOU does not offer those degree types.

Table 4: SOU Resident Student Completions by Award Type

	2017-18	2018-19	2019-20	2020-21
Certificate	171	161	143	192
Associate's	-	-	-	-
Bachelor's	556	529	554	498
Master's	127	103	154	148
Doctoral	-	-	-	-
Professional	-	-	-	-

Source: HECC (2021)

Figure 4: SOU Resident Student Completions by Award Type



Source: HECC (2021)

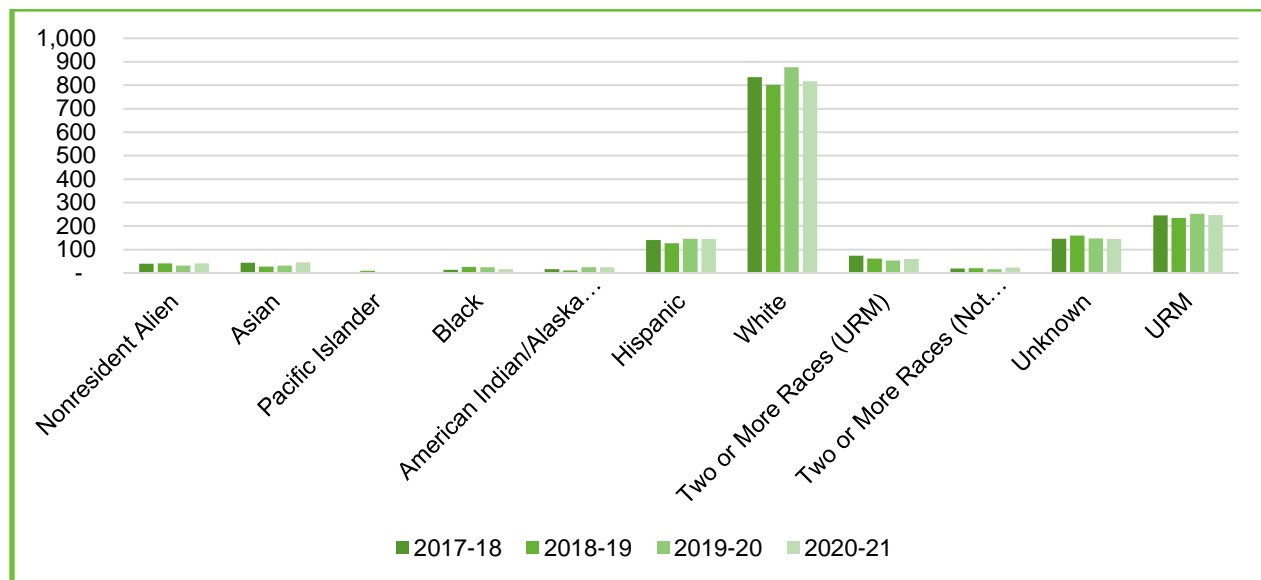
Table 5: SOU Completions by Race/Ethnicity

	2017-18	2018-19	2019-20	2020-21
Non-resident Alien	39	41	31	41
Asian	44	27	31	45
Pacific Islander	1	9	3	3
Black	13	26	25	16
American Indian/Alaska Native	17	11	25	24
Hispanic	141	127	146	144
White	835	802	877	817
Two or more races, Underrepresented Minorities	73	61	53	60
Two or more races, not Underrepresented Minorities	19	21	17	23
Unknown	146	159	147	144
URM	245	234	252	247

Source: HECC (2021)

It is noteworthy that the number of degrees awarded to underrepresented minorities has been on the rise over the last several academic years.

Figure 5: SOU 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 the evaluation of Southern Oregon University's affordability.

Many students and prospective students at Southern Oregon University (SOU), 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 Southern Oregon University increased 64.3 percent in the last 10 years, including increases of 5.5 percent⁶ and 2.3 percent in 2020-21 and 2021-22 respectively.⁷ Specifically in 2021-22 tuition increased 2.6 percent and fees increased 1.1 percent.⁸ Resident graduate students have faced similar increases.

Students, however, do have access to financial aid at Southern Oregon University. In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), Southern Oregon University students benefit from SOU's significant commitment of institutional resources to scholarships, remissions, and tuition discounts. In the 2020-21 academic year, SOU recorded \$2,905,408 in resident

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

⁷ Source: <https://inside.sou.edu/enrollment/tuitionandfees.html> 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 Southern Oregon will pay \$9,045 in tuition and \$2,121 in fees for a total annual cost of \$11,166.

tuition remissions (12.9 percent of resident gross tuition charges), which is a 22.8 percent decrease over the prior year. The year prior, the 2019-20 academic year, SOU recorded \$3,764,201 in resident tuition remissions (16.12 percent of resident gross tuition charges).

Southern Oregon University also engages in a number of targeted programs designed to increase access and completion among targeted populations.⁹ For example, SOU's "Raider Scholarship" provides up to \$5,000 in annual scholarship to eligible students with a high school GPA of 3.75 or above (and certain SAT or ACT scores) based on financial need.

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. Southern Oregon University estimates the average student budget for living expenses annually – \$18,465 for the 2021-22 academic year¹⁰ – exceeds resident tuition and fees.

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 SOU scorecard for the 2019-20 academic year,¹¹ 62 percent of SOU'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 \$36,676, compared to a statewide average of \$48,412. The average debt among graduates was \$21,000, compared to a statewide average of \$21,402 and 39 percent of SOU students had federally supported loans, as compared to the statewide average of 41 percent. According to the College Scorecard, during the 2019-20 academic year, 36 percent of students received Pell Grants.¹³

⁹ <https://inside.sou.edu/enrollment/financial-aid/scholarships/index.html>

¹⁰ Source: <https://inside.sou.edu/enrollment/financial-aid/budgets/index.html>

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

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

¹³ [https://collegescorecard.ed.gov/school/?210146-Southern Oregon University](https://collegescorecard.ed.gov/school/?210146-Southern%20Oregon%20University)

ACADEMIC QUALITY AND RESEARCH

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.

SOU has clearly established processes, guidelines and oversight committees for curricular planning; program development and review and faculty evaluation.

Proposed degrees, programs, and certificates originate with faculty at the program level, and are then routed through several levels of approval: first, from program chair to division director, then to the university Curriculum Committee or Graduate Council (for graduate programs); then to the Faculty Senate. Following approval by the Faculty Senate, proposals are presented to the SOU Board of Trustees, the Oregon Public University Provosts Council for evaluation and recommendation, and then to the Higher Education Coordinating Commission for final approval. Procedures and guidelines are available at: <https://inside.sou.edu/provost/curriculum.html>

The Faculty Senate Curriculum Committee's charge is to "study existing curricula and consider all changes in curricula including degrees offered, degree requirements, and specific courses." The Curriculum Committee is comprised mainly of teaching faculty (6), and three ex officio administrative members, including the Registrar and the Associate Provost. Its charge is to review and approve all additions or deletions of undergraduate courses or programs, as well as changes to curricular structure (such as pre-requisites, electives, or credit hour requirements) and then submits their recommendations to the Faculty Senate for approval. The University Studies Committee (USC) reviews courses that are proposed for inclusion in general education. The Graduate Council (GC), another Faculty Senate committee, reviews additions, deletions, and changes to graduate-level programs and courses.

Description, charge and composition of Faculty Senate Committees are found in the Bylaws of the SOU Faculty Constitution (specifically, section 1.32). Materials delineating procedures for curricular change are found on the Provost's Office web site.

Academic Program Review:

In AY 2018-19, the Provost's office convened a working group consisting of academic faculty, several division directors and the Director of University Assessment to review approaches and practices to academic program review (APR). The recommendations of that group were presented to faculty governance and Division Directors and implemented in a pilot phase in Spring 2019. The APR process was fully implemented in AY 19-20, with a rotating three-year cycle that requires one-third of the academic programs to submit reviews each year. Similarly, in the ongoing efforts to further bolster programmatic improvement, SOU has fully integrated EAB's Academic Performance Solutions software system into the APR three year cycle, and is in the process of developing an annual "status check" for all programs – with very select and specific metrics – regardless of where programs are in the three-year cycle. Lastly, SOU is in the third year of implementing EAB's Navigate system, with the integration of the Navigate application

into all of its student support areas having been completed in years one and two. Full implementation of the Predictive Analytics tool is currently underway.

According to Section 5 of the Bylaws of the SOU Faculty Constitution, faculty members are evaluated through several means: (a) student evaluations; (b) annual evaluations completed by program chairs for faculty members on one-year fixed term appointments and term-by-term faculty upon completion of 3 years or 45 ELUS; (c) colleague evaluations for faculty holding tenure or extendable appointments.

Terms and procedures for faculty evaluations are outlined in sections 5.350-5.373 of the Faculty Senate Bylaws. A Program Chairs Manual with guidelines is published and provided on the Provost's web site and in the Collective Bargaining Agreement between the Association of Professors, Southern Oregon University (AP:SOU) and SOU.

Annually, each faculty member also completes a Faculty Professional Activities Report (FPAR), which includes review and self-evaluation of teaching effectiveness, scholarly activity, service activity, and goals for professional development in these and other areas (including administration for faculty with administrative responsibilities). SOU uses the Activity Insight software program for faculty reporting and evaluation procedures and, relatedly, for the promotion/tenure application review process.

1. Professional Development Accounts

According to [SOU's Collective Bargaining Agreement 2018-2021 \(Article 9, Section B\)](#), Professional Development Accounts (PDAs) are provided to support each full-time professorial and professional faculty member's development in the areas of teaching, scholarship, or service. A professional faculty member with an ongoing appointment is allocated \$900 and a professorial faculty member with an ongoing appointment is allocated \$1500. Approval for use of these funds is contingent upon the member demonstrating to the Chair how the proposed use of the funds will support activities or goals described in the faculty member's approved annual Faculty Professional Activity Report. Examples of approved uses of PDA include: professional travel; the purchase of equipment, software, or other materials; use of consultants; release time for professional activities or summer stipends for scholarly activities; professional society dues, books, and journal subscriptions.

2. Professional Development Grants

In addition to Professional Development Accounts, the 2018-2021 Collective Bargaining Agreement allocated \$60,000 for annual Professional Development Grants for which faculty may apply via proposal submitted to the Faculty Development Committee. According to the CBA, "Priority shall be given to proposals for substantive activities related to: course revision, assessment, improvement of teaching methodology and skills, updating faculty in their disciplinary fields, retraining faculty for new assignments, providing instructional resources, and developing interdisciplinary courses, scholarship, and academic conference travel." Proposals should be consistent with the faculty member's professional appointment, and may be evaluated by the Provost, in consultation with the Faculty Development Committee, for alignment with institutional priorities.

3. Ongoing professional development:

SOU's [Center for the Advancement of Teaching and Learning \(CATL\)](#) assists faculty members with professional development by providing resources, technology support, training and pedagogical assistance. In addition to ongoing and on-call services for faculty around teaching activities, CATL also curates resources and implements programming for faculty, including new, adjunct and other faculty orientation.

Instructional Resiliency

In addition to the continuance of pandemic response efforts from last year, the CATL was able to provide a community focus to professional development efforts. The [CATL Commons](#) is a clearinghouse of resources

and opportunities for professional development. For example, Faculty Insights are in-depth podcasts with faculty, and Faculty Viewpoints are videocasts of best practices for engaging SOU students online. The Commons also collects summaries of meetings of Learning Circles, which are faculty attended book clubs on topics such as active learning and supporting diverse student populations.

Innovation Communities

[Innovation Communities](#) are intended for small groups (~4-16 faculty) who wish to create a community of practice on a short term basis (~4-16 weeks) to solve a student learning challenge through innovative curriculum or pedagogy. Over 40 faculty led or participated in one of five Innovation Communities on the following topics: Remote Collaboration Tools, Intergroup Dialogue Training, Professional Writing Certificate, Real World Assessment, and Social Sustainability in the Curriculum. To further socialize the work of each Innovation Community, the CATL and Hannon Library have established the [Innovation Communities Repository](#). Each Innovation Community is charged with sharing the work of its members with peers inside and outside the University via this repository.

Summer Symposium

Continuing the success of last year's efforts, another virtual professional development Summer Symposium program engaged faculty in a fully online environment to share best practices for online learning. Additions to this year's program included sessions on podcasting, videocasting, and using Google Suite tools for teaching and learning. In addition, the University is providing [Kognito At-Risk for Faculty and Staff](#), a simulation to support faculty in using best practices in identifying, approaching and referring students in distress to the appropriate campus resource for assistance.

RESEARCH ACTIVITY

In 2019-20, SOU reported total research expenditures of approximately \$553,310, and increase from the previous year. For 2020-21 SOU reported total research expenditures of approximately \$621,673.

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 November 2018, the presidents of Southern Oregon University (SOU), Oregon Institute of Technology (Oregon Tech), 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. Since its inception, SOHEC has created a website, shared housing, explored collaborative academic programming, worked on developing dual admission, improved transfer and developed or implemented additional programs.

SOU continues to maintain strong partnerships and collaborations across institutions. In AY 2020, SOU hosted a Title IX training at the Ashland campus for the SOHEC faculty and staff. In July 2020, leaders from SOU and RCC partnered with Representative Pam Marsh, K-12 superintendents, and leaders in the business community and the Rogue Workforce Partnership to form the Southern Oregon Education Leadership Council (SOELC) with the goal of establishing an integrated, student-centered system of education that supports each student from kindergarten through adulthood, including the appropriate higher education and career pathways. The primary focus of the group's work is developing flexible dual enrollment and equitable transfer policies, and accessibility to education and career pathways.

SOU has joined with RCC and KCC to develop transfer agreements that are unique to Southern Oregon, including but not limited to 2+2 degrees and synchronous remote instruction. In addition, RCC and SOU jointly provide ongoing development of internship/apprenticeship and other forms of workplace learning and opportunities for paid work and continue to create career pathways through stackable certificates and micro-credentials, and degree programs. Below are just a few examples of recent collaborations between SOU and RCC.

Student Success and Completion

Benefits Navigators, Academic Advisors, Student Success Coordinators, and mental health professionals share expertise and resources to provide intensive, individualized support, guidance and counseling. Providing skills-building workshops to develop money management, job-seeking and other life skills.

Facilitating seamless transfer:

Academics:

- 570 RCC courses transfer directly to SOU (excludes vocational/technical courses)
- Annual “Articulation Retreats” where faculty and staff from both institutions spend several hours sharing information about curriculum updates, new academic services and programs, and potential areas for further collaboration
- Shared efforts to provide education/training (EX: Currently exploring the possibility of a shared effort to create micro-credentials, certificates, and 2 & 4 year degrees for the region’s farmers and ranchers.)

Osprey to Raiders Transfer Program:

- RCC students interested in transferring to SOU fill out a form indicating their name contact info, what academic interests they have, etc.

- That info from the form goes directly into SOU’s system which allows SOU advisors to contact the students directly to discuss obtaining a bachelor's degree, how to transfer, scholarships, etc.
- RCC sends SOU the RCC student transcript free of charge to the student
- RCC have access to SOU advising info, SOU athletics, SOU library
- Establishes the reverse transfer process in which RCC students can take SOU classes to meet RCC’s graduation requirements at no cost to the student

Essential Services

RCC students who are jointly registered at SOU can stay in SOU’s Residence Halls providing trauma-focused cognitive behavioral therapy for those who have experienced abuse; partnering on Adverse Childhood Experiences (ACES) “Train the Trainer” collaboration through support from grant funding.

RCC and SOU also partnered with the Higher Education Coordinating Commission (HECC) in support of the Adult Promise Program, led through the State Higher Education Executive Officers Association (SHEEO) and Lumina Foundation, to receive a \$50,000 grant to do targeted joint marketing and outreach to “some college-no-credential” adults -- particularly those from communities of color -- using dual-branded postcards, television, social media, and digital advertising to direct them to low-cost educational opportunities.

In addition, SOU 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: Southern Oregon University Collaborative Initiatives Participation

Other University Collaborations	University Response
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>)	P E&I, NASPO, NIPPA, Sourcewell (formally NJPA), ORPIN
Capital Construction Services	P
OWAN	NA If “OWEN” network then this has been subsumed within NERO, if “OWAG” then NP since OWAG is a financial data warehouse used by USSE.
NERO Network	P
RAIN	NA SOU understands this to be available only for UofO and OSU but they collaborate with the

	Rogue Workforce Partnership (similar to RAIN).
Orbis Cascade Alliance	P
ONAMI	N/A SOU understands this to be available only for UO, OSU, PSU, and OHSU.
Other	<p>Other Collaborations/Partnerships:</p> <p>SOU continues its collaboration with RCC, KCC, and OIT in the Southern Oregon Higher Education Consortium (SOHEC). Notwithstanding the significant impact on each of the four institutions as a result of the pandemic, some progress has been made with respect to the creation of guided pathways and meta-majors, transfer articulation agreements, and curricular innovations.</p> <p>In July 2020, leaders from SOU and RCC partnered with Representative Pam Marsh, K-12 superintendents, and leaders in the business community and the Rogue Workforce Partnership to form the Southern Oregon Education Leadership Council (SOELC) with the goal of establishing an integrated, student-centered system of education that supports each student from kindergarten through adulthood, including the appropriate higher education and career pathways. The primary focus of the group's work is developing flexible dual enrollment and equitable transfer policies, and accessibility to education and career pathways.</p> <p>SOU is continuing its memberships in the Medford Chamber of Commerce and the Medford Chamber Forum, Ashland Chamber of Commerce, Grants Pass Chamber of Commerce, Medford and Ashland Rotary Clubs, SOREDI, the Rogue Workforce Partnership (similar to RAIN). Additionally, they rent out SOU classroom space and office space to OHSU and PSU.</p> <p>SOU is affiliated with a number of national professional organizations. However, SOU's relationship with the American Association of State Colleges and Universities (AASCU) is especially robust and long-standing. The President, Provost, and other senior level</p>

	<p>administrators in Academic Affairs regularly attend annual meetings, frequently serving as presenters and/or invited panelists regarding best practices in higher education. In 2015, SOU was one of 38 colleges/universities chosen -- from among 400 member institutions -- to participate in the Re-imagining the First Year (RFY) initiative with grant support from the Gates Foundation. This three year effort culminated in a significant database of resources for AASCU members to access to improve retention and student success within the first year experience.</p>
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SHARED FACILITIES

- 1) Southern Oregon University entered into a facility sharing agreement with Rogue Community College upon completion of the capital construction project called the Higher Education (HEC) Building in 2008. The facility, located in Medford, includes teaching classrooms, specialty classrooms, presentation halls, and teaching computer labs. An example of cooperation and collaboration between two institutions, the HEC is a model of environmental stewardship having received the U.S. Green Building Council award’s platinum certificate in the Leadership in Energy and Environmental Design (LEED) program, the first Platinum LEED building within Oregon public universities.
- 2) The Southern Oregon University campus includes the Oregon Health & Sciences University’s School of Nursing in Ashland. Three pathways are offered to OHSU students to complete their bachelor of science with a major in nursing exist and include: 1.) the Oregon consortium for nursing education or OCNE, 2.) a three-year undergraduate nursing program, 3.) and an accelerated bachelor for those with an undergraduate degree in another field and as associate degree in nursing from an OCNE community college.

STAFF TUITION BENEFIT

Employees and their dependents at Southern Oregon University, Rogue Community College (Grants Pass/Medford area), and Klamath Community College (Klamath Falls) can all participate in a reduced tuition agreement between the three institutions, a program that was modeled after the original public university’s staff tuition benefit.

TRANSFER ARTICULATION AGREEMENTS

Southern Oregon University has detailed transfer articulation agreements with 12 community colleges in Oregon and which include 39 different programs. Cooperating institutions include: Rogue Community College, Klamath Community College, Central Oregon Community College, Chemeketa Community College, Clackamas Community College, Clatsop Community College, Lane Community College, Linn-Benton Community College, Mount Hood Community College, Portland Community College, Southwestern Community College, and Umpqua Community College. As noted in a previous section, SOU, RCC and KCC have developed transfer agreements that expand beyond the articulation of individual courses.

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, SOU 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 SOU. 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.

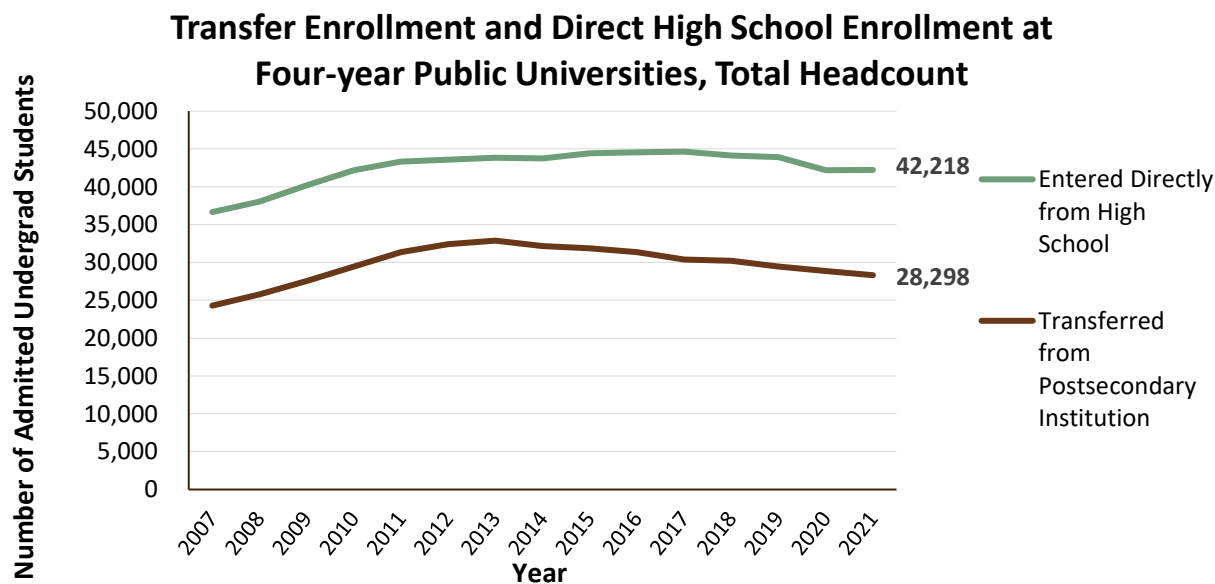
State approval of high school based college credit partnership programs promotes transparency, educational equity, and comprehensive advising so that students may access, earn, and transfer these credits smoothly. State approval, through peer review, confirms that a college course taught on campus and 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 and work on resolving concerns. As a result of these conversations, Universities have achieved transfer alignment as expected by the state statutes and standards. Western Oregon University and Oregon State University achieved this alignment in 2019 and credits are transferring as they were intended to. 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



Source: HECC Office of Research and Data

SHARED ADMINISTRATIVE SERVICES

Southern Oregon University also engages collaboratively in a number of administrative services with other universities and partners, as indicated in the table below. (P indicates participation; NP indicates)

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)	SOU occasionally utilized the services within the Capital Asset Accounting office when it was coordinated by the OUS. Upon dissolution of the system, SOU decided that these needs and duties would be subsumed internally. In fiscal year 2019 there has been approximately 0.3 FTE of an accountant's position that was dedicated to this increased effort.
Payroll & Tax Processing (includes relationship w PEBB, PERS/Federal retirement*)	P
Collective Bargaining *	P
Information Technology/5 th Site	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	P
Other Miscellaneous Statements of Work:	
Provosts Council Administrative Support	P
Legislative Fiscal Impact Statement Support	P
Risk Management Analyst (TRUs only)	N/A SOU understands this position within Shared Services to be non-existent.
Public University Fund Administration ³	P
Southern 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
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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 SOU, continue to participate in these mandated services.

FINANCIAL HEALTH ASSESSMENT

This section of Southern 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 and 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

SOU FINANCIAL RATIOS SUMMARY

Ratio	FY21	FY20	FY19	FY18	FY17	Benchmark
Primary Reserve Ratio	0.06	(0.04)	0.03	0.08	0.10	>0.4
Viability Ratio	0.14	(0.10)	0.07	0.16	0.21	>1.0
Return on Net Assets	7.5%	(5.0%)	(2.9%)	15.3%	11.2%	>6%
Net Operating Revenues	(8.6%)	(10.5%)	(9.3%)	(3.7%)	(4.1%)	>4%
Composite Financial Index	0.38	(1.50)	(0.85)	1.59	1.25	N/A
Adjusted CFI*	3.11	0.78	1.15	3.53	4.24	>3.0
*adjusted to remove pension and OPEB related liabilities						

PRIMARY RESERVE RATIO

Are resources sufficient and flexible enough to support the mission?

Amounts in \$ Thousands	2017	2018	2019	2020	2021
Expendable Net Assets	\$10,275	\$7,553	\$3,418	(\$4,269)	6,414
University/Foundation	\$1,861/\$8,414	(\$3,480)/\$11,033	(\$8,560)/\$11,697	(\$14,560)/\$10,291	(\$12,026)/\$18,440
Expenses	\$98,187	\$95,756	\$101,930	\$106,526	\$98,755
Calculated Ratio	0.10	0.08	0.03	(0.04)	0.06

SOU's primary reserve has risen slightly in FY21, after having substantially over the prior four years and falling below zero in FY20. A low primary reserve ratio indicates that available resources may not be sufficient or flexible enough to support the institution's mission. In FY21, both an increase in expendable assets (primarily through their foundation), as well as a decrease in expenses enabled them to come back up above zero.

VIABILITY RATIO

Are debt resources managed strategically to advance the mission?

Amounts in \$ Thousands		2017	2018	2019	2020	2021
Expendable Assets	Net	\$10,275	\$7,553	\$3,137	(\$4,269)	\$6,414
Total Long-Term Debt		\$48,679	\$45,935	\$44,743	\$44,746	\$44,486
Calculated Ratio		0.21	0.16	0.07	(0.10)	0.14

The value of total expendable net assets went up significantly in FY21, after declining since FY17. This is primarily due to an increase in expendable foundation assets, as well as federal coronavirus response grants. As a result, in FY21 SOU's viability ratio came back up to above zero. Despite this improvement, at this point, SOU could cover just fourteen cents of every dollar owed with currently available assets. Their long-term debt continues to stay relatively steady, and SOU should continue limiting new debt until the picture improves.

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 Position	Net	\$11,419	\$17,415	(\$3,728)	(\$6,367)	\$9,038
Total Beginning Position	Net	\$102,229	\$113,648	\$130,289	\$126,561	\$120,193
Calculated Ratio		11.2%	15.3%	(2.9%)	(5.0%)	7.5%

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 activities that will enhance net assets in the future.

SOU's performance on this ratio improved significantly in FY21, after declining the previous two years, due to a significant increase in the foundations net assets.

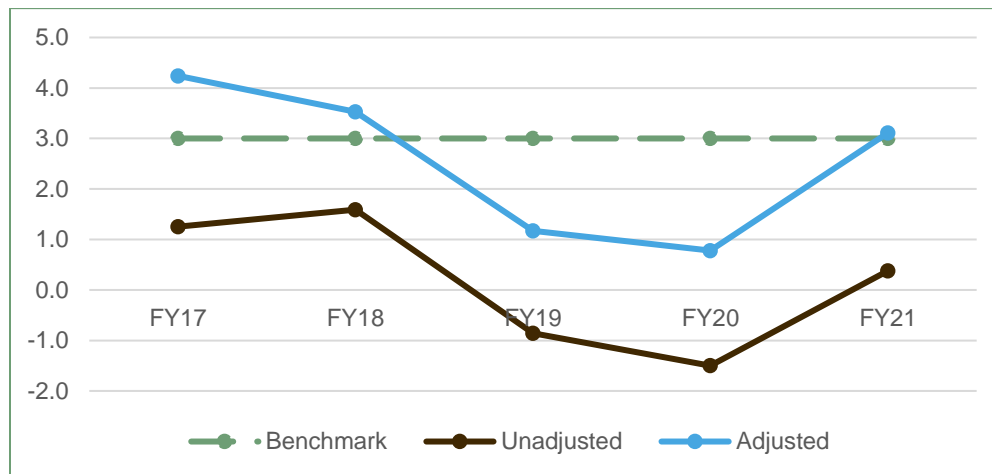
NET OPERATING REVENUES RATIO

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

Amounts in \$ Thousands	2017	2018	2019	2020	2021
Net Operating Income	(\$3,851)	(\$3,454)	(\$8,655)	(\$10,139)	(\$7,748)
Total Operating Revenues	\$93,151	\$92,302	\$93,275	96,388	\$89,969
Calculated Ratio	(4.1%)	(3.7%)	(9.3%)	(10.5%)	(8.6%)

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. SOU's net operating revenues ratio has been increasingly negative the past five years, with a slight increase in FY21. Continued negative operating revenues may indicate an institution does not have the capacity to develop a stronger fund balance or make strategic operating investments without the use of existing fund balance, expense reductions, or revenue enhancements.

COMPOSITE FINANCIAL INDEX



RATIO ANALYSIS SUMMARY

Overall, although SOU is still facing a challenging financial future, it appears the institution is taking the right steps to improve. Given declining enrollment and increasing expenses, the need remains clear to continue to reengineer the institution to identify opportunities while preserving academic quality. SOU

leadership has made strides in the past couple years demonstrating it understands the financial position the institution is in, and are working to turn it around.

SOU – GENERAL FUND FINANCIAL DATA

	FY2017	FY2018	FY2019	FY2020	FY2021
Revenues					
Gross tuition and fees	37,698,244	41,003,792	41,003,163	42,531,939	39,907,934
Less fee remissions	(3,586,840)	(4,243,385)	(3,637,765)	(3,964,601)	(3,244,658)
Net tuition	34,111,404	36,760,407	37,365,398	38,567,338	36,663,275
State operating appropriations	21,360,666	21,093,467	21,471,767	22,894,661	23,757,732
State debt service appropriations	179,160	179,160	179,160	179,160	179,160
Indirect cost recovery	200,424	206,958	150,967	162,151	135,883
All other	3,113,341	2,597,260	2,862,313	2,291,262	344,774
Total revenues	58,964,995	60,837,252	62,029,605	64,094,572	61,080,824
Expenses					
Salary & Wages	31,008,806	31,763,153	33,013,914	33,507,243	29,131,664
Benefits: Health	6,878,403	7,331,563	7,305,707	7,312,370	7,026,115
Benefits: Retirement	5,703,198	6,841,000	7,007,008	7,881,244	7,050,120
Benefits: Other	2,674,014	2,838,967	3,018,151	3,275,289	3,172,467
Supplies & Services	8,907,896	9,093,321	11,555,647	10,377,891	10,337,051
Capital Expenditures	193,507	193,744	176,436	99,152	123,799
Institutional Student Aid	-	-	-	-	-
Net Fund Transfers	2,266,381	2,481,400	1,738,814	1,913,438	1,525,988
Total expenses	57,632,205	60,543,147	63,815,677	64,366,627	58,367,204
Net Income (Loss)	1,332,790	294,105	(1,786,072)	(272,055)	2,713,620
As a % of Revenue	2.3%	0.5%	-2.9%	-0.4%	4.4%
Fund Balance Information					
Beginning Fund Balance	6,876,514	6,845,089	7,139,194	5,353,122	5,081,067
Ending Fund Balance	6,845,089	7,139,194	5,353,122	5,081,067	7,794,687
Balance as a % of Revenue	11.6%	11.7%	8.6%	7.9%	12.8%
Months of Operating Balance	1.4	1.4	1.0	1.0	1.5
Additional Information					
% of Revenue that is Tuition	58%	60%	60%	60%	60%
Remission Rate	10%	10%	9%	9%	8%
Wages and Benefits as % of Total:	80%	81%	79%	81%	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>The governing board no longer is required to meet quarterly. The governing board “shall meet at least four times per year,” per revisions to <u>ORS 352.076(7)</u>.</p> <p>The Board of Trustees of Southern Oregon University held eight meetings on the following dates in 2020.</p> <ol style="list-style-type: none"> 1. January 17, 2020 2. March 3, 2020 3. March 19, 2020 4. April 21, 2020 5. May 22, 2020 6. June 19, 2020 7. September 18, 2020 8. October 16, 2020 <p>To date, the Board of Trustees of Southern Oregon University has held 15 meetings on the following dates in 2021.</p> <ol style="list-style-type: none"> 1. January 22, 2021 2. April 16, 2021 3. May 20, 2021 	Board of Trustees

		<ol style="list-style-type: none"> 4. June 7, 2021 5. June 18, 2021 6. September 17, 2021 7. October 14, 2021 8. October 18, 2021 9. October 21, 2021 10. October 25, 2021 11. October 27, 2021 12. November 2, 2021 13. November 9, 2021 14. November 19, 2021 15. December 9, 2021 	
	Board provides public notice of agenda and meetings. ORS 352.025(1)(a).	<p>In the interest of transparency, public accountability, notification to university stakeholders, and support for the university, the Office of the Board of Trustees provides public notice of agenda and meetings, including meeting materials, for all meetings of the board and its committees in accordance with Oregon Public Records and Meetings Laws (OPMPRL). These notices are distributed via email to all SOU students, faculty, and staff; the Higher Education Coordinating Commission; and members of the public and the media including those who request individual receipt.</p> <p>The board also provides public notice of agenda and meetings, including meeting materials, to the general public on the board's website: https://governance.sou.edu/</p>	Board of Trustees
	The Board operates in a transparent manner and in	All meetings of the board and its committees are duly noticed and	Board of Trustees

	<p>compliance with Public Meetings and Public Records laws. ORS 352.025(1)(a).</p>	<p>held in compliance with OPMPRL. All board meetings and actions take place in properly noticed, public meetings. In compliance with the laws, meetings are open to the public except for those portions allowed by law to be held in executive session.</p> <p>Materials for meetings are posted on the board’s website (governance.sou.edu) and are available online to the public at the time they are made available to trustees, seven days in advance of regular meetings. Copies of the agenda also are available onsite at the meeting for members of the public. The meeting materials are available online and are broadcast in the boardroom to view during meetings.</p> <p>Additionally, the board’s meetings are accessible by livestream for remote viewers via Zoom webinar, the details for which are included on the public notice. Following requisite approvals, meeting minutes are posted online. Audio recordings of public meetings of the board and its committees are available upon request.</p> <p>Requests for recordings, documents and copies of meeting materials are honored and made available to requestors.</p>	
	<p>The Board has adopted bylaws. ORS 352.076(6).</p>	<p>The board adopted bylaws on January 30, 2015. The board</p>	<p>Board of Trustees</p>

		<p>reviewed and updated these bylaws on January 18, 2019. The bylaws are available on the “Bylaws & Policies” page of the board’s website: https://governance.sou.edu/.</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>On January 30, 2015, the board adopted a policy outlining its delegated and retained authorities for budget; tuition and fees; business and administrative affairs; transactions; academic affairs; and gifts of a certain size, scope, length, or obligation. The board reviewed and updated this policy on January 18, 2019.</p> <p>The board maintains a consistent focus on the short-term and long-term health of the institution. The full board and/or appropriate committees of the board periodically review, receive reports and/or make decisions on academic affairs, new academic programs; enrollment; student affairs; student support services; student survey responses; cultural competency; equity, diversity, and inclusion; university advancement and fundraising, the university’s general financial condition; collective bargaining; treasury and investment policy, activity and performance; business services; capital projects; facilities; internal audit; risk; external audit; athletics; various state and federal regulations pertaining to the university; legislative affairs; the</p>	<p>Board of Trustees</p>

		<p>general higher education landscape; and university priorities as detailed and monitored in SOU's Strategic Plan, consistent with the institutional mission. The board monitors, provides guidance on, and adopts the operating and capital budgets for the university; establishes tuition and fees; and approves expenditures, debt instruments and bonds in accordance with state law and the board's Statement on "Delegation of Authority."</p> <p>Following the departure of a staff internal auditor during the pandemic, in November 2021, the board approved the contract services of an ongoing internal auditor to provide independent, objective assurance and consulting services to add value, support accountability, and improve operations through a systematic, disciplined approach to evaluating and improving the effectiveness of risk management and internal controls. The auditor(s) holds the following designations: licensed Certified Public Accountant (CPA); Certified Fraud Examiner (CFE); Certified Internal Auditor (CIA); member of the Institute of Internal Auditors (IIA) and the Association of College and University Auditors (ACUA).</p> <p>The board adopts a risk assessment and internal audit</p>	
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		<p>plan. Internal audit also performs investigations for the university as necessary.</p> <p>SOU's fraud, waste, and abuse hotline matters are referred to the auditor. The internal auditor reports directly to the Board of Trustees.</p> <p>To ensure mission fulfillment, the board adopted a new mission, vision and values for the university as well as a strategic plan in 2017. The board monitors progress of the institution's strategic plan and regularly reviews detailed reports in January and June of each year.</p> <p>Regarding its own operation, the board performs periodic reviews and updates its own governing documents including bylaws and policies to ensure the currency of these documents. The board also holds strategic retreats and annually approves an evaluation tool to assess its own operations and effectiveness, in accordance with governance best practices and fiduciary duties.</p> <p>Regarding best practices, SOU trustees undergo a thorough orientation, remain abreast of best practices in higher education governance through ongoing professional development and training. In 2020, the Association of Governing Boards of Colleges and Universities (AGB) named</p>	
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		SOU a national 2020 John W. Nason Award for Board Leadership. “Serving at the pinnacle of excellence, these are boards that go above and beyond what boards <i>should</i> do, and instead take board-driven measures to advance their institutions in ways that truly matter.”	
	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)	On April 15, 2016, in its “Resolution: Process for Establishing Tuition and Fees,” the board established such a process. The Board of Trustees reviewed and updated SOU’s Process for Establishing Tuition and Fees on January 20, 2019. This process complies with HB 4141 and other applicable laws and requirements.	Board of Trustees
	Board selects and regularly assess the university president. ORS 352.096.	On June 21, 2019, the board voted to renew the university president’s contract. Following Dr. Linda Schott’s resignation, effective December 31, 2021, the board selected a new president for the university on November 9, 2021. Dr. Rick Bailey’s contract will begin on January 15, 2022. On November 19, 2021, the board appointed Dr. Susan Walsh, SOU’s Provost and Vice President for Academic Affairs, to serve as acting president for the two-week period of January 1-14, 2022, until the new president’s contract begins.	Board of Trustees

		The board updated its process on the Evaluation of the University President on June 18, 2019 and performs an annual assessment of the university president.	
Engagement in the University's Mission (ORS 352.025(1)(b))	The Board adopts the mission statement. ORS 352.089(1).	The board adopted a mission statement on November 16, 2017.	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(1).	The board forwarded the university's mission statement to the HECC following the board's action on November 16, 2017. The HECC reviewed this mission statement on January 11, 2018.	Board of Trustees
	The Board forwards any significant change in the university's academic programs to HECC. ORS 352.089(1).	In 2020 and 2021, following the board's approval, the following program changes were forwarded to HECC and approved by HECC on the following dates. <ul style="list-style-type: none"> April 9, 2020: New Bachelor of Arts/Bachelor of Science in Gender, Sexuality, and Women's Studies. April 8, 2021: New Bachelor of Science (B.S.) in Sustainability 	Board of Trustees
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.	Southern Oregon University complies with ORS 352.025(2)(c). Additionally, all new contracts and legal transactions are reviewed by the university's legal counsel to ensure compliance.	Board of Trustees and/or Finance VPs

SOU has not acquired title to additional real property in 2020 or 2021.

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.

SOU is fully accredited by the Northwest Commission on Colleges and Universities (NWCCU). It was last affirmed in 2017 for accreditation following its Year Seven (Mission Fulfillment and Sustainability) evaluation. Five recommendations resulted from the NWCCU evaluation, and SOU has responded and fulfilled all five NWCCU required continuous improvement reporting between 2018 and 2021. In July 2021, the NWCCU accepted the fall 2019 Mid-Cycle Evaluation Report and the Spring 2021 Ad Hoc Report. SOU's next evaluation will be the Year 6 report that focuses on Standard 2-Policies, Regulations, and Financial Review and that report is due in the fall of 2022, followed by Year 7 – Evaluation of institutional effectiveness in fall 2023.

SOU's Fall 2021 enrollment of 5,056 students reflected a sharp decline (15.3 percent) since the HECC's last evaluation in 2019, although the entirety of this drop occurred in the first year and enrollment grew very slightly from 2020 to 2021. Total headcount enrollment has fallen 22.0 percent over the last 10 years. The majority of SOU students are Oregon residents (68.8 percent) and the majority attend full-time (57.7 percent). SOU's enrollment of underrepresented students has decreased over the last four years, but still represents an increase of 21.7 percent over the last decade. The number of degrees SOU awards annually has increased by 2.6 percent since its 2019 evaluation. The most recent six-year graduation rate is xx.x percent for Pell Grant recipients, 51.0 percent for underrepresented minority students, and 52.9 percent for all students.

Many students and prospective students at Southern Oregon University (SOU), like their counterparts at other universities around the state and nationwide, continue to face significant challenges related to access and affordability. Partly as a result of state funding cuts, resident undergraduate tuition and fees at Southern Oregon University increased 64.3 percent in the last 10 years, including increases of 5.5 percent¹⁴ and 2.3 percent in 2020-21 and 2021-22 respectively.¹⁵ Specifically in 2021-22 tuition increased 2.6 percent and fees increased 1.1 percent.¹⁶ Resident graduate students have faced similar increases.

In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), Southern Oregon University students benefit from SOU's significant commitment of institutional resources to scholarships, remissions, and tuition discounts. In the 2020-21 academic year, SOU recorded \$2,905,408 in resident tuition remissions (12.9 percent of resident gross tuition charges), which is a 22.8 percent decrease over the prior year. The year prior, the 2019-20 academic year, SOU recorded \$3,764,201 in resident tuition remissions (16.12 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 percent threshold.

¹⁵ Source: <https://inside.sou.edu/enrollment/tuitionandfees.html> 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 Southern Oregon will pay \$9,045 in tuition and \$2,121 in fees for a total annual cost of \$11,166.

The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. Southern Oregon University estimates the average student budget for living expenses annually – \$18,465 for the 2021-22 academic year¹⁷ – exceeds resident tuition and fees.

Overall, although SOU is still facing a challenging financial future, it appears that the institution is taking the right steps to improve. Given declining enrollment and increasing expenses, the need remains clear to continue to reengineer the institution to identify opportunities while preserving academic quality. SOU leaders have made strides in the past couple years demonstrating they understand the financial position the institution is in, and are working to turn it around.

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://inside.sou.edu/enrollment/financial-aid/budgets/index.html>

