HIGHER EDUCATION COORDINATING COMMISSION

2017 UNIVERSITY EVALUATIONS:
Western Oregon University

WOU

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INTRODUCTION

This report is guided by Oregon Revised Statute 352.061, and revised by SB 54 (2017) 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 report is to evaluate the contributions of Western Oregon University (WOU) to State objectives for higher education as articulated in statute and in the HECC's Strategic Plan (https://www.oregon.gov/HigherEd/Documents/HECC/Reports-and-Presentations/HECC-StrategicPlan_2016.pdf). The report relies on a combination of accreditation reports, self-assessments conducted by the university on criteria jointly developed with the HECC, and state and federal data. It 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 WOU's Board of Trustees has operated since its formation in July 2015. 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 and Portland State University. It also established a process for the other five Oregon public universities to establish individual governing boards, which they subsequently did. In addition, the bill required the Higher Education Coordinating Commission (HECC) to conduct annual evaluations of the universities. The stipulations required by the bill are codified in Oregon Revised Statute (ORS 352.061).

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

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

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

a) Provide transparency, public accountability and support for the university.
b) Are close to and closely focused on the individual university.
c) Do not negatively impact public universities that do not have governing boards.
d) Lead to greater access and affordability for Oregon residents and do not disadvantage Oregon students relative to out-of-state students.
e) Act in the best interests of both the university and the State of Oregon as a whole.
f) Promote the academic success of students in support of the mission of all education beyond high school as described in ORS 350.014 (the 40-40-20 goal).

For context, ORS 352.025 notes four additional Legislative findings:

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

This year the HECC will evaluate four institutions: Southern Oregon University, Oregon Institute of Technology, Western Oregon University, and Eastern Oregon University.

EVALUATION PROCESS

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

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

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

A balanced evaluation of whether Oregon's public universities are meeting the goals described for them by State law does not lend itself to a formulaic or mechanical approach. The HECC 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 HECC 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.

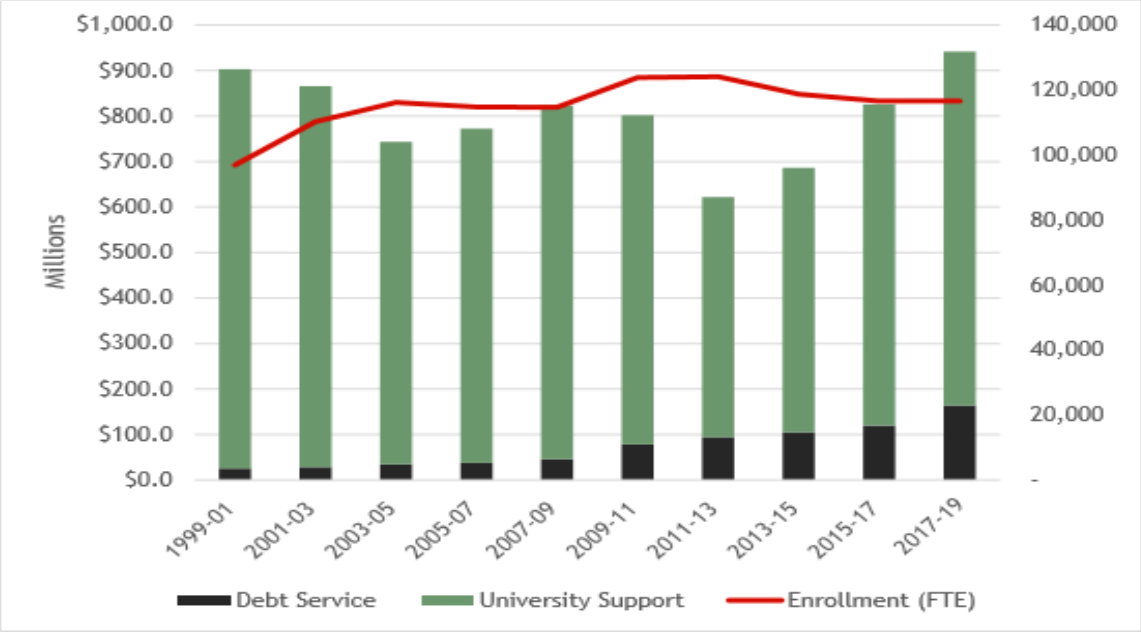
This report is focused on the legislative charge and the HECC's primary areas of emphasis as indicated in its Strategic Plan. This report is not a comprehensive evaluation. It reflects the narrower scope of legislative issues of interest, incorporating findings from accreditation studies where there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



Notes: Projected Enrollment, Statewide Public Services and Sports Lottery excluded. Data Source: OUS IR 2013 Fact Book, p. 114, SCARF enrollment data, HECC BRS 2015-16, 2016-17, and 2017-18

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.

Local Conditions and Mission

Western Oregon University (WOU), the oldest public higher-education institution in Oregon, is a comprehensive, public, liberal arts institution serving students from all 36 counties in Oregon. WOU offers exemplary undergraduate and graduate programs in a supportive and rigorous learning environment. WOU works to ensure the success of students and the advancement of knowledge as a service to Oregon and the region.

The University works in partnership with PK-12 schools, community colleges, higher education institutions, government, and local and global communities. Among the degrees awarded are: Bachelor of Art, Bachelor of Fine Arts, Bachelor of Music, Bachelor of Science, Applied Baccalaureate, Master of Arts, Master of Music, and Master of Science, as well as certificates and an associate degree limited to international partnerships. There are 37 undergraduate programs of study (over 80% have the option of pursing either a BA or BS), with 30 concentrations within those majors. Additionally, the education major has 7 major areas for teacher preparation and 21 subject specializations. The university offers 11 graduate programs. Graduate degrees include the Master of Music in Contemporary Music, Master of Arts in Teaching, Master of Arts in Criminal Justice, Master of Arts in Interpreting Studies, Master of Science in Rehabilitation and Mental Health Counseling, Master of Science in Management and Information Systems, Master of Science in Deaf and Hard of Hearing Education and the Master of Science in Education. This last degree allows students to choose a specialization in information technology or special education, or to pursue a specialization in a selected content area.

ORS 350.075 and 350.085 require the HECC to review and approve public university mission statements. At its June 9, 2016 meeting the HECC reviewed and approved the University's mission statement. The mission of WOU was originally approved by the State Board of Higher Education in 2015, consistent with its legal authority for higher education in the state of Oregon. Oregon Revised Statute 352.089(2), established in July, 2014, requires higher education governing boards to adopt a mission statement for the university and forward that statement to an office designated by the Higher Education Coordinating Commission for review. On July 22, 2015, the WOU Board of Trustees adopted the mission statement and core themes, followed by approval by the HECC on June 9, 2016.

The WOU's Board of Trustees adopted a new Mission and Core Themes at its January 25, 2017 board meeting which were subsequently approved by the HECC at its April 13, 2017 commission meeting. WOU received notification in July 2017 of approval of its new mission and core themes by the NWCCU.

MISSION:

Western Oregon University creates lasting opportunities for student success through transformative education and personalized support.

CORE THEMES:

1. Student Success
2. Academic Excellence

The university completed development of a new strategic plan during 2016-2017 which included the revised mission statement and core themes. The strategic plan and new Mission and Core Themes were presented to the HECC at its April 13, 2017 meeting.

ACCREDITATION

This report is formative and focuses on the areas of interest identified by the Legislature and in alignment with the HECC Strategic Plan. It is not intended to be a comprehensive evaluation of Western Oregon University. A more comprehensive assessment and review of academic and institutional quality is available from the Northwest Commission on Colleges and Universities (NWCCU), which accredits WOU and other institutions in Oregon. Accreditation of an institution of higher education by the NWCCU indicates that it meets or exceeds criteria for the assessment of institutional quality evaluated through a peer review process. An accredited college or university is one that has been found to have the necessary resources available to achieve its stated purposes through appropriate educational programs, and to be substantially doing so, and which provides reasonable evidence that it will continue to do so in the foreseeable future. Institutional integrity also is addressed through accreditation. This section draws on the relevant parts of NWCCU reports, supplemented with information on economic and community impact (identified from WOU sources). Other components of NWCCU reports are incorporated elsewhere, as appropriate.

In July 2016 WOU was affirmed for accreditation by the NWCCU following its Year Seven Evaluation (*Mission Fulfillment and Sustainability*). In affirming accreditation the NWCCU commended WOU for its commitment to student access and success; and for its commitment to first generation and low-income students. The NWCCU also commended WOU's staff and faculty for their resiliency and ongoing commitment to students during transformative changes in governance, and as well for its commitment to facilities and grounds. The campus was deemed to be accessible, welcoming, aesthetically pleasing and reflects the commitment to environmental sustainability.

The NWCCU also identified seven (7) recommendations that needed to be addressed. Two of these recommendations were from the Year Three evaluation from spring 2013 and five from the Year Seven Evaluation.

The two recommendations from the Year Three Peer Evaluation in Spring 2013 are:

1. That WOU define mission fulfillment including identifying outcomes that represent the extent of the institution's accomplishment of mission fulfillment; and
2. That WOU establish objectives for each core theme and identify meaningful, assessable, and verifiable direct and indirect measures (indicators) of achievement that form the basis for evaluating accomplishment of the objectives of the core themes.

The NWCCU also issued a *Notice of Concern* with regard to five (5) additional recommendations (recommendations 2,3,4,6 and 7) that came out of the Year Seven Spring 2016 evaluation. These five are areas where WOU did not meet the NWCCU's criteria for accreditation. Recommendations 1 and 5 from the Year Seven Report are areas that were substantially in compliance with the Commission's criteria for accreditation, but were in need of improvement.

The five recommendations that reflect concern are:

1. That WOU define mission fulfillment including identifying outcomes that represent the extent of the institution's accomplishment of mission fulfillment.

2. That WOU establish objectives for each core theme and identify meaningful, assessable, and verifiable direct and indirect measures (indicators) of achievement that form the basis for evaluating accomplishment of the objectives of the core themes.

3. That WOU establish student learning outcomes for all courses, programs, and degrees, including general education, wherever offered and however delivered, that are meaningful, assessable, and verifiable and are consistent with the mission.

4. That WOU design and implement an ongoing planning and budgeting process that is broad-based, inclusive of all appropriate constituencies, data-driven, includes core theme planning, and leads to mission fulfillment.

5. That WOU engage in comprehensive, on-going, systematic assessment that leads to mission fulfillment through the evaluation of core theme objectives and support of continuous improvement.

The two recommendations that addressed areas that were substantially in compliance with the Commission's criteria for accreditation, but were in need of improvement are:

1. That WOU clarify its mission statement to provide better direction for mission fulfillment; and

2. That WOU provide appropriate and adequate technology systems and infrastructure planning with input from constituencies to support its management and operational functions, academic programs, and support services, wherever offered and however delivered.

WOU submitted its next accreditation report in the cycle, the Year One report (*Mission and Core Themes*) on schedule in March 2017. WOU also submitted substantive change documentation after its new mission was approved by the HECC in April 2017. The NWCCU approved WOU's new mission and core themes in a letter dated July 31, 2017. However, the NWCCU deferred action on the Year One report in large part because of the then-pending substantive change application for a new mission and core themes. NWCCU has requested WOU to resubmit its Year One report which addresses recommendations 1, 2, and 3 in its next March 2018 report.

As requested by the NWCCU, WOU also submitted an Ad Hoc Report in September 2017 *(WOU_Sept_2017_Ad-Hoc-Report_NWCCU.pdf)*, to provide evidence of progress in response to the remaining recommendations/areas of concern of the Year Seven Review. In that Ad Hoc Report WOU documents the substantive actions its leadership has undertaken to ensure that the university is on track to fully meet NWCCU's criteria for accreditation by the time of its mid-cycle review in 2019.

Individual teaching and music programs at WOU are accredited by the following professional organizations:

- National Council for Accreditation of Teacher Education (to migrate to Council for the Accreditation of Educator Preparation (CAPE)
- Teacher Standards and Practices Commission (TSPC)

- Council on Rehabilitation Education (CORE)
- Commission on Collegiate Interpreter Education (CCIE)
- National Association of Schools of Music (NASM)

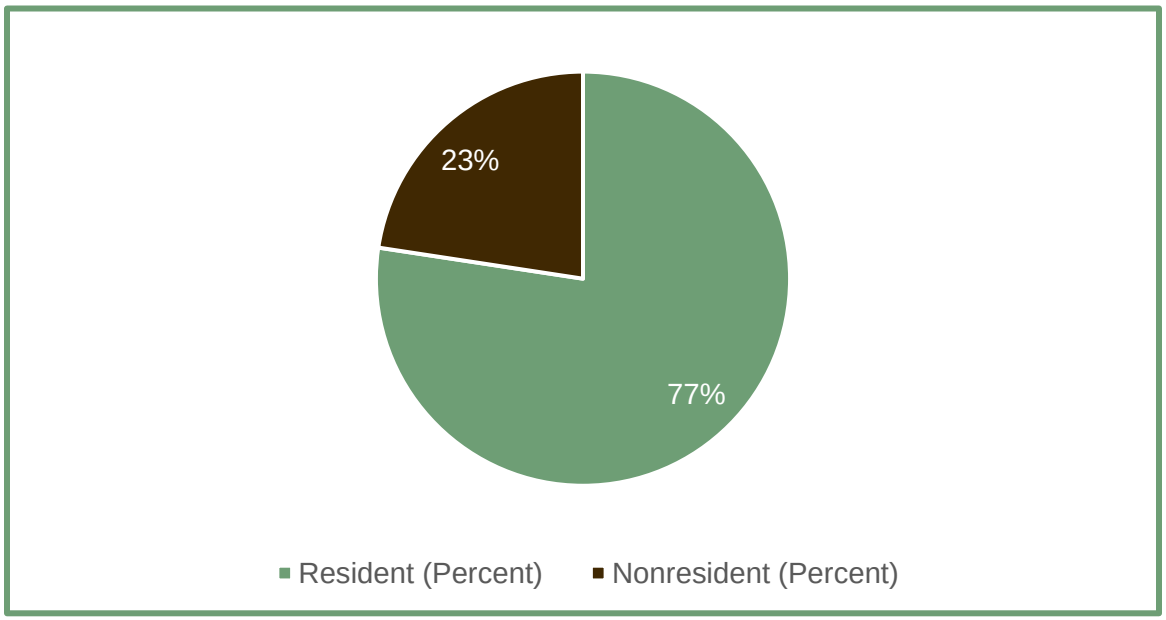
STUDENT ACCESS AND SUCCESS

Nationally, enrollment in higher education has generally declined since its peak during the Great Recession (2008). Oregon sees a similar pattern with some variation across institutions, particularly in the enrollment and completion rates for low income, minority, and rural students. This section of the report is focused on tracking trends in enrollment and completion outcomes.

The majority of WOU students during Fall 2016 (77.4% in 2016-17) were residents. The majority of WOU students (80.5% in 2016-17) also attended full-time.

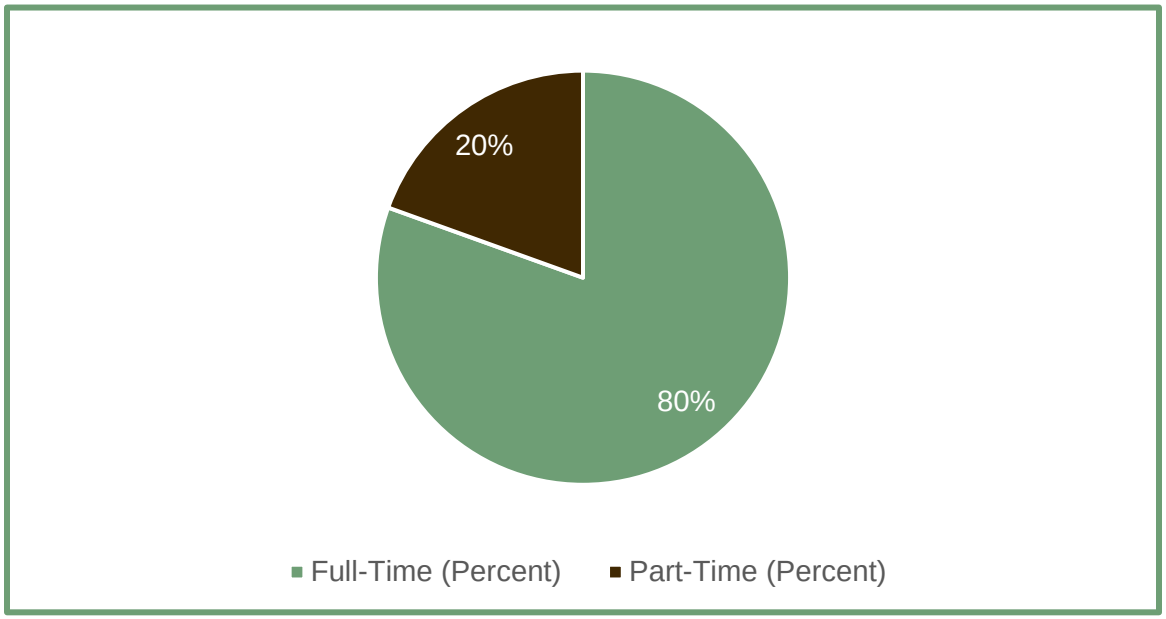
After several years of enrollment increases driven by non-resident students, head count at WOU began to decline in 2011. In the most recent year (Fall, 2016 to Fall, 2017), enrollment declined from 5,382 to 5,285, or 1.8%. During this year, non-resident enrollment increased by 3.4% while resident enrollment declined by 3.3%. Overall, student Full Time Equivalent (FTE) decreased slightly from Fall 2016 to Fall 2017 (1.7%).

Figure 2: WOU Student Enrollment by Residency, Fall 2016



Source: HECC (2017)

Figure 3: WOU Student Enrollment by Full-Time/Part-Time Status, Fall 2016



Source: HECC (2017)

WOU students come from diverse backgrounds. Of the total 5,382 students enrolled in Fall 2016, 1,139 students were from underrepresented minority populations, representing 21.2% of the total population. In addition, 43.0% of WOU's students were Pell Grant recipients.

The number of underrepresented minority students enrolled at WOU continues to grow and in Fall 2017 represented 22.7% (1,200) of the university's total population, the largest percentage at any Oregon public university. There appears to be steady growth in Hispanic students, steady numbers for Black Non-Hispanic students and a downward trend in enrollment among American Indian/Alaska Native students.

Table 1: WOU Headcount Enrollment by Race/Ethnicity, Fall 2014, 2015, 2016, and 2017

Race/ Ethnicity	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Change Fall 2016 to Fall 2017
Non-Resident Alien	367	328	315	350	35
American Indian/ Alaska Native	122	95	88	86	(2)
Asian	201	218	223	228	5
Black Non-Hispanic	190	199	196	181	(15)
Hispanic	469	564	705	782	77
Pacific Islander	146	120	145	140	(5)
Two or more races, Underrepresented Minorities	14	10	5	11	6
Two or more races, not Underrepresented Minorities	2	3	2	4	2
White Non-Hispanic	4,213	3,658	3,507	3298	(209)
Unknown	334	250	196	205	(9)

Source: HECC (2017)

Different student populations do not graduate at similar rates. Four-year graduation rates for underrepresented minority students and Pell Grant recipients graduate are about two percentage points less than the rate for the overall student population. Six-year graduation rates for Pell Grant recipients are slightly better than the rate for all students, with underrepresented students performing approximately two percentage points lower. The graduation rates for four and six-year WOU First Time Freshmen who entered in the fall term of 2010 are as follows:

Table 2: Four-Year and Six-Year Graduation Rate, First Time, Full Time Freshmen Entering WOU in Fall 2010

	Four-Year Graduation Rate	Six-Year Graduation Rate
All Students	21.6 %	46.8 %
Underrepresented Minorities	19.3 %	45.0 %
Pell Grant Recipients	19.7 %	47.5 %

Source: HECC (2017)

*Fall 2010 cohort is the latest year of available data. Includes students who completed at any Oregon public university.

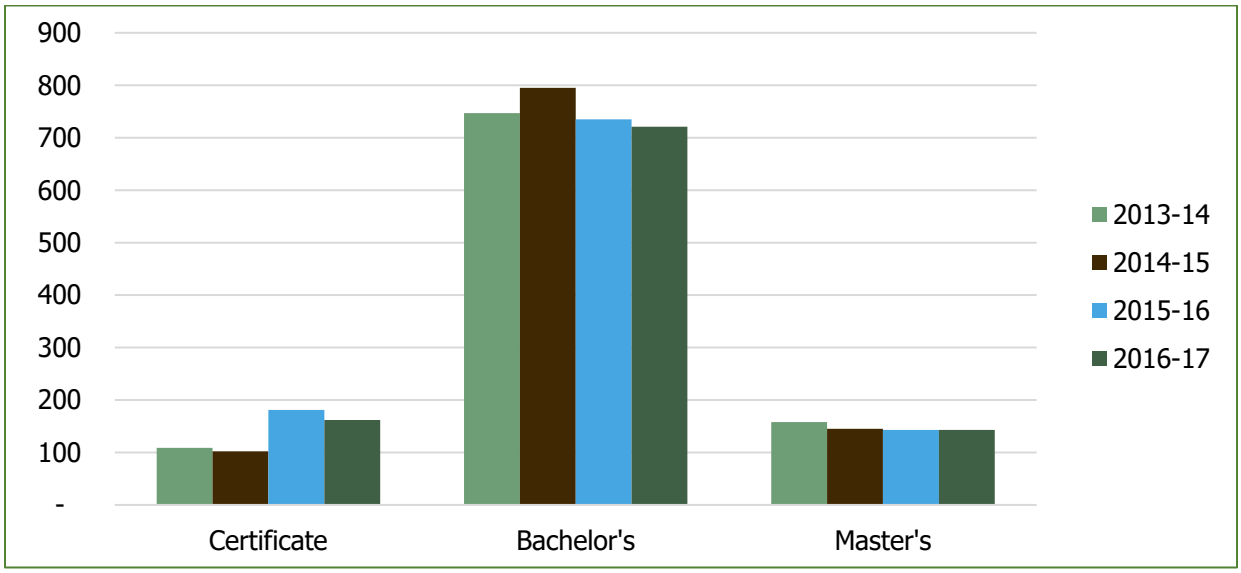
The number of resident completions by award type fluctuated greatly between the 2015-16 academic year and the 2014-15 academic year. Between the 2015-16 and 2016-17 academic year, WOU awarded about 10.5% fewer certificates, 1.9% fewer bachelor's degrees, and 17.5 % more master's degrees. Bachelor's degrees are the greatest number of completions by award type. WOU awards limited associate's and no doctoral or professional degrees. In the aggregated four (academic) year period there is an upward trend of certificate

completions, and a downward trend of bachelor's degree completions, and an increasing trend in master's degree completion, which is likely linked to the decrease in headcount enrollment cited above.

Table 3: WOU Resident Student Completions by Award Type

	2013-14	2014-15	2015-16	2016-17
Certificate	109	102	181	162
Associate's	-	-	-	-
Bachelor's	747	795	735	721
Master's	158	145	143	168
Doctoral	-	-	-	-
Professional	-	-	-	-

Figure 4: WOU Resident Student Completions by Award Type



Source: HECC (2017)

In the 2016-17 academic year, American Indian/ Alaska Native, Black Non-Hispanic, and Pacific Islander students made substantial progress in achieving credentials. White Non-Hispanic and Hispanic students remained about the same.

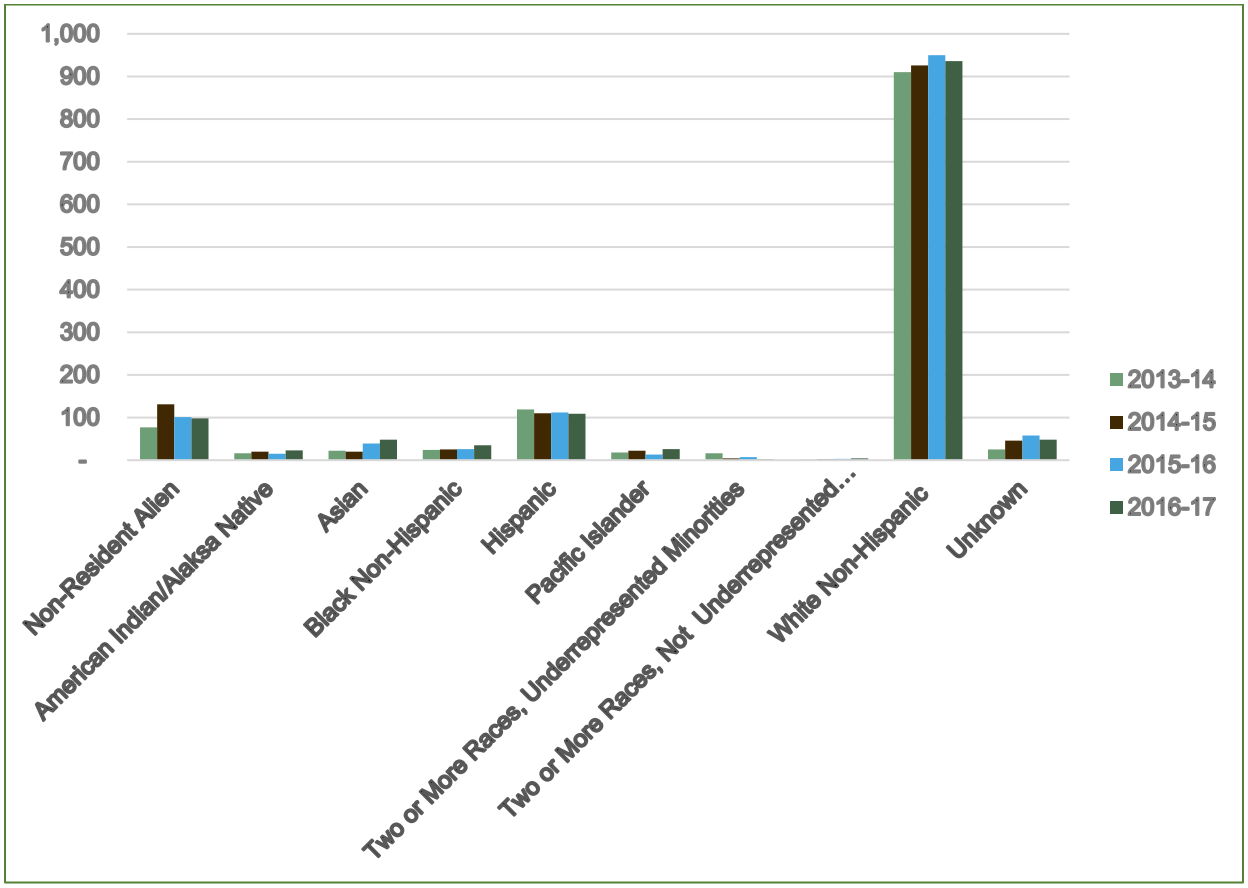
Table 4: WOU Completions by Race/Ethnicity

Race/ Ethnicity	2013-14	2014-15	2015-16	2016-17
Non-resident alien	77	131	101	98
American Indian/ Alaska Native	16	20	15	23
Asian	22	20	39	48

Black Non-Hispanic	24	25	26	35
Hispanic	119	130	112	109
Pacific Islander	18	22	13	26
Two or more races, Underrepresented Minorities	16	4	7	2
Two or more races, not Underrepresented Minorities	1	2	3	4
White Non-Hispanic	910	926	950	936
Unknown	25	46	58	48

Source: HECC (2017)

Figure 5: WOU Completions by Race/Ethnicity



Source: HECC (2017)

AFFORDABILITY

Among the factors that the HECC is required to evaluate (under ORS 352.065 and 352.025(1d)) is whether universities remain affordable for Oregon residents. The following constitutes HECC's evaluation of Western Oregon University's affordability.

Many students and prospective students at Western Oregon University, 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. That shift has been particularly acute in Oregon in recent years. Partly as a result of state funding cuts, resident undergraduate tuition and fees at Western Oregon University increased 64.9% in the last 10 years, including increases of 3.2% and 5.7% in 2016-17 and 2017-18 respectively.[1] In 2017-18, the incoming Western Promise cohort saw tuition increases of 6.6%[2] over the prior year's entering cohort, students opting for regular tuition saw increases of 6.4%[3], and all students saw fee increases of 2.8%. Of note, since continuing Western Promise students see only fee increases and not year-over-year tuition increases, WOU calculates a weighted average tuition increase to determine the average increase in overall tuition. For 2017-18, that weighted average increase for tuition alone was 4.9% and for all tuition and fees it was 4.8%.[4] [5] Resident graduate students have faced similar increases.

Students, however, do have access to financial aid at Western Oregon University. In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), Western Oregon University students benefit from WOU's significant commitment of institutional resources to scholarships, remissions, and tuition discounts.). In the 2016-17 academic year, WOU recorded $4,093,760 in resident tuition remissions (18.6% of resident gross tuition charges). The year prior, the 2015-16 academic year, WOU recorded $4,521,555 in resident tuition remissions (20.7% of resident gross tuition charges). In 2016, the most recent year for which data was available, WOU's average financial aid award was $9,792, which, on average, meets 57% of demonstrated financial need.[6]

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[1] Source: http://www.wou.edu/finaid/tuition-fees/ as well as historical OUS tuition data. Defined to include full-time resident non-promise tuition and all mandatory fees (including incidental fees).

[2] A new full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) entering in this year's Western Promise cohort will pay $8,700 in tuition and $1,758 in fees during the 2017-18 academic year. The tuition will stay stable during a student's tenure at WOU but fees are subject to annual increases.

[3] A full-time resident undergraduate student who does not select the promise program will pay $7,440 in tuition and $1,758 in fees during the 2017-18 academic year. Both the tuition and fees are subject to annual increases.

[4] This increase includes all tuition and mandatory fees (including incidental and other fees that are not subject to HECC review). As a result of the increase in the PUSF from the GRB, WOU's tuition increase dropped from an original level of 10% for both promise and non-promise students.

[5] WOU estimates that 66.0% of resident FTEs (Full-Time Equivalents) utilized the regular non-guaranteed tuition program, 9.3% of all FTE are in this year's entering promise cohort and the remaining 24.7% are continuing students who previously opted in to the promise program and will therefore see no tuition increases this year.

6 Source: https://bigfuture.collegeboard.org/college-university-search/western-oregon-university

Tuition, however, tells only a part of the affordability story. The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. Western Oregon University estimates the average student budget for living expenses annually – $13,947 for the 2017-18 academic year[7] – an amount which 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. On average, the earnings of federal loan recipients 10 years after beginning school at WOU are $37,500.[8] Of Western Oregon University undergraduate degree recipients who leave the university with federal loan debt, their average federally-backed debt load is $24,502. According to the College Scorecard, in the 2015-16 academic year, 79% of students had federally supported loans and 46% received Pell grants.

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.

The NWCCU commended WOU for its commitment to student access and success and for its commitment to first generation and low-income students. WOU staff and faculty were also lauded for their resiliency and ongoing commitment to students during transformative changes in governance.

WOU has clearly established guidelines for proposing new or modifying existing academic programs which falls under the purview of the Faculty Senate Curriculum Committee. These guidelines can be found at http://www.wou.edu/facultysenate/committees/curriculum/curricular-guidelines/ The university is currently reforming its comprehensive program review processes for assurance of alignment with mission fulfillment as part of implementing the new university strategic plan.

Faculty evaluation and professional development are fundamental to sustaining academic quality. WOU evaluates faculty according to its process detailed in Articles 8 and 11 of the WOU-WOUFT Collective Bargaining Agreement which apply to tenured/tenure track and non-tenure track faculty, respectively. These can be reviewed at http://www.wou.edu/hr/files/2016/03/WOUFT_CBA_2015-2017.pdf

7 Source: http://www.wou.edu/finaid/estimated-expenses/cost-of-attendance/

8 Source for earnings, Pell grant information and debt load is the College Scorecard: https://collegescorecard.ed.gov/

A substantial mechanism by which WOU provides for faculty professional development is through funding and staff support provided to the Faculty Development Committee which oversees a peer review process for allocation of funds for scholarly and creative faculty activities that support research travel, research expenses, conference attendance and course releases. In addition, The Research Institute Sponsored Research Office at WOU provides mentoring to faculty on research grant proposal/submission.

WOU also provides support to sponsor faculty attendance (both individually or in teams) at institutes on topics such as general education, assessment, diversity, course design and the like. The campus regularly hosts guest speakers on contemporary issues in postsecondary education.

WOU's Hamersley Library works with the faculty to ensure that appropriate journal databases are available to support both teaching and research needs. Switching from heavy reliance on print journals and interlibrary loans to very large e-journal subscription plus interlibrary loan service has dramatically expanded the information resources available to the faculty.

RESEARCH ACTIVITY

Faculty, staff and students at WOU generated $10,537,000 in total research dollars in 2016-17.

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 public university. The IFS serves as a voice for all faculties of these institutions in matters of system wide university concern. In addition
WOU engages in a number of collaborative initiatives with other universities and partners, as indicated below (*P* indicates Participation, N/P indicates Non-Participation):

Table 5: Western 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*(note: taking part in State contracts)*	P
Capital Construction Services	P
OWAN	N/P
NERO Network	P

RAIN	N/P
Orbis Cascade Alliance	P
ONAMI	P
Other	Public Education Deans Group, Oregon Graduate Deans, Public Universities Registrars Group, Public Universities Admissions Group, Accelerated Learning Oversight Committee, Financial Aid Directors Group, Computer Science Chairs Group

Western Oregon University has had an 11-year running dual enrollment partnership with Chemeketa Community College by which students may readily enroll in coursework at both institutions and have their financial aid managed by a home campus. Through this partnership, the two universities have been meeting to update and stream-line degree program transfer pathways between the two schools. Of note are very strong relationships that have been established by the faculty in education (both for K-12 and early childhood tracks), computer science and information systems and psychology to advise and facilitate transfer of associate students into degree tracks at WOU. During the past two AY additional joint work has been engaged with multiple division chairs and advising/registrar staff to discuss collaborative modes to streamline transfer of Chemeketa students to WOU. In November 2016, WOU and Clackamas Community College signed a formal dual-enrollment agreement and additional dual-enrollment agreements are being developed with other community colleges such as Clatsop Community College for which the WOU computer science department is in the second year of a pilot project to provide live capture lecture courses in support of Clatsop's computer science curriculum.

Western Oregon University continues to work closely with OHSU in providing non-medical-related curricular offerings in support of nursing students completing the BSN at the WOU campus. Further, WOU facility services provides support for the facilities that house the OHSU nursing program and the WOU's computing services provides desktop and installation support and smart room support to the OHSU nursing facility.

WOU has been involved in supporting the development of ASOT programming, actively participating in the development of the ASOT-Computer Science transfer degree and has played the lead role in developing a proposed ASOT-Biology transfer degree that has been endorsed by the Joint Transfer Articulation Committee and Provosts Council. It is currently under review by HECC staff as part of the larger reexamination of transfer issues throughout the state. Lastly, WOU is the lead university in Oregon working with HECC staff in implementing the WICHE Passport Initiative which will streamline interstate transferability of general education requirements among other Passport institutions.

PATHWAYS

One area of collaboration that is of some concern, in Oregon and nationally, is student transfer success. The statutes outlining goals for transfer student success and cooperation between Oregon's higher education sectors (ORS 341.430 & ORS 348.470) are the framework for HECC's continued partnership with the seven public universities. Recent policy discussions between the institutions and HECC give this sustained work a

renewed focus: more and better statewide data on transfer student outcomes and potential statewide solutions where persistent barriers exist.

Although Oregon has good state level policies and processes to ensure that students may apply credits earned upon transfer from community college to university (the Associate of Arts Oregon Transfer degree, for example), research that resulted from House Bill 2525 (2015) revealed that community college transfer students on the whole often face challenges in completing an intended major, which result in excess accumulated credits, increased tuition costs, and debt. Statewide, community college transfer students graduate with more "excess" credits than their direct entry counterparts. And despite the best efforts of advisors, faculty, and administrators, some students who complete statewide degrees such as the AAOT are ill-served if they transfer into certain baccalaureate majors. Credit requirements at the university level often change without notice, which can hinder community college students and advisors in effective degree planning.

Statewide, 41.1 percent of students who entered an Oregon public university in Fall 2017 did so from a community college or other transfer institution (HECC Office of Research and Data, "University Student Data" http://www.oregon.gov/highered/research/Pages/student-data-univ.aspx). Western Oregon in that same period enrolled 46 percent of its students as transfers.

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

WOU faculty and administrators have been advisors and participants to the HB 2998 implementation process, adding insight and value to the creation of a proposed foundational curriculum currently under review and addressing the policy questions generated by the bill and considered in the 2018 legislative report that will result.

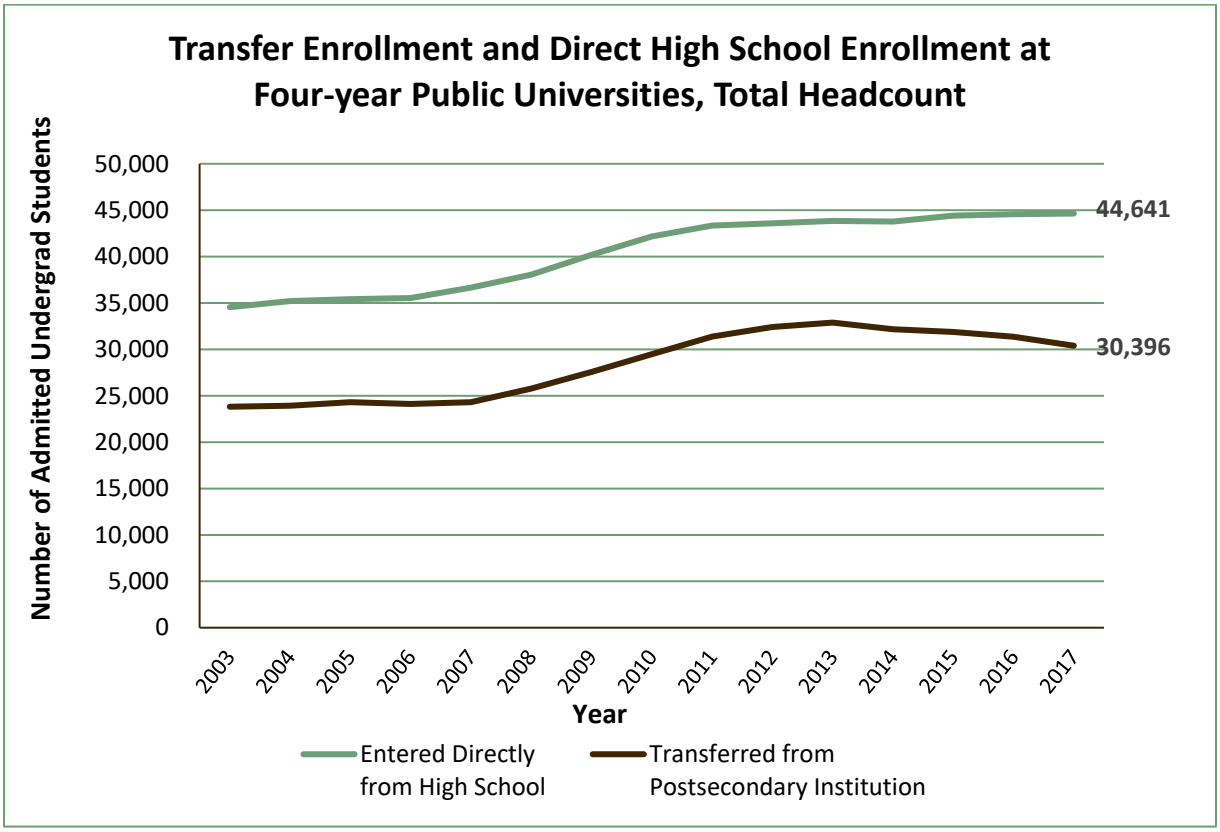
Western Oregon University has been an active participant in statewide projects such as the statewide Joint Transfer Articulation Committee (JTAC), which oversees and maintains the statewide transfer degrees. Additionally, WOU was an early supporter and participant in the Interstate Passport (http://www.wiche.edu/passport), a WICHE-led initiative to create an innovative learning outcomes based system of lower division general education that is meant to connect to other institutions across the western states and around the country. WOU was the first Oregon university to lead in the creation of the Passport framework and the first Oregon university to adopt it.

Table 6: Admitted Undergraduate Enrollment by Entry Pathway Fall Fourth Week Enrollment, 2016 and 2017

Year	Undergrad first time freshman		Undergrad Transfer		Total Admitted Undergraduate enrollment*
	N	%	N	%	
2016	2,958	62.3%	1,788	37.7%	4,746

2017	2,818	60.0%	1,881	40.0%	4,699

* Excludes graduate enrollment, non-admitted undergraduate enrollment, and post-baccalaureate enrollment. NB: these are data from SCARF source for all percentages.



Source: HECC Office of Research and Data (2017)

SHARED ADMINISTRATIVE SERVICES

Western 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)	N/P
Payroll & Tax Processing (includes relationship w PEBB, PERS/Federal retirement*)	P

Collective Bargaining *	P
Information Technology/5th 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)	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/P
Public University Fund Administration	P
Western Oregon University	
Retirement Plans *	
Legacy 401(a) Plan	P
Legacy 403(b) Plan	P
Optional Retirement Plan (ORP)	P
Tax-Deferred Investment (TDI) Plan	P
SRP Plan	P
Public University Risk Management and Insurance Trust (Risk Management)	P

Stemming from the passage of SB 270 and the University Shared Services Workgroup of 2013, as well as subsequent legislation found in ORS 352.129, the seven public universities created the University Shared Services Enterprise (USSE), a service center hosted by Oregon State University. USSE offers a fee for service model for many back-office functions previously offered by the OUS Chancellor's Office. ORS 352.129 mandates participation by the independent public 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 (SEIU). All universities, including WOU, continue to participate in these mandated services.

FINANCIAL METRICS

This section of Western Oregon University's evaluation includes an overview of key high-level financial ratios which are viewed as "industry standard" metrics for understanding the strength of a public institution's balance sheet and its operating performance. These ratios cannot be viewed in isolation from each other, or as a single snapshot in time, but as a continually unfolding story. Like any entity, Western Oregon University's ability to fulfill its mission is dependent on its long-term financial health. The financial ratios examined in this section provide information on the financial flexibility possessed by the institution at the balance sheet date and yearly operating results compared to the size of the enterprise. Both types of measures should be understood in the context of the institution's overall strategy and its capacity to effectively execute on that strategy.

Standard benchmarks for each ratio are presented alongside calculated ratios for the institutions. These benchmarks are for demonstration purposes only. It is important to recognize the best comparison in assessing financial stability for an institution may not be peer institutions or national benchmarks, but may be a comparison to the institution itself over time.

In some cases, the effort of tracking institutional financial stability through ratios is complicated by changes in accounting standards and practices. For example, effective in the 2014-15 fiscal year (FY 15), Governmental Accounting Standards Board (GASB) Statement No. 68 attempts to improve pension-related accounting and financial reporting. This change in the presentation of pension-related financial information impacts all of the ratios used in this evaluation. As such, the ratios are presented in two different ways: inclusive of the impacts of GASB 68 and exclusive of those impacts.

The following narrative focuses on the ratios provided by WOU to the HECC both with and without GASB 68. Ratios without GASB 68 are presented for reference at the end of this section:

WESTERN OREGON UNIVERSITY RATIOS WITH GASB 68				
Ratio	**FY 15**	**FY 16**	**FY 17**	**Benchmark**
Viability Ratio	50.00%	48.00%	42.00%	>125%
Primary Reserve Ratio	35.00%	25.00%	21.00%	>40%
Net Operating Revenues Ratio	3.21%	-7.52%	-6.40%	>4%
Return on Net Assets Ratio	31.83%	86.54%	-2.49%	>6%
Debt Burden Ratio	4.86%	4.71%	3.87%	<5%

The viability ratio measures one of the most basic elements of financial health: expendable net assets available to cover debt should the institution need to immediately settle its obligations. Ideally, an institution would have enough expendable resources immediately available to more than cover debt. WOU's viability ratio has decreased in the past three years and is well short of this capability. Creation of additional debt could slow progress on this improving metric and, therefore, should be carefully considered and monitored by the institution.

The primary reserve ratio compares expendable net assets to total expenses, providing a snapshot of how long the institution could continue operations without the ability to generate revenues from those continuing

operations. A trend analysis of the primary reserve ratio indicates whether an institution has increased its net worth in proportion to the rate of growth in its operating size. WOU's primary reserve ratio declined sharply from FY 15 to FY 16 but stabilized in FY 17. The most significant factor in this decline is the changes required by GASB 68. According to WOU's audited financial statements, GASB 68 resulted in stated expenditures 10.4% higher in FY 16 and 5.6% higher in FY 17 than would have been the case without GASB 68, due to its requirement that institutions recognize their significant future pension obligations as they are incurred. In fact, were it not for GASB 68, WOU's primary reserve ratio would have been stable over the past three years, and would have exactly matched the benchmark in both FY 16 and FY 17. Still, given that the "GASB 68 effect" is due to future pension costs associated with current activities, an institution that perpetually has a primary reserve ratio this low and so significantly impacted by GASB 68 may face significant cost pressures from pension expenses in the future, resulting in limited flexibility to make strategic operating investments or to fully fund operations.

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. WOU's net operating revenues ratio has declined since FY 15, as they have posted an operating loss the past two years, although the loss slightly decreased from FY 16 to FY 17. As with the primary reserve ratio, the extent of this loss is substantially due to the impact of GASB 68 as WOU would have posted a slight operating gain in FY 16 and a slight operating loss in FY 17 without the impact of GASB 68. Regardless, continuing negative operating revenues ratios may indicate that an institution does not currently have capacity to develop a stronger fund balance or make strategic operating investments without the use of existing fund balance, expense reductions, or revenue enhancements due significantly to the future pension costs highlighted by GASB 68.

The return on net assets ratio demonstrates whether an institution is financially better off than in previous years. It shows an institution's total economic return. A positive return on net assets ratio means an institution is increasing its net assets and is likely to have increased financial flexibility and ability to invest in strategic priorities. A negative return on net assets ratio may indicate the opposite, unless the negative ratio is the result of strategic investment in strategies that will enhance net assets in the future. WOU showed a dramatic increase in its return on net assets ratio in FY16, primarily derived from accounting changes and therefore does not allow for comparison to prior years. Specifically, debt associated with Article XI-G, Article XI-Q, COPs, and lottery bonds were shifted off of WOU's balance sheet to the State of Oregon due to the reorganization of the former Oregon University System, dramatically improving WOU's return on net assets for FY16. Although WOU's return on net assets ratio was negative for FY 17, it was barely so, indicating that WOU's asset levels have remained relatively stable in the past year.

Debt burden ratio demonstrates two factors: the extent to which an institution has used borrowed funds to finance its mission; and the relative cost of institutional borrowing to total operating expenditures. WOU's debt burden ratio has been consistently below the standard benchmark of 5% over the last three years. This indicates that debt is not being overly relied upon to finance WOU activities and that the cost of debt is at a manageable level.

The ratios presented in the table below reflect financial statements excluding the impact of GASB 68. They are provided for reference:

WESTERN OREGON UNIVERSITY RATIOS (WITHOUT GASB 68)				
Ratio	**FY 15**	**FY 16**	**FY 17**	**Benchmark**
Viability Ratio	58.00%	69.00%	75.00%	>125%
Primary Reserve Ratio	38.00%	40.00%	40.00%	>40%
Net Operating Revenues Ratio	-3.02%	2.17%	-1.00%	>4%
Return on Net Assets Ratio	12.47%	103.31%	3.21%	>6%
Debt Burden Ratio	4.56%	5.18%	4.08%	<5%

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 HECC 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 out the whole meeting. At WOU the Board of Trustees and faculty continue to work on joint understandings of appropriate access.

The WOU Board of Trustees meet in regular session four times annually and once in a planning retreat (see http://www.wou.edu/board/meeting-materials/). The Board issues call-to-meeting letters and agenda prior to public sessions of the Board. Information is disseminated on the campus website, to all campus listservs, and to a list of external persons and organizations that have indicated interest in WOU's Board meetings (See http://www.wou.edu/board/meeting-materials/ for information on the Board's meeting materials).

The Board includes reports from its shared governance groups and an opportunity for public comment at its regularly scheduled Board meetings. The Board Statement on the Conduct of Public Meetings with further information may be reviewed here: http://www.wou.edu/board/files/2014/10/WOU_Board_Statement_on_Conduct_of_Public_Meetings1.pdf. The Board livestreams its regularly scheduled meetings so interested persons can observe the meeting from any location. Currently, the Board has transcription services present at regularly scheduled Board meetings to ensure a reasonable transcript in order to facilitate complete and accurate meeting minutes. The Board holds an open "meet-and-greet" coffee with the campus community prior to regularly scheduled meetings, other than the meeting held in July. WOU has a designated person assigned to public records requests. The Board adopted bylaws prior to its official start date of July 1, 2015 (see Board bylaws at: http://www.wou.edu/board/files/2014/10/WOU_Bylaws1.pdf).

Trustee and university officials are expected to operate in an ethical, efficient, and effective manner by the Board. The University adopted and reviewed two Board Statements germane the Board's fiduciary obligations to the University. The Board adopted a resolution on the individual responsibilities of trustees (see the adopted resolution: http://www.wou.edu/board/files/2014/10/WOU_Board_Resolution_on_Responsibilities_of_individual_Trustees.pdf). The Board Statement on Ethics and Conflict of Interest may be reviewed here: http://www.wou.edu/board/files/2014/10/WOU_Board_Resolution_on_Responsbilities_of_Indivdiuals_Trustees.pdf

The Board has approved the university's existing mission statement and submitted it to the Higher Education Coordinating Commission for approval, in addition to receiving regular updates regarding the university's ongoing Strategic Planning process. As noted earlier, the Board reviewed and adopted a new mission statement at its January 25, 2017 meeting. The Board, upon review and recommendation of the Finance & Administration Committee receives quarterly management updates, the university's budget, and the externally audited financial statements for acceptance and approval.

The Board held a planning retreat in March 2016 in order to review the university's mission and trajectory in anticipation for a robust, campus-centered strategic planning process (see Planning Retreat Materials: http://www.wou.edu/board/files/2014/10/Docket_Mar_10-11_16_FINAL.pdf and see meeting minutes:

http://www.wou.edu/board/files/2015/10/March-11-2016-Meeting-No.-13-Draft-Minutes.pdf)

The Board has established a process for determining tuition and mandatory enrollment fees that provides opportunities for participation of enrolled students and student government. The Tuition Advisory Committee is comprised of enrolled students; it holds meetings throughout the academic year while providing an intimate venue for candid and robust conversation regarding all aspects of tuition and fee setting (see meeting minutes and committee letters to the Board: http://www.wou.edu/financeandadministration/ tuition-advisory-committee/materials/).

The Oregon State Board of Higher Education, prior to its dissolution, selected WOU's current president -- Dr. Rex Fuller. As such, the Oregon University System, in close coordination with the incoming WOU Board Chair, negotiated the president's employment agreement, including standards for performance. The WOU Board obtained full governance authority over the university and at its October 28, 2015 full meeting, ratified standards for president evaluation. After consideration by the Board's Executive, Governance and Trusteeship Committee, the Board adopted WOU President Fuller's contract and a performance evaluation framework consonant with the employment agreement negotiated and approved by the former State Board of Higher Education. The docket for the October 28, 2015 meeting is available online (see the docket item: http://www.wou.edu/board/files/2014/10/WOU_DOCKET_Meeting_No_10_Oct_28_2015.pdf.)

The minutes of the October 28, 2015 full board meeting at which the ratification and performance evaluation framework were approved may be reviewed (see the full board meeting evaluation framework: http://www.wou.edu/board/files/2015/10/October-28-2015-Meeting-No.-10-Draft-Minutes.pdf).

The WOU Board of Trustees has approved two significant changes to the university's academic programs in 2017 and has submitted each to the HECC through the Provosts Council for approval. At its October 25, 2017 meeting, the Board approved a new B.A./B.S. degree program in Sustainability and a B.A./B.S./B.F.A. in Art & Design. The HECC approved these degrees at its December 14th, 2017 meeting.

All real property whether acquired before or after the creation of the WOU Board of Trustees is and shall be in the future held in the name of the State of Oregon.

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.

The Northwest Commission on Colleges and Universities (NWCCU) last affirmed accreditation for WOU in July 2016 when the university completed the final year of the 7-year accreditation cycle. WOU has addressed some of the recommendations from that review and has submitted documentation of how it is addressing remaining recommendations. WOU is on track with its accreditation cycle.

Fall 2017 saw a decrease of 1.8% in total enrollment, an increase of 3.4% in non-resident students, and a decrease of 3.6% in resident students. Over a ten-year period, total enrollment has decreased by 1.2%, and is down 15% since its 2011 post-recession peak. However, the number of underrepresented minority students enrolled at WOU continues to grow and now represents 22.7% of the university's total population— the largest percentage at any Oregon public university. WOU awarded 1.9% more degrees in 2016-17 than the prior year. The six-year graduation rate is 47.5% for Pell Grant recipients, 45.0% for underrepresented minority students, and 46.8% for all students. The number of degrees awarded to underrepresented minority students has been steadily increasing year-over-year since 2013.

The number of bachelor degrees awarded at WOU has declined over the last two academic years and the number of degrees awarded to underrepresented minority students has fluctuated over that same period, a direct correlation with decreases in enrollment. WOU has been nationally recognized for its noteworthy performance in graduation rates for Pell Grant recipients. Six-year graduation rates for Pell Grant recipients are slightly better than the overall student rate, however, underrepresented minority students lag the institutional average by 2 percentage points.

Partly as a result of state funding cuts, resident undergraduate tuition and fees at Western Oregon University increased 64.9% in the last 10 years, including increases of 3.2% and 5.7% in 2016-17 and 2017-18 respectively.[9] In 2017-18, the incoming Western Promise cohort saw tuition increases of 6.6%[10] over the prior year's entering cohort, students opting for regular tuition saw increases of 6.4%[11], and all students saw fee increases of 2.8%. Of note, since continuing Western Promise students see only fee increases and not year-

9 Source: http://www.wou.edu/finaid/tuition-fees/ as well as historical OUS tuition data. Defined to include full-time resident non-promise tuition and all mandatory fees (including incidental fees).

10 A new full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) entering in this year's Western Promise cohort will pay $8,700 in tuition and $1,758 in fees during the 2017-18 academic year. The tuition will stay stable during a student's tenure at WOU but fees are subject to annual increases.

11 A full-time resident undergraduate student who does not select the promise program will pay $7,440 in tuition and $1,758 in fees during the 2017-18 academic year. Both the tuition and fees are subject to annual increases.

over-year tuition increases, WOU calculates a weighted average tuition increase to determine the average increase in overall tuition. For 2017-18, that weighted average increase for tuition alone was 4.9% and for all tuition and fees it was 4.8%.[12,13] Resident graduate students have faced similar increases.

In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), WOU students benefit from WOU's significant commitment of institutional resources to scholarships, remissions, and tuition discounts. In 2016 the most recent year for which data was available, the average financial aid award was $9,792, which, on average, meets 57% of demonstrated financial need.[14] Of WOU students who leave the university with federal loan debt, their average federally-backed debt load is $24,502. According to the US Department of Education College Scorecard, 79% of students receive federally supported loans and 46% received Pell grants.

As noted at the outset, this report constitutes a benchmark against which to evaluate WOU's progress in the coming years. It does not strive to be a comprehensive evaluation of this complex and multi-faceted university; rather, it emphasizes several areas that are of particular importance to the HECC and to the State of Oregon today. In partnership with institutional leadership, legislators, and other stakeholders, the HECC will continue to consider modifications to this annual process and product in order to improve its usefulness to our universities and to the people of Oregon.

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12 This increase includes all tuition and mandatory fees (including incidental and other fees that are not subject to HECC review). As a result of the increase in the PUSF from the GRB, WOU's tuition increase dropped from an original level of 10% for both promise and non-promise students.

13 WOU estimates that 66.0% of resident FTEs (Full-Time Equivalents) utilized the regular non-guaranteed tuition program, 9.3% of all FTE are in this year's entering promise cohort and the remaining 24.7% are continuing students who previously opted in to the promise program and will therefore see no tuition increases this year.

14 Source: https://bigfuture.collegeboard.org/college-university-search/western-oregon-university

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