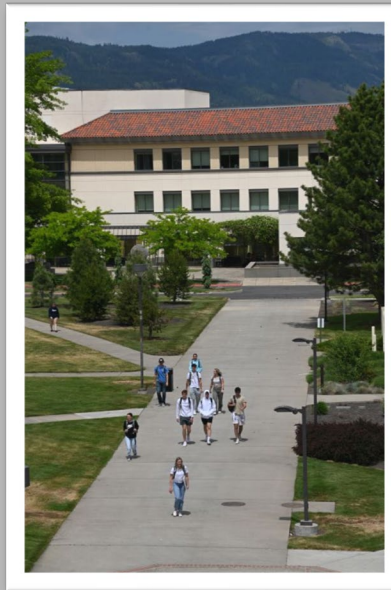


2023 UNIVERSITY EVALUATION: Eastern Oregon University (ORS 352.061)



Source: Eastern Oregon University

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INTRODUCTION

This report is guided by Oregon Revised Statute 352.061, which requires that the Higher Education Coordinating Commission (HECC) submit to the Legislative Assembly an evaluation of public universities listed in ORS 352.002. Each public university must be evaluated in the manner required by this section once every two years. The purpose of this 2023 report is to evaluate the contributions of Eastern Oregon University (EOU) to State objectives for higher education as articulated in statute and in the HECC's Strategic Plan (https://www.oregon.gov/HigherEd/Documents/HECC/Reports-and-Presentations/HECC-StrategicPlan_2016.pdf) and Roadmap for Oregon Postsecondary Education and Training (<https://www.oregon.gov/highered/policy-collaboration/Documents/Featured/Strategic-Roadmap-2021.pdf>).

The Report relies on a combination of accreditation reports, self-assessments conducted by the university on criteria jointly developed with the HECC, and state and federal data. This is EOU's fifth evaluation, and as such, it builds on the descriptive benchmarks identified in the 2021 Report. It is a formative document that signals areas of key interest to the HECC that support the objectives of the State of Oregon: student success as measured by degree completion; access and affordability as measured by equity across socioeconomic, racial/ethnic and regional (urban/rural) groups; academic quality and research; financial sustainability; and continued collaboration across universities in support of the State's mission for higher education.

Additionally, the report describes how EOU's Board of Trustees has operated since its inception. The form and content of subsequent annual evaluations will be guided by feedback from legislators, the public, and the universities about how to improve the usefulness of this process and product.

LEGISLATIVE MANDATE (SB 270)

Passed by the Oregon Legislature in 2013, [Senate Bill 270](#) established individual governing boards at the University of Oregon (UO) and Portland State University. It also established a time frame for Oregon State University (OSU) to establish an individual governing board, which it subsequently did. House Bill 4018 (2014) and Senate Bill 80 (2015) authorized the establishment of independent governing boards at Western Oregon University (WOU), Southern Oregon University (SOU), Oregon Institute of Technology (OIT) and Eastern Oregon University (EOU) and abolished the Oregon University System. SB 270 and subsequent legislation required the Higher Education Coordinating Commission (HECC) to conduct an evaluation of the public universities. During the 2017 Legislative Session, the legislature amended ORS 352.061 requiring the HECC to evaluate each public university once every two years. The evaluation criteria are codified in Oregon Revised Statute (ORS) 352.061.

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

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

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

- a) Provide transparency, public accountability and support for the university.
- b) Are close to, and closely focused on, the individual university.
- c) Do not negatively impact public universities that do not have governing boards.

- d) Lead to greater access and affordability for Oregon residents and do not disadvantage Oregon students, relative to out-of-state students.
- e) Act in the best interests of both the university and the State of Oregon, as a whole.
- f) Promote the academic success of students in support of the mission of all education beyond high school, as described in ORS 350.014 (the “40-40-20” goal).

For context, ORS 352.025 notes four additional Legislative findings:

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

This year the HECC evaluated the four technical and regional universities (TRUs): Western Oregon University (WOU), Southern Oregon University (SOU), Eastern Oregon University (EOU), and Oregon Institute of Technology (Oregon Tech).

EVALUATION PROCESS

In an effort to approach the first evaluation cycle in a collaborative manner, the HECC formed a work group comprising university provosts, the Inter-Institutional Faculty Senate, Oregon Education Investment Board staff, HECC staff, and other university faculty and staff. The workgroup began meeting in February 2015, with a focus on understanding the purpose and scope of the evaluation as defined in statutes, the structure of the evaluation, and the process for the evaluation. As a result of these conversations, an evaluation framework was developed as a tool to assist in the process. After final review and consideration of stakeholder feedback, the HECC adopted the framework on September 10, 2015.

A balanced evaluation of whether Oregon’s public universities are meeting the goals described for them by State law does not lend itself to a formulaic or mechanical approach. The Commission draws from contextual elements such as the State’s fluctuating funding for higher education and changing student demographics to help explain data in the framework, and progress towards goals. The Commission also leverages other evaluations already undertaken by universities including self-studies, accreditation reports and the work of boards of trustees to provide a perspective that is uniquely focused on each institution’s contribution to serving the State’s higher education mission under the new governance model.

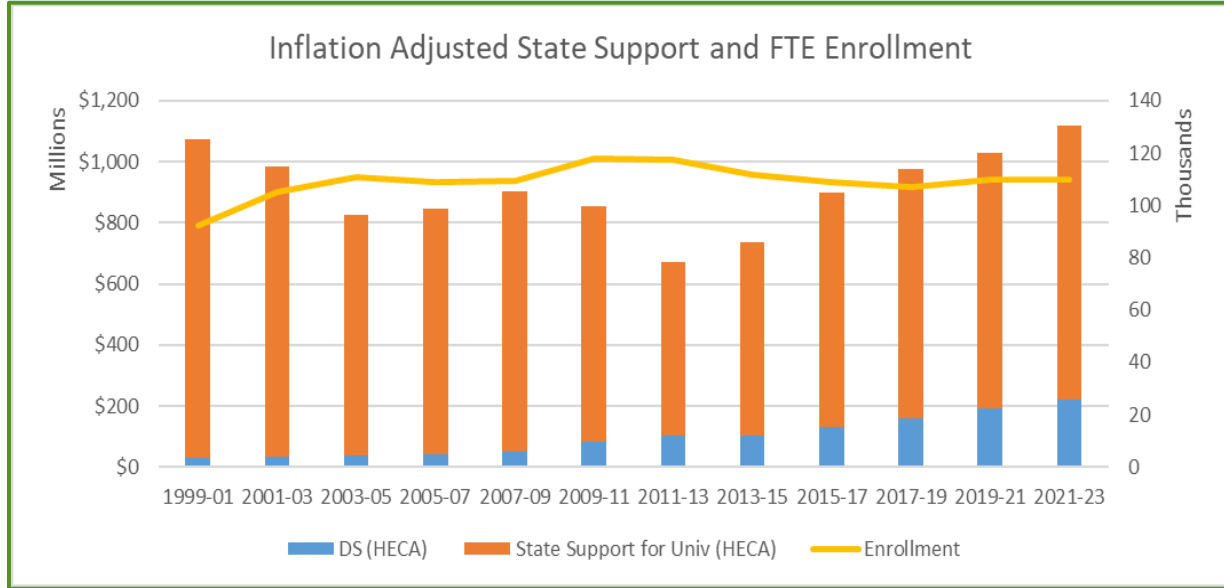
This report is focused on the legislative charge and the HECC’s primary areas of emphasis as indicated in its Strategic Plan. This report is not a comprehensive evaluation. It reflects the narrower scope of legislative issues of interest, incorporating findings from accreditation studies where there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

STATEWIDE CONTEXT

Funding History

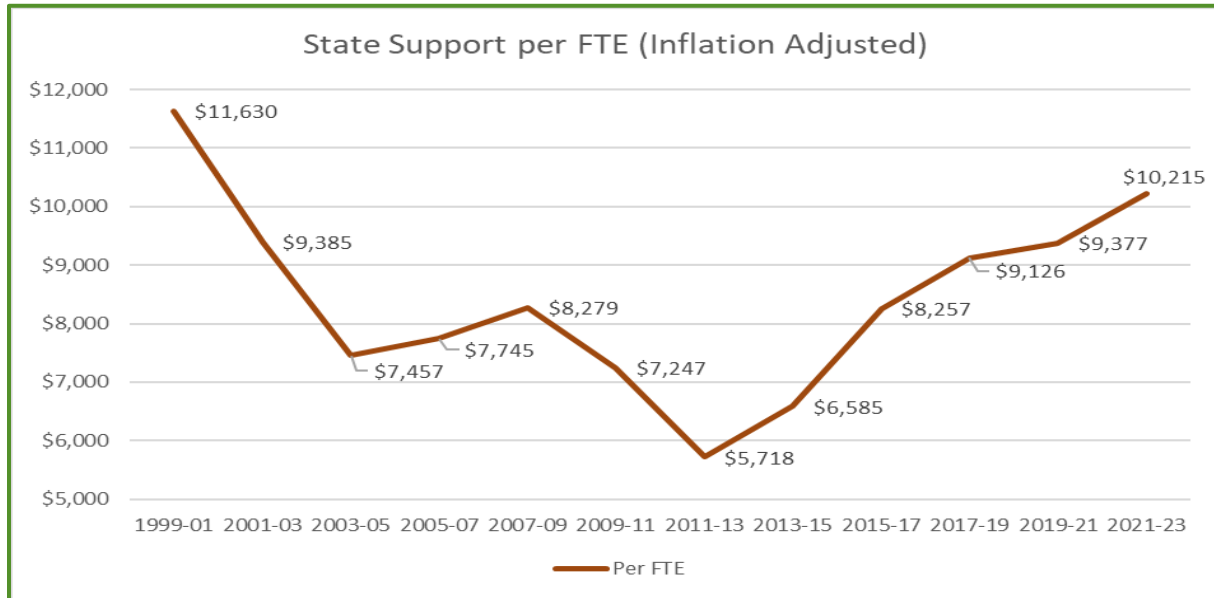
Over the past several biennia, state funding for public universities has not kept pace with enrollment or inflation. While recent investments have moved the needle in a positive direction, additional funding is necessary to support institutions as they work to increase the graduation and completion rates for a growing diverse population.

Figure 1: Public University Funding



Source: HECC (2023; *figures adjusted for inflation)

Figure 2: State Support per FTE



Source: HECC (2023; *figures adjusted for inflation)

Governance Changes

Senate Bill 270 (2013) outlines the benefits that are to be achieved from having public universities with governing boards that are transparent, closely aligned with the university’s mission, and that “act in the best interest of both the university and state of Oregon as a whole.” In addition, the Legislature found that there are benefits to having economies of scale and as such, universities were granted the ability to continue participation in shared service models. It is important to note that all public universities are required to participate in group health insurance, a select set of group retirement plans, and collective bargaining through July 1, 2019 per ORS 352.129. After July 1, 2019 the universities were no longer mandated to offer the same scope and value for each of the employee benefits referenced in the statute (ORS 352.129), but are still required to participate in a shared administrative arrangement for the provision of the benefits. Those benefits are outlined in a latter section of this report (Shared Administrative Services).

Local Conditions and Mission

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

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

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

Altruism:

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

Civility:

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

Discovery:

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

Integrity:

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

Interdependence:

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

Quality:

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

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

As the only four-year university in eastern Oregon, EOU serves a wide range of students with 35 bachelor's degree programs and 33 minors available on its main campus, at a distance through 11 regional centers, and through a mix of in-person, hybrid, and online instructional modalities. Longstanding agreements with partner public universities in Oregon (see *COLLABORATION* section) ensure that students in the eastern region of the state also have access to degrees in nursing and agriculture to supplement EOU's program array.

As a nationally recognized leader and pioneer in online learning, EOU delivers 30 online degree programs and 23 online minors, bringing affordable and accessible education to students living throughout Oregon and beyond. In addition, EOU offers seven (7) online graduate programs, two (2) hybrid (online/on-campus) graduate programs and eight (8) online certificates, as well as its onsite Elementary Education program in Gresham, Oregon. In 2019-20 and 2020-21, almost half of undergraduates were enrolled solely in distance education programs (47.6 percent) while 19.7 percent were enrolled in some distance education. Forty-eight percent of entering undergraduates are from rural schools in the state and beyond. Thirty-two percent are first generation, 43 percent are Pell grant recipients, and 55 percent are transferring in from another institution. Of all undergraduates, 41 percent are age 25 or older and 67 percent receive financial aid. Additionally, 28 percent of EOU students consider themselves culturally and ethnically diverse (IPEDS, 2021).

EOU's annual \$45 million budget promotes and supports the regional economy. An essential part of the fabric of northeast Oregon, EOU plays a unique role as an economic engine, driving workforce development and providing resources and expertise not otherwise available. In 2020, EOU partnered with Wallowa Resources to create the Rural Engagement and Vitality Center (REV Center). The REV was created to develop and facilitate partnerships between Eastern Oregon University and communities and organizations in eastern Oregon with the principal aim to enhance the vitality of the region and to develop tomorrow's rural workforce and leaders. In its third year, the REV has been instrumental in realizing EOU's strategic goals of experiential learning, transformational education, and career-oriented partnerships for our students. To date, the REV has worked with every college at EOU, engaged 12 different faculty in 11 partner-driven projects (six paid contracts), facilitated 13 paid student internships, and supported two EOU course integrations with community partners. The REV works with over 30 different regional and statewide partner organizations, and is a member of EPIC-N, Oregon's Sustainable City Year Program, and Community Engagement Fellows through Western Washington University.

MISSION:

EOU guides student inquiry through integrated, high-quality liberal arts and professional programs that lead to responsible and reflective action in a diverse and interconnected world.

As an educational, cultural and scholarly center, EOU connects the rural regions of Oregon to a wider world. EOU's beautiful setting and small size enhance the personal attention its students receive, while partnerships with colleges, universities, agencies and communities add to the educational possibilities of the region and state.

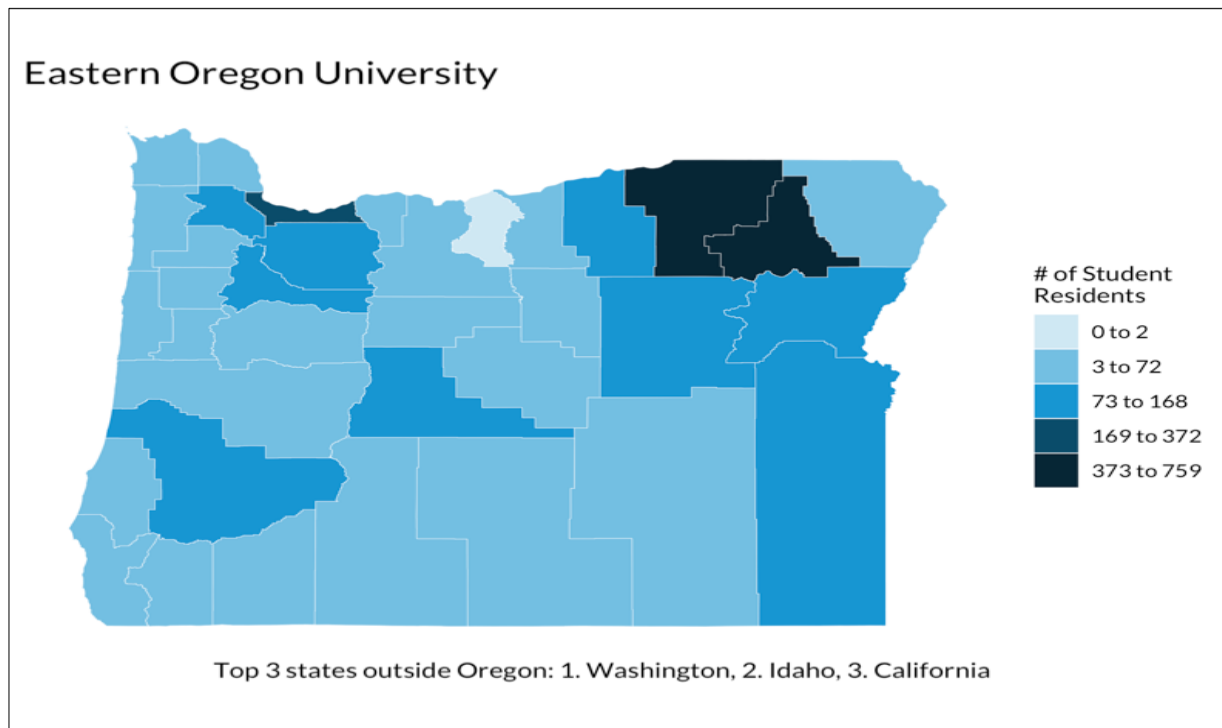
ECONOMIC AND COMMUNITY IMPACT¹

Eastern Oregon University

Located in the heart of the Blue Mountain range between Portland and Boise in La Grande, Oregon, EOU was founded in 1929 as a state-funded teacher training school and has since evolved into a full-fledged university with nearly 5,000 students. EOU offers 33 majors and 4 masters programs in four colleges: 1) the College of Arts, Humanities and Social Sciences; 2) the College of Science, Technology, Mathematics and Health Science; 3) the College of Business; and 4) the College of Education. Additionally, programs in Agriculture are offered in cooperation with Oregon State University, and the baccalaureate degree in Nursing through the Oregon Health & Sciences University is offered on EOU's campus.

EOU students are predominantly from the region, with the majority of students coming from Union County followed by Umatilla County.

EXHIBIT 1. EOU STUDENT ORIGIN BY COUNTY



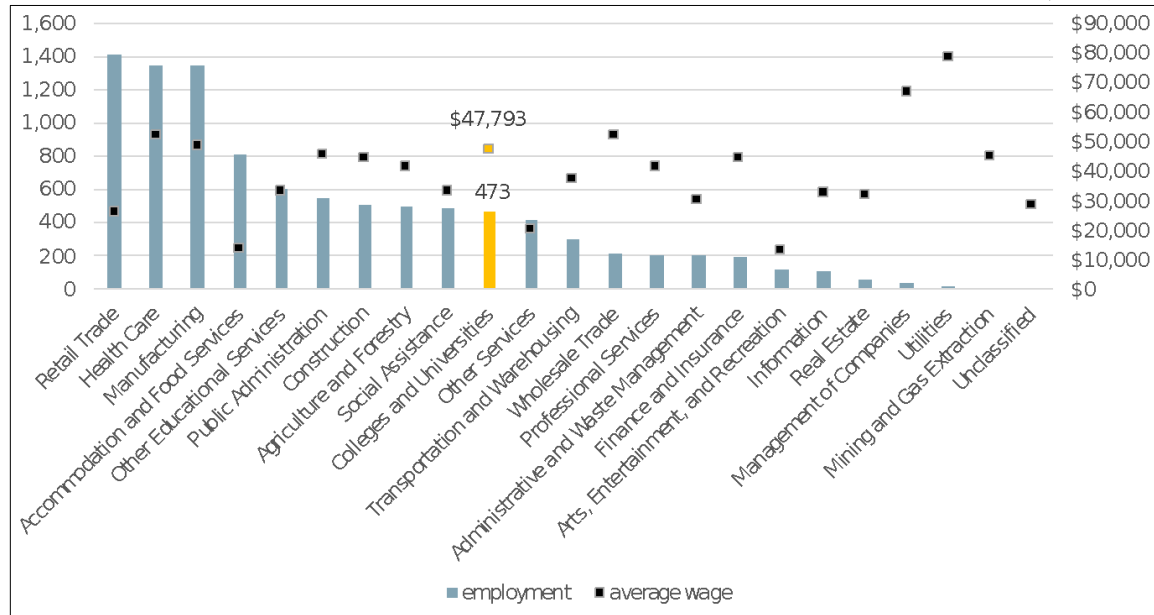
¹ Summary provided by ECONorthwest Economic Contributions report (January 2020) commissioned jointly by the EOU, OIT, SOU, and WOU.

Source: Source: ECONorthwest using QCEW data

Colleges and Universities are the Largest Employment Sector

Colleges and universities are an important economic driver in Union County where EOU is located. In 2017, the sector accounted for nearly 473 jobs, the tenth-largest sector of employment. The sector pays on average \$47,077 in wages and benefits per year, the sixth highest in the region and a meaningful source of middle-income jobs. Exhibit 2 illustrates the importance of the college and university sector to the regional economy in comparison to other sectors.

EXHIBIT 2. AVERAGE WAGE AND TOTAL EMPLOYMENT BY SECTOR IN UNION COUNTY, 2017



Source: ECONorthwest using QCEW data

One of the County's Largest Employers

EOU is the third-largest employer in Union County.² Of the 10,000 jobs in Union County, 439 of those are direct employees of the university. These jobs paid on average \$87,274 in wages and benefits and produced \$58.7 million in economic output.

Campus operations also supported important secondary impacts such as 98 local vendors and small business jobs who contract with EOU (indirect) as well as the spending by both direct and indirect employees in the local economy, which supported 633 jobs in the county. In total, EOU supported 1,169 jobs in Union County.

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

EXHIBIT 3. OPERATIONAL CONTRIBUTIONS OF EASTERN OREGON UNIVERSITY

Type of Impact	Output	Labor Income	Jobs
Union County			
Direct	\$58,688,571	\$38,313,266	439
Indirect	\$9,182,608	\$4,521,824	98
Induced	\$77,786,629	\$31,577,701	633
Total	\$145,657,808	\$74,412,791	1,169

Note: Operations contributions include student and visitor spending.

Source: ECONorthwest using inputs from TRU and the IMPLAN model

Capital Spending Further Supports Local Jobs

Capital spending on upgrades and repairs on EOU's campus supported additional economic activities. Ongoing construction projects such as the North Campus Restoration project and the Community Stadium upgrades went to support 25 direct construction jobs in 2018, paying on average \$65,781 in wages and benefits.

EXHIBIT 4. CONSTRUCTION CONTRIBUTIONS OF EASTERN OREGON UNIVERSITY

Type of Impact	Output	Labor Income	Jobs
Union County			
Direct	\$0	\$0	-
Indirect	\$5,482,321	\$1,846,830	30
Induced	\$975,442	\$324,181	8
Total	\$6,457,764	\$2,171,011	38

Source: ECONorthwest using inputs from TRU and the IMPLAN model

Student and Visitor Spending Bolsters the Local Economy

EOU enrolled 2,737 undergraduates during the 2017-2018 academic year who on average spent \$15,639 on non-tuition expenses such as housing, food, and entertainment.³ This spending infused \$42.8 million into the local economy. Additionally, the university attracted 37,830 visitors to the campus to either visit students or attend other campus activities. These visitors spent about \$3.1 million in the county on food, lodging, and entertainment.⁴

³ EOU Cost of Attendance.

⁴ The 2017 Oregon Travel Impacts report produced by Dean Runyan Associates estimated that visitors in the state spent on average \$82 per day. ECONorthwest applied this to estimate total visitor spending for each university.

ACCREDITATION

A comprehensive assessment and review of academic and institutional quality is available from the Northwest Commission on Colleges and Universities (NWCCU) that accredits EOU and other universities in Oregon. Accreditation of an institution of higher education by the NWCCU indicates that it meets or exceeds criteria for the assessment of institutional quality evaluated through a peer review process. As of their most recent evaluation, EOU is substantially compliant with the Standards, Policies, and Eligibility Requirements of the Northwest Commission on Colleges and Universities. 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 in four parts: Annual Reports each year; Mid-Cycle self-review and peer review in the third year; Policies, Regulations, and Financial Review in sixth year; and Evaluation of Institutional Effectiveness self-review and peer review in the seventh year. This section draws on relevant NWCCU reports that are identified as of interest to the Legislature and in alignment with the HECC Strategic Plan. EOU was last re-affirmed for accreditation in February 2022.

EOU submitted the Mid-Cycle Review in Fall of 2021 and NWCCU accepted the report noting that two previous Recommendations around Mission Fulfillment and Sustainability from Fall 2018 had been fulfilled.

The Mid-Cycle Peer Evaluation mentions several areas for EOU to attend to in the upcoming Year 7 Report:

- Student achievement data such as retention, completion, and other meaningful categories should be disaggregated by race, gender, ethnicity, SES as described in the Standards.
- These data must be compared to a more manageable list of peer institutions and be widely and easily accessible.
- It is critical for EOU to show evidence of how planning, assessment, benchmarking, and findings related to student achievement are resulting in actions and impact.
- Student learning indicators must be meaningful and findings from these indicators must be actionable. Consistently meeting targets may be a sign that the appropriate measures or targets have not been identified or need to be changed.
- Similarly, examples of actions based on Annual Program Reports and Effectiveness Reports should be highlighted.

All reports, records of official NWCCU actions and accreditation materials are located on EOU's [Accreditation Cycle web page](#). EOU will submit the Year 6 Policies, Regulations and Financial Review September 2024.

Several programs at EOU are accredited by the following professional organizations:

- Master of Business Administration (IACBE)
- Bachelor of Arts in Business Administration (IACBE)
- Bachelor of Science in Business Administration (IACBE)
- Curriculum for Undergraduate Elementary School Teacher Education (CUESTE) TSPC-AAQEP
- Master of Arts in Teaching (TSPC-AAQEP)

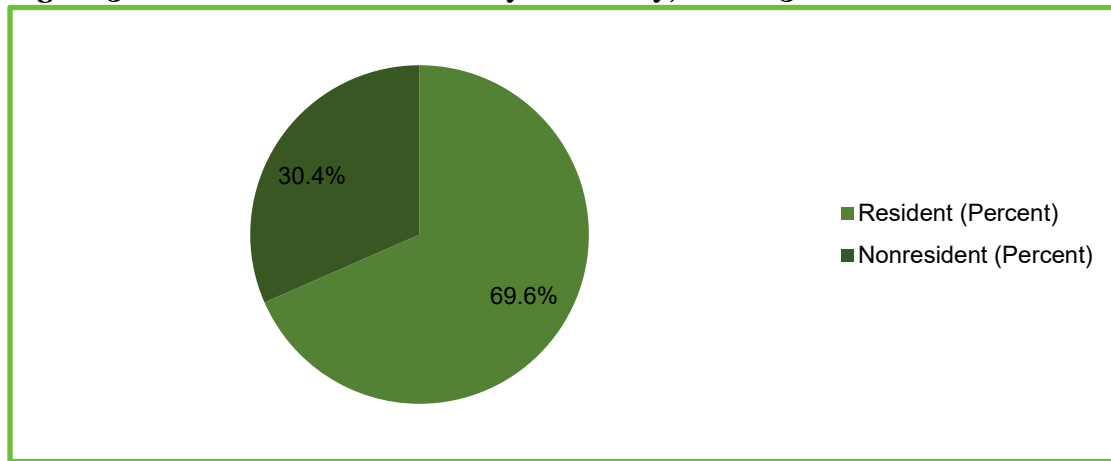
STUDENT ACCESS AND SUCCESS

Undergraduate enrollment rose in fall 2023 for the first time since the pandemic, according to the latest report from the National Student Clearinghouse Research Center. The report found that undergraduate enrollment grew 1.2 percent in fall 2023 compared to the prior year⁵.

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

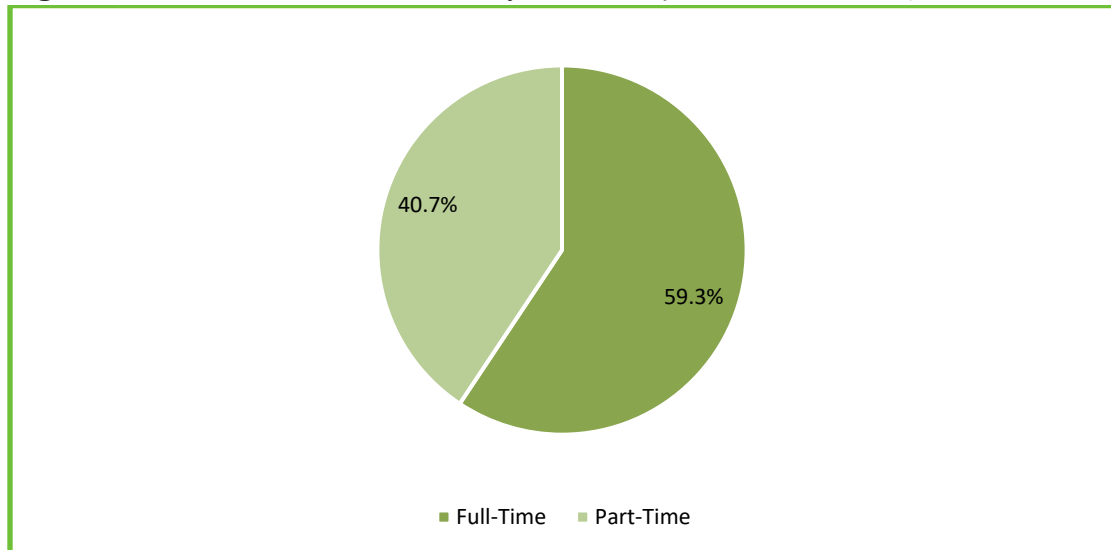
The majority of EOU students during fall 2023 (66.3 percent) were residents. The majority of EOU students (59.3 percent, during the 2022-23 academic year) attended full-time.

Figure 3: EOU Student Enrollment by Residency, 2022-23



Source: HECC (2023)

Figure 4: EOU Student Enrollment by Full-Time/Part-Time Status, 2022-23



Source: HECC (2023)

⁵ <https://www.insidehighered.com/news/students/retention/2024/01/24/enrollment-rising-first-time-pandemic>

Table 1: Headcount Enrollment, Historical

Fall of	Resident	Non-Resident	Total
2007	2,440	993	3,433
2008	2,697	969	3,666
2009	2,883	1,074	3,957
2010	2,977	1,160	4,137
2011	3,066	1,232	4,298
2012	3,005	1,203	4,208
2013	3,052	1,105	4,157
2014	2,715	938	3,653
2015	2,586	902	3,488
2016	2,258	918	3,176
2017	2,140	876	3,016
2018	2,074	904	2,978
2019	2,069	998	3,067
2020	1,880	973	2,853
2021	1,853	972	2,825
2022	1,773	901	2,674
2023	1,948	850	2,798

Historically, EOU has observed a fluctuation in enrollment figures over the years. There was a general upward trend from 2007 to 2011, with both resident and non-resident enrollments increasing steadily. However, from 2011 onwards there is a discernible decline, particularly in resident enrollment. This decline in resident enrollment persisted over the years, reaching its lowest point in 2022 with 1,773 resident students, representing a 38.3 percent decrease from fall 2012. Non-resident enrollment also saw fluctuations but generally remained relatively stable compared to resident enrollment. In 2022, both resident and non-resident enrollments saw a slight increase compared to the previous year, with resident enrollment rising to 1,773 and non-resident enrollment reaching 901 students. However, this increase did not reverse the overall downward trend observed over the past decade.

Source: HECC (2023)

In 2023, there was a further increase in total enrollment, with the number of resident students rising to 1,948 and non-resident students to 850. This marks a significant increase compared to the 2022 figures, suggesting a potential reversal or stabilization of the declining enrollment trend.

Table 2: EOU Headcount Enrollment by Race/Ethnicity

Race/ Ethnicity	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Change Fall 2022 to Fall 2023
Non-Resident Alien	23	25	32	20	-12
American Indian/ Alaska Native	59	55	41	42	1
Asian	46	39	30	26	-4
Black Non-Hispanic	59	66	48	52	4
Hispanic	399	395	380	433	53
Native Hawaiian or Pacific Islander	82	74	65	59	-6
Two or more races, Underrepresented Minorities	117	91	95	114	19
Two or more races, not Underrepresented Minorities	25	24	25	30	5
White Non-Hispanic	1,905	1,933	1,848	1,916	68
Unknown	138	123	110	106	-4

Source: HECC (2023)

For the 2016 cohort, underrepresented students graduated at rates that were 1-5 percentage points lower than the overall population. As a whole, underrepresented minorities completions have increased year-over-year along with Pell Grant recipients. The graduation rate for EOU's first time freshmen who entered in fall 2016 is as follows:

Table 3: Four-Year and Six-Year Graduation Rate, First Time, Full Time Freshmen Entering EOU in Fall 2016

	Four-Year Graduation Rate	Six-Year Graduation Rate
All Students	33.6 %	47.2 %
Underrepresented Minorities	31.3 %	44.6 %
Pell Grant Recipients	33.3 %	49.7 %

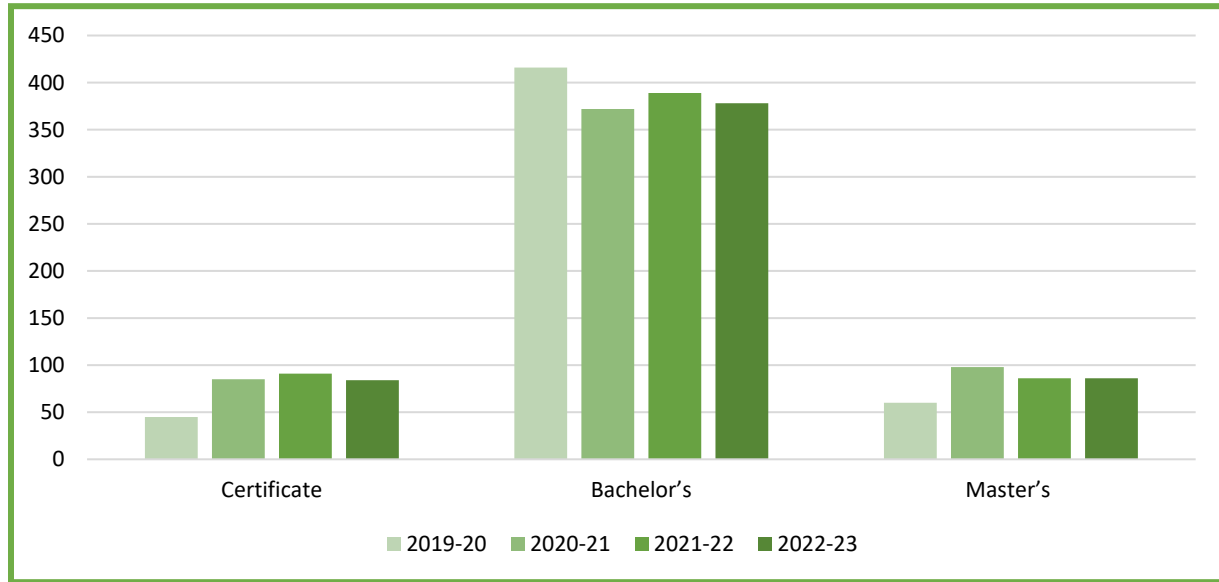
Source: HECC (2023)

Table 4: EOU Resident Student Completions by Award Type

	2019-20	2020-21	2021-22	2022-23
Certificate	45	85	91	84
Associate's	-	1	-	-
Bachelor's	416	372	389	378
Master's	60	98	86	86

Source: HECC (2023)

Figure 5: EOU Resident Student Completions by Award Type



Source: HECC (2023)

Overall, EOU's total completion figures have remained relatively stable over the last four years at the cumulative completion level. However, when broken down by degree type over the same period, certificates have seen a slight decrease of approximately 1.2 percent, while bachelor's degrees have experienced a modest increase of around 1.6 percent. On the other hand, master's degrees have decreased by approximately 12.2 percent, contributing to the slight fluctuation in overall completion figures.

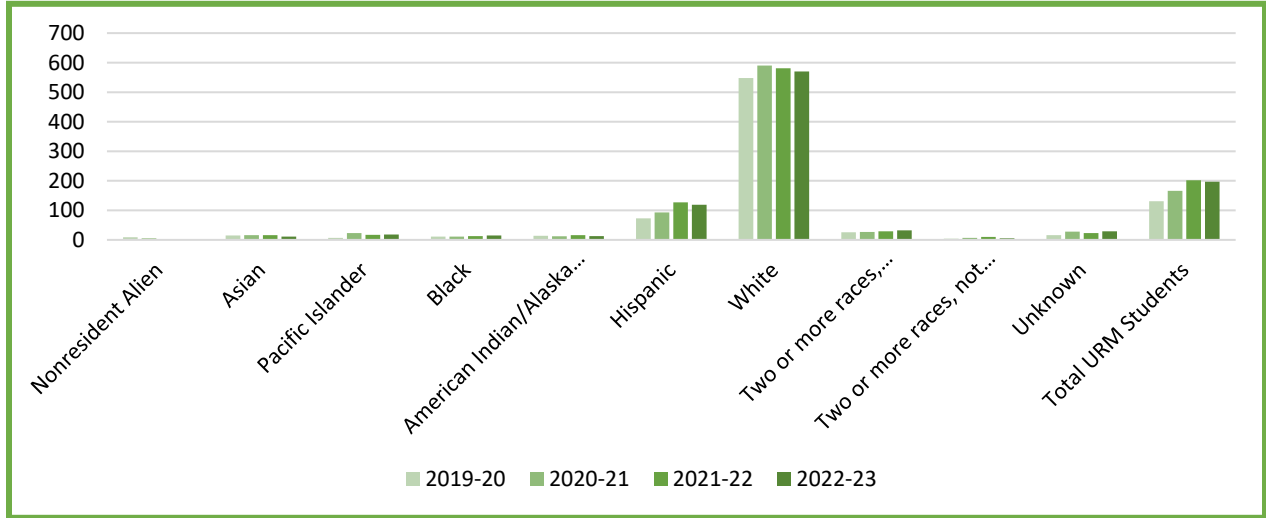
EOU has observed fluctuations in completions among different racial/ethnic groups, both year-over-year and since the last evaluation. While completions for Nonresident Alien, Asian, and Pacific Islander students have decreased since the last evaluation, it's important to acknowledge the potential impact of small sample sizes on these changes. Nonetheless, EOU has demonstrated increases in completions for students identifying as Asian, Pacific Islander, American Indian/Alaska Native, and Hispanic.

Table 5: EOU Completions by Race/Ethnicity

	2019-20	2020-21	2021-22	2022-23
Nonresident Alien	9	5	1	2
Asian	15	16	16	11
Pacific Islander	7	23	17	18
Black	11	11	13	15
American Indian/Alaska Native	14	12	16	13
Hispanic	73	93	127	119
White	548	590	581	570
Two or more races, Underrepresented Minorities	26	27	29	32
Two or more races, not Underrepresented Minorities	4	7	10	5
Unknown	16	28	23	29
Total URM Students	131	166	202	197

Source: HECC (2023)

Figure 6: EOU Completions by Race/Ethnicity



Source: HECC (2023)

AFFORDABILITY

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

Many students and prospective students at Eastern Oregon University (EOU), like their counterparts at other universities around the state and nationwide, continue to face significant challenges related to access and affordability. While state funding for public universities has increased substantially in Oregon over the last decade (more than all but a couple of other states in the country), increasing institutional expenses and decreasing enrollment at most institutions have put substantial pressure on tuition in spite of sizable increases in state investment.

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. Resident undergraduate tuition and fees at Eastern Oregon University has increased 43.4% in the last 10 years, including increases of 5.2%⁶ and 5.0% in 2022-23 and 2023-24 respectively.⁷ In the current academic year, tuition increased 4.9% and fees increased 5.5%.⁸ Resident graduate students have faced similar increases.

Students, however, do have access to financial aid at Eastern Oregon University. In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), Eastern Oregon University students benefit from EOU's significant commitment of institutional resources to scholarships, remissions, and tuition discounts. In the 2022-23 academic year, EOU recorded \$1,570,411 in resident tuition remissions (10.7% of resident gross tuition charges), which is a 9.1% decrease over the prior year. The year prior, the 2021-22 academic year, EOU recorded \$1,728,399 in resident tuition remissions (11.2% of resident gross tuition charges).

Eastern Oregon University also engages in a number of targeted programs designed to increase access and completion among targeted populations. For example, EOU's Oregon Trail Electric Cooperative (OTEC) scholarship⁹ provides up to \$5,000 per eligible student (OTEC members, their spouses or dependents) and EOU commits to pay any tuition and fees left over with other EOU scholarships or tuition waivers. EOU also has a number of scholarships targeted to groups such as transfers and low income students, many of which are renewable provided a student maintains a specified GPA (2.5-3.0 depending on the scholarship) and completes a set number of credits (typically 40-45) per year.

Tuition, however, tells only a small part of the affordability story. The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. Eastern Oregon University estimates the average student budget for living expenses annually – \$18,501 for the 2023-24 academic year¹⁰ – exceeds resident tuition and fees

⁶ The increases over 5% are due to incidental fee increases not subject to HECC review.

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

⁸ A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) at Eastern Oregon will pay \$8,618 in tuition and \$2,091 in fees for a total annual cost of \$10,709.

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

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

While it is natural to view affordability primarily in terms of the student's direct cost associated with their enrollment, a larger perspective takes into account whether the student completes his or her degree, does so in a reasonable period of time, and has earning potential commensurate with the debts that might have been incurred. According to the HECC's EOU scorecard for the 2021-22 academic year,¹¹ 32% of EOU's students were unable to meet expenses with expected resources, family contributions, student earnings and grant aid, compared to a statewide average of 47%.¹² Average earnings among bachelor's degree recipients five years after graduation were \$52,439, compared to a statewide average of \$57,087. The average debt among graduates was \$20,500, compared to a statewide average of \$20,728, and 42% of EOU students had federally supported loans, compared to a statewide average of 32%. According to the College Scorecard, during the 2021-22 academic year, 41% of students received Pell Grants.¹³

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

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

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

ACADEMIC QUALITY AND RESEARCH

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

In 2014, the HECC adopted a new formula for distributing state resources to public universities that incentivizes growth in enrollment and graduation outcomes. A required review of the formula after five years was initiated in 2020 with revisions due for adoption in the next legislative cycle. In partnership with all public universities, the HECC leverages collaboration with organizations such as the State Higher Education Executive Officers Association (SHEEO) and the Association of American Colleges and Universities (AAC&U) to pursue promising initiatives to develop nationally normed outcomes to assess and track student learning and post- graduation success.

The NWCCU commended EOU for its aggressive, visionary, and proactive leadership to streamline operations, reduce costs, and improve services, aided by insights gained from the self-evaluation process. The NWCCU concluded that leadership actions have led to reorganization of regional operations, student success and engagement, and information technology, as well as development of a long-term sustainability plan.

EOU has clearly established a process for curricular review and approval. This process is vested with the Educational Curriculum and Policy Committee (EPCC) as a standing committee of EOU's constitution. The Committee website describes the constitution's EPCC duties and responsibilities as well as how the process works. It may be reviewed here: <https://www.eou.edu/epcc/>

EOU also has a clearly identified process in its Retention, Tenure, Promotion Handbook (May 2021) for the regular evaluation of faculty. These guidelines and processes can be reviewed at: <https://www.eou.edu/faculty/files/2021/05/RTP-Handbook-Approved-May-2021.pdf>

EOU Faculty Professional Development

Center for Teaching, Learning and Assessment.

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

Sabbatical Leave.

The University understands that sabbaticals are an important element that contributes directly to the development, recruitment, and retention of high-quality faculty. Sabbatical leaves are granted for purposes of research, writing, creative activities, advanced study, travel undertaken for observation and study of conditions in our own or in other countries affecting the applicant's field or related scholarly or professional activities. Sabbatical leaves may be for one academic year, two-thirds of an academic year, or one-third of an academic year.

Faculty Travel Funds.

The purpose of the Faculty Travel Fund is to provide faculty with an opportunity to apply for support for necessary travel to conduct scholarly work, to attain increased knowledge or skills to improve teaching, or to acquire necessary materials, skills, and/or information necessary for curriculum development or University program development.

Faculty Scholars Program.

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

Eastern Oregon University Colloquium

This Colloquium has continuously operated as a venue to share academic research and pedagogy for over thirty years. It began its existence as the Division of Science Colloquia within the School of Arts and Sciences, and it now includes the entire university. This program is run by faculty with administrative support provided by the Provost's Office.

Advisor Training

After the first year, students are assigned faculty advisors in their major programs, moving from EOU's on-campus cadre of professional advisors. The focus at EOU is on proactive advising in order to support retention and degree completion. Faculty require training in that nontraditional approach since it requires a paradigmatic shift in how underserved students are viewed and the best way to help them. The Advising Center provides workshops on proactive advising. The Advising Center also provides individualized training by professional advisors for faculty new to advising. (Tenure Track Faculty are not normally required to advise students until their second year.)

Troubleshooting Resources: NACADA (National Academic Advising Association) Resources Review, Advising Manual Review, review and appointments with Student Success, the Military/Veterans Coordinator, Financial Aid, the Learning Center, Disability Services, and the viewing of the Advising Center's PTSD Training video.

Research Activity

EOU reported total research expenditures of approximately \$191,230 in FY 2021-22 and \$144,738 in FY 2022-23.

COLLABORATION

There are a number of joint administrative, academic and governance efforts to maintain collaboration across institutions. Faculty at all public universities are represented at the Inter-Institutional Faculty Senate (IFS), which is made up of elected senate representatives from each institution. The IFS serves as a voice for all faculties of these institutions in matters of system wide university concern.

In addition, EOU engages in a number of collaborative initiatives with other universities and partners, as indicated below (*P* indicates Participation, *N/P* indicates Non-Participation):

Table 6: Eastern Oregon University Collaborative Initiatives Participation

Public University Councils:	
Presidents Council	P
Provosts Council	P
Vice Presidents for Finance and Administration (VPFAs)	P
General Counsels (GCs)	P
Public Information Officers (PIOs)	P
Legislative Advisory Council (LAC)	P
Cooperative Contracting(<i>note: taking part in State contracts</i>)	P
Capital Construction Services	P
OWAN	P
NERO Network	P
RAIN	N/P
Orbis Cascade Alliance	P
ONAMI	N/P
Other	

INSTITUTIONAL COLLABORATION

On the La Grande campus, EOU maintains longstanding partnerships with OHSU's Nursing program and OSU's Agriculture Sciences program. EOU provides general education ramps into OHSU's and OSU's degree programs, as well as upper division elective credits that contribute to degree completion. Student services and space lease agreements are reviewed regularly as Memoranda of Understanding between the institutions are updated.

EOU also has Regional Centers staffed and housed on Oregon community college campuses: EOU Gresham (MHCC), EOU Hermiston (BMCC's Eastern Oregon Higher Education Center), EOU Ontario (TVCC), EOU Pendleton (BMCC), EOU Portland (Clackamas Community College), EOU Salem (Chemeketa Community College), and EOU Roseburg (Umpqua Community College). EOU also has Regional Centers in John Day, Burns, and Enterprise, in partnership with local and regional educational service districts. EOU has dual credit and/or transfer articulation agreements with most of the community colleges in Oregon.

Faculty and staff continue to participate in statewide workgroups such as the Transfer Council to develop common platforms for foundational curriculum and major transfer maps or unified statewide transfer agreements. EOU faculty members participate in and recently chaired the Interinstitutional Faculty Senate.

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 seven public universities and seventeen community colleges. Recent policy discussions between 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 (e.g., the Associate of Science Oregon Transfer–Business, or ASOT Business) 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 (aka “native students”). 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 ASOT–Business are ill-served if they transfer into certain majors. Excess credits may transfer as electives, but they sometimes fail to apply to a student’s major. Because major requirements at the university level can change, community college students’ and advisors’ efforts at effective degree planning are negated by these excess credits.

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, 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 community college faculty, registrars, institutional researchers, and administrators have been advisors and participants to the HB 2998 implementation process, adding insight and value to the Major Transfer Maps. These partners continue to work closely with HECC staff and the institutions to move this work forward. One area that the public universities have participated in has been by nominating faculty to serve on MTM subcommittees (e.g., in Computer Science, Business, English Literature, Biology, and Elementary Education).

Related to transfer student success, programming to provide 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 2020-21 and 2021-22. The HECC convened an Oversight Committee for High School Based College Credit Partnerships and the Advanced Placement and International Baccalaureate Policy Workgroup both have support and representation from all seven public universities. Implementing 340.310, 350.075, and OAR 715-017-0005, 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 of programs, through peer review, confirms that a college course taught

on campus and the college course taught in a high school are essentially the same, and treated the same when transferred. HECC staff continues to work with all institutions whenever concerns about high school-based college credit transfer come to light.

College credit articulations at Oregon’s public universities are also on record for Advanced Placement (AP) and International Baccalaureate (IB) exams. Articulation tables are published by HECC with advice from the AP/IB Policy Workgroup. This process has led to 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. 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.

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 (CCN). The Commission submitted its first progress report to the legislature on SB 233 in March 2022. One notable change to the legislative requirements was a decrease in the number of MTMs to be approved from three per calendar year 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.

Starting in spring 2022, four faculty subcommittees (Communication, Math, Statistics, and Writing) and one systems and operations subcommittee began meeting regularly to work on aligning 10 of the most transferred courses between public colleges and universities in Oregon. For seven months, these subcommittees—composed of 96 faculty and staff—logged over 100 hours in meetings to discuss, collaborate, and vote on aligning these courses. The result of these meetings is a guiding framework for common course numbering and the first round of statewide aligned courses in the history of higher education in Oregon. This framework will also be useful for programs that offer college credit in the high school.

All seven public universities and 17 community colleges are in the process of adopting these courses for the 2023-24 catalog, as per the requirements of SB 233 (2021).

Eastern Oregon University, like most public colleges and universities in Oregon, offer dual credit opportunities to high school students. Below is a table displaying dual-credit students as a percentage of all Oregon resident undergraduates, by institution, during the 2022-23 academic year:

Table 7: Dual Credit Students as a Percentage of All Oregon Resident Undergraduates, 2022-23

EOU	OIT	OSU	PSU	SOU	UO	WOU	Total
32.2%	59.8%	0.0%	12.8%	45.5%	0.0%	38.9%	16.8%

SHARED ADMINISTRATIVE SERVICES

Eastern Oregon University also engages collaboratively in a number of administrative services with other universities and partners, as indicated in the table below. (P indicates participation; N/P indicates no participation)

Table 8: Shared Administrative Services

Provider	University Response
University Shared Services Enterprise (USSE, hosted by OSU)	
Financial Reporting	P
Capital Asset Accounting (currently only OIT)	N/P
Payroll & Tax Processing (includes relationship w PEBB, PERS/Federal retirement*)	P
Collective Bargaining *	P
Information Technology/5 th Site ¹	N/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)	P
Public University Fund Administration ³	P
Eastern Oregon University	
Retirement Plans *	
Legacy 401(a) Plan	P
Legacy 403(b) Plan	P
Optional Retirement Plan (ORP)	P
Tax-Deferred Investment (TDI) Plan	P
SRP Plan	P
Public University Risk Management and Insurance Trust (Risk Management)	P

Stemming from the passage of SB 270 and the University Shared Services Workgroup of 2013, as well as subsequent legislation found in ORS 352.129, the seven public universities created the University Shared Services Enterprise (USSE), a service center hosted by Oregon State University. USSE offers a fee for service model for many back-office functions previously offered by the OUS Chancellor’s Office. ORS 352.129 mandates participation by the independent universities in certain services offered by USSE until July 1, 2019.

These mandated services include group health insurance, a select set of group retirement plans, and collective bargaining. All universities, including EOU, continue to participate in these mandated services.

FINANCIAL HEALTH ASSESSMENT

This section of Eastern Oregon University’s evaluation includes an overview of key financial ratios and other data commonly used to understand the strength of a public institution’s financial position and its operating performance. Financial monitoring is conducted by HECC staff on an annual basis, and this section reflects high-level summaries of that report. A final version of the Financial Conditions Report will be submitted to the HECC Commission and to the Oregon Legislature in April of 2024.

Within the Financial Conditions Report, to provide warning of potential financial instability for policy makers, the financial sustainability of each institution is assessed using currently available data. The analysis includes both quantitative and qualitative factors for appropriate context. The metrics are measured over time to understand emerging trends.

Several factors can lead to an increased risk of predictable financial instability and are therefore used in this analysis. These factors include a sharp decline in enrollment, a decline in select financial ratios over time, and an increased reliance on a single revenue source.¹⁴ The select financial ratios include the operating margin, primary reserve, and viability ratio. All of the ratios are explained in more detail within the Financial Conditions Report. An assessment of the trend for each is included in Table 1.

The assessment of the metrics is based on work conducted by the National Association of College and University Business Officers (NACUBO) in conjunction with public accounting firm Baker Tilly. Their work establishes the financial condition of the institution relative to the measurement of each metric. The financial condition is noted as stable, struggling 1, struggling 2, or in crisis. The condition noted for the financial ratios in Table 1 is an assessment based on the condition of the individual ratios.

Table 9: Trend in Metrics

	Enrollment	Financial Ratios	Reliance on State Funding
EOU	Struggling 2	Stable	Stable
OIT	Struggling 2	Stable	Stable
OSU	Stable	Stable	Stable
PSU	Struggling 2	Stable	Stable
SOU	Struggling 2	Struggling 1	Stable
UO	Stable	Struggling 1	Stable
WOU	In Crisis	Struggling 1	Stable

Source: Enrollment is from the HECC Office of Research and Data. The financial ratios are based on data from IPEDS while the reliance on state funding and other factors are based on data from annual financial statement audits and surveys reported to the HECC.

¹⁴ Kelchen, Robert. “Examining the feasibility of empirically predicting college closures.” Economic Studies at Brookings, 2020, <https://www.brookings.edu>.

An explanation of the trend for each metric is included below.

- **Enrollment** – when looking at enrollment through the lens of fall, fourth week FTE for all students including undergraduate and graduate, resident and non-resident, all but OSU and UO have experienced recent declines.
- **Financial Ratios** – Considering the operating margin, most are struggling to balance expenses within available revenue from year to year. Meanwhile, long-term capacity seems to be an issue for several of the regional universities.
- **Reliance on State Funding** – The reliance on state funding, as measured by the percentage of E&G fund (general fund) revenue provided by the state, has increased for all but OSU.
- **Other Factors** – There are no known ongoing investigations or sanctions for any of the universities. Some of the universities have had recent challenges publishing an annual financial report in a timely manner. Also, there has been recent leadership turnover at some of the universities affecting key leadership positions including president, provost, and chief financial officer.

Enrollment

Stable, if not growing, enrollments over time are integral to an institution’s financial health. Net tuition revenue is typically the largest source of operating (or general fund) revenue. Also, the distribution of state funding is influenced by the enrollment and completion of resident students.

Large fluctuations in enrollment from year to year can cause revenue volatility. Credit rating agencies rely on enrollment trends to determine student demand and market position, both of which are factors in ratings analysis. The recent trend in fall, fourth week FTE enrollment for all students is included in Table 2.

Table 10: Trend in Enrollment						
	2019-20	2020-21	2021-22	2022-23	Two-year Trend	Condition
EOU	2,133	2,124	2,050	1,973	(7%)	Struggling 2
OIT	3,247	3,214	2,990	2,907	(10%)	Struggling 2
OSU	27,120	27,013	27,575	28,585	6%	Stable
PSU	18,816	17,428	16,522	15,668	(10%)	Struggling 2
SOU	4,029	3,512	3,321	3,264	(7%)	Struggling 2
UO	22,105	21,263	21,781	22,706	7%	Stable
WOU	4,068	3,769	3,300	3,069	(19%)	In Crisis

Source: Fall, fourth week FTE for all students from the HECC Office of Research and Data.

Condition Associated with Fall FTE Enrollment Trend (Two-Year Trend)	
Stable	Increasing or relatively stable (i.e., <2% decrease)
Struggling 1	Decreased by 2 to 5%
Struggling 2	Decreased by 5 to 10%
In Crisis	Decreased by >10%
Source: NACUBO/Baker Tilly, Path to Sustainability Project, 2023.	

The trends outlined within the Financial Conditions Report focus on four areas: demographics and market demand, inflation, revenues and expenses, and state funding. The key takeaways include:

- Enrollment headwinds and uncertainty regarding long-term student demand might continue to suppress the growth of operating revenue.
- Higher inflation compared to the historical long-term average might lead to an acceleration in the growth of expenses over the short-term.
- Financial sustainability is based on balanced budgets and capacity building. Both will be challenging if the growth in revenue does not keep pace.
- Recent increases in state funding are having a positive impact on affordability but have not altered the long-term transfer of cost burden from state to student.

Demographics and Market Demand

Enrollment is a key revenue driver. The forecasted demographics of Oregon suggest several headwinds exist for enrollment in the future. The implication is that the financial sustainability of the institutions will not be served well by expectations of substantially higher enrollments of resident students under age 25. The outlook does not appear promising.

The number of students in K-12 in Oregon has declined 5.1 percent between 2018-19 and 2022-23¹⁵ while the number of annual high school graduates in Oregon is projected to decline five percent through 2037¹⁶. Also, the number of Oregon residents aged 18 through 24, typically those college aged, is projected to increase by just under 12,000 (about 2.0 – 2.5 percent) total through 2033 while decreasing as a percentage of the overall population to 9.6 percent as show in table 9.¹⁷ Recent national projections from the US Census Bureau show the population of those aged 18 to 24 potentially remaining below the historical proportion through the end of the century.¹⁸

¹⁵ Oregon Statewide Report Card for 2022-23, Oregon Department of Education, November 2023.
¹⁶ WICHE, Knocking at the College Door: Projections of High School Graduates, 2020.
¹⁷ Oregon Department of Administrative Services, Office of Economic Analysis, Oregon Economic and Revenue Forecast, Table C.2, Population Forecast by Age and Sex, March 2024.
¹⁸ US Census Bureau, 2023 National Population Projections, <https://www.census.gov/programs-surveys/popproj.html>, February 2024.

	Age 18-24	Total Population	Proportion
1980	329,407	2,641,218	12.5%
1990	305,400	2,860,375	10.7%
2000	380,040	3,431,100	11.1%
2010	410,686	3,837,300	10.7%
2020	422,713	4,243,959	10.0%
2025	426,206	4,333,600	9.8%
2030	437,361	4,461,400	9.8%
2033	434,624	4,546,600	9.6%
Variance, 2020 to 2033	11,911	302,641	
	2.8%	7.1%	

Source: Oregon Department of Administrative Services, Office of Economic Analysis, Oregon Economic and Revenue Forecast, Table C.2, Population Forecast by Age and Sex, March 2024.

At the same time, Oregon’s population is getting increasingly diverse in terms of race and ethnicity. The Hispanic population in Oregon is the largest historically underrepresented group and growing rapidly. Since the year 2000, the Hispanic population has doubled, with the Asian, Hawaiian and Pacific Islander (AHPI) population not far behind. An overwhelming proportion of them are children and young adults¹⁹ with many being the first generation in college.

Meanwhile, uncertainty remains regarding long-term student demand. The college-going rate of Oregon high school graduates has declined from 65 percent to 56 percent during the past decade²⁰. The Oregon Employment Department projects the share of all jobs in Oregon that require a bachelor’s degree or higher in the next decade will be largely unchanged²¹. And the adult-learner population nationally has migrated toward “cheaper, more flexible, and quicker-to-advance-through online courses provided by a narrow cadre of [for-profit] institutions capable of investing in expensive marketing campaigns”.²²

Inflation

Inflation is a key cost driver. Although there are varying perspectives on inflation, the focus here is on the consumer price index for urban consumers (CPI-U). The growth in the CPI-U over time often correlates to the expected increase in wage and benefit expense which represents the majority of institution spending. Table 10 includes a summary of the growth in CPI-U over time for both the western region and the national average.

¹⁹ Oregon’s Demographic Trends, DAS Office of Economic Analysis, July 2019.

²⁰ HECC Annual Report of Key Performance Measures, November 2023.

²¹ Damon Rundberg, Oregon Employment Department, Enrollment at Oregon’s Public Universities, December 2021.

²² Dan Bauman, Colleges Were Already Bracing for an Enrollment Cliff. Now There Might be a Second One. The Chronicle of Higher Education, February 7, 2024.

Table 12: Growth in Inflation Over Time

	National Average	Annual Variance	Western Region	Annual Variance	Gap, Western and US
2014	236.7	1.6%	240.2	1.9%	1.5%
2015	237.0	0.1%	243.0	1.2%	2.5%
2016	240.0	1.3%	247.7	1.9%	3.2%
2017	245.1	2.1%	254.7	2.8%	3.9%
2018	251.1	2.4%	263.3	3.3%	4.8%
2019	255.7	1.8%	270.4	2.7%	5.7%
2020	258.8	1.2%	275.1	1.7%	6.3%
2021	271.0	4.7%	287.5	4.5%	6.1%
2022	292.7	8.0%	310.5	8.0%	6.1%
2023	304.7	4.1%	323.8	4.3%	6.3%
Annual Growth Rate	2.6%		3.0%		

Source: US Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers (CPI-U), Western Region and US City Average, not seasonally adjusted, annual for 2013-2023, base period is 1982-84=100.

Although the year-to-year increases are similar, inflation in the western region of the country has grown faster than the national average leading to a larger gap in price levels between the two. Also, although inflation spiked recently to 8.0 percent during the start of the pandemic it has now fallen to 3.3 percent year over year as of January 2024 for the western region²³. Higher inflation compared to the historical average could lead to an acceleration of spending in the short-term.

Revenues and Expenses

Balancing expenses with available revenues is important to achieving the mission in the short-term and developing the capacity for mission relevance over the long-term. Table 11 includes the trend in total revenues and expenses over time for institutions across the nation and in Oregon specifically. This includes public, four-year, degree-granting institutions including health-related institutions like OHSU. In both cases, the annual growth in total expenses is outpacing inflation by roughly 2.0 percent. Meanwhile, the annual growth in total expenses has also been outpacing the annual growth in revenues both nationally and in Oregon.

²³ US Bureau of Labor Statistics, Western Information Office, News Release, February 13, 2024.

**Table 13: Revenues and Expenses of Public Institutions
(In thousands, four-year, degree-granting)**

	United States		Oregon	
	Revenues	Expenses	Revenues	Expenses
2013	260,804,459	247,487,802	4,764,046	4,529,658
2014	284,827,420	259,448,393	5,114,910	4,812,288
2015	278,731,047	270,180,051	5,489,487	4,822,125
2016	296,983,424	289,582,547	6,050,138	5,711,518
2017	321,444,429	305,363,799	6,048,885	5,723,589
2018	338,605,331	319,772,061	6,301,501	6,036,895
2019	345,618,668	334,251,664	6,762,762	6,282,519
2020	357,858,493	351,185,532	7,168,842	6,788,077
2021	425,234,001	351,740,563	7,462,396	6,933,318
2022	396,768,584	382,971,620	7,565,360	7,392,230
Annual Growth Rate	4.3%	4.5%	4.7%	5.0%

Source: US Department of Education, NCES, IPEDS (trend generator), finance component data, fiscal years 2013 through 2022, four-year, degree granting institutions. Unadjusted for inflation.

Removing OHSU and focusing solely on Oregon public universities, the trending is different as shown in Table 12. Total expenses are growing slightly faster than inflation (3.1 percent compared to 3.0 percent), with total revenues growing faster than expenses. However, the type of revenue is important.

Operating revenue is generated from the direct provision of services and includes net tuition and fees, grants and contracts, and auxiliary enterprises. Non-operating revenue includes government appropriations, financial aid grants, investment earnings, and gifts. The growth in non-operating revenue has allowed operating revenue to grow slower than expenses.

Table 12 shows that over the past decade, enrollment declines have suppressed the growth in operating revenue. The growth in non-operating revenue, particularly state funding, has made up the difference. With financial sustainability based on balanced budgets and capacity building, accomplishing both will be challenging if the growth in revenue cannot keep pace with the growth in expenses.

Table 14: Oregon Public Universities (In millions)

	Operating Revenue	Non-Operating Revenue	Total Revenues	Expenses
2014	1,780.5	565.3	2,345.8	2,458.6
2015	1,882.9	623.1	2,506.0	2,437.2
2016	1,930.8	702.3	2,633.1	2,865.9

2017	2,017.5	731.4	2,748.9	2,858.2
2018	2,094.0	724.9	2,818.9	2,988.7
2019	2,135.6	840.6	2,976.2	3,064.5
2020	2,096.3	930.4	3,026.7	3,196.1
2021	1,979.2	976.9	2,956.2	3,134.0
2022	2,263.4	1,030.8	3,294.2	3,231.6
Annual Growth Rate	2.7%	6.9%	3.8%	3.1%

Source: From audited annual financial reports as collected by HECC staff. Unadjusted for inflation.

State Funding

State funding for the public universities has grown during the past decade. This is mainly due to the growth in funding for the public university support fund (PUSF) which has increased from \$522.8 million during the 2013-15 biennium to \$1 billion during the 2023-25 biennium. Along with additional investments in state financial aid programs, this has allowed for recent improvements in student affordability as noted in the HECC's annual Key Performance Measures (KPM) Report.²⁴

However, state funding for higher education in Oregon has trailed the national average over time as shown in Table 13 which includes data for both the two-year and four-year sectors. This has led to a greater reliance on tuition and fee revenue in Oregon compared to the national average. Students today are bearing a larger share of the cost burden than previous generations.

Table 15: National Comparisons

	Educational Appropriations per FTE (Adjusted for Inflation)			Net Tuition as % of Total Education Revenue	
	US	Oregon	Variance	US	Oregon
1980	\$9,949	\$8,098	(19%)	20.9%	24.8%
2001	\$11,381	\$8,755	(17%)	28.9%	35.9%
2013	\$8,072	\$4,799	(31%)	47.5%	62.3%
2018	\$9,153	\$6,045	(24%)	47.1%	60.2%
2022	\$10,625	\$8,571	(16%)	41.7%	53.7%
2023	\$11,565	\$8,411	(15%)	39.7%	53.6%
Variance, 1980 to 2023	\$1,616/16%	\$313/4%		18.8%	28.8%

Source: State Higher Education Finance Survey, SHEEO, Tables 3.2 and 4.3, 2023. Funding per FTE is adjusted for inflation to current dollars using the Higher Education Cost Adjustment (HECA). Educational appropriations include support funds (CCSF/PUSF), financial aid (OOG, Promise), and property taxes.

²⁴ HECC Annual Report of Key Performance Measures, measures 9 and 10, November 2023.

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).	During the 2022-23 fiscal year (FY'23), the Board of Trustees of Eastern Oregon University met fourteen times . This was due to the requirements of conducting a presidential search.	Board of Trustees
	Board provides public notice of agenda and meetings. ORS 352.025(1)(a).	The EOU Board published public notices for each of the 14 Board meetings conducted in FY '23. Agendas were published for all Board meetings except for the April and May special Board meetings conducted in executive session for the purposes of interviewing candidates or conducting preliminary deliberations. The public notices for those meetings disclosed the statutory justification for the executive session. All these public notices, agendas, and	Board of Trustees

		<p>materials can be accessed from this web page.</p> <p>The EOU Board also published public notices and agendas for each meeting of the Board’s committees.</p> <ul style="list-style-type: none"> • Academic and Student Affairs Committee Archive • Finance and Administration Committee Archive • Governance Committee Archive. 	
	<p>The Board operates in a transparent manner and in compliance with Public Meetings and Public Records laws. ORS 352.025(1)(a).</p>	<p>With the exception of statutorily authorized executive sessions, all Board agendas and materials for meetings of the Board and its committees in FY ‘23 are posted to the Board’s web pages (see above).</p> <p>In addition to the foregoing, the EOU Board maintains web pages where the public may learn about the purpose and structure of the Board, read profiles of each of the trustees (and obtain the email addresses of trustees), view all of the Board’s governing documents and meeting minutes, and view video recordings of meetings of the Board and its committees. Meetings of the Board and its committees are live streamed to the internet.</p> <p>Board Statement Number 1, Conduct of Public Meetings sets the</p>	<p>Board of Trustees</p>

		<p>Board’s standards for the conduct of public meetings.</p> <p>The EOU Board engaged in the presidential search process in a manner that was highly transparent and engaged the talents of the university community and general public.</p> <ul style="list-style-type: none"> • The appointment of interim co-presidents was deliberated at public meetings on August 8-9, 2022, and August 19, 2022, resulting in the adoption of Board Resolution Number 22-07. • The design of the presidential search process was deliberated at public meetings on September 9, 2022, and September 26, 2022, resulting in the adoption of Board Resolution Number 22-08. • A publicly available timeline traced the steps of the presidential search process with regular updates. • The Presidential Search Committee consisted of 22 people drawn from every EOU employee category and every EOU college, from shared governance bodies and from unions, from students and 	
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		<p>from regional community leaders.</p> <ul style="list-style-type: none"> • The Presidential Profile was prepared by the Search committee and adopted by the board in a public meeting. • Each finalist for the presidency was hosted on campus for a day and a half of meetings with a wide variety of campus constituent groups. 	
	The Board has adopted bylaws. ORS 352.076(7)	The Board adopted the Bylaws of Eastern Oregon University on June 4, 2015 and has amended them several times.	Board of Trustees
Accountability (ORS 352.025(1)(a))	The Board demonstrates its accountability on behalf of the university and awareness of its mission and fiduciary duties.	<p>See the discussion, above, of the presidential search process.</p> <p>The Board's Finance and Administration Committee receives briefings on the university's finances at every meeting and makes recommendations to staff and the Board regarding critical financial decisions such as capital improvements, tuition and fees, and annual budgets. It met four times in FY '23.</p> <p>The Board reviews and adopts the university's quarterly financial reports, annual financial statement, and annual auditor's report. The Board annually sets the university's tuition, fees, and budget as well as</p>	Board of Trustees

		<p>taking action on a variety of other financial topics. Financial matters were on the agendas of each of the regular Board meetings conducted in FY '23: November, February, and May.</p> <p>All of the Board's meetings in FY '23 addressed essential responsibilities of the Board, such as selecting the next president and engaging in discussions (at the August 2022 retreat) with economic and educational stakeholders in our service region.</p> <p>Board Statement Number 11, Education and General Fund Balance, sets benchmarks for the university's financial reserves.</p> <p>Board Statement Number 6, Ethics and Conflicts of Interest articulates the ethical and fiduciary requirements for trustees. Annually, each trustee is required to sign the <i>Affirmation of the Ethical Duties of Trusteeship</i> which appears as Appendix A to Board Statement Number 6.</p> <p>Board Statement Number 8, Evaluation of Board Performance, describes the process by which the Board conducts annual evaluations of its performance (and</p>	
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		<p>comprehensive evaluations every four years). At the November 2022 Board meeting the Board discussed the results of its annual performance evaluation for the prior fiscal year.</p> <p>The Board adopted a strategic plan for the university in 2017, and recently revised the plan. The Board receives updates on implementation of the plan at every meeting. Each January the university produces a corporate-style annual report on the university's financial and strategic performance. The Board reviews the report and strategic plan at its Winter Term Board meeting. On this page (item 11) are the materials shared with the Board at its February 2022 meeting, regarding progress toward achieving strategic plan goals.</p>	
	<p>The Board has established a process for determining tuition and mandatory enrollment fees that provides for participation of enrolled students and the recognized student government of the university. ORS 352.102(2)</p>	<p>The university has a Budget, Planning and Tuition Advisory Committee (BPTAC) whose membership consists of 14 voting members: five teaching faculty (one from the College of Education, one from the College of Business, one from the College of Arts, Humanities and Social Sciences and one from the College of STM and Health</p>	<p>Board of Trustees</p>

		<p>Sciences, one librarian); three administrative professionals; two ASEOU student government representatives; two students representing historically underserved students at the university and two classified staff. This membership fulfills the requirements set forth in HB 4141 and SB 242. Each quarter, the BPTAC Committee reviews the university's Quarterly Management Reports and is briefed on enrollment. The committee reviews the university's annual financial statements.</p> <p>The committee met nine times in FY '23. The BPTAC held tuition discussions at six of its meetings. A separate meeting was held with the student government. Two open forums were scheduled inviting all students to attend. The BPTAC's tuition recommendations were reviewed by the Board's Finance and Administration Committee at its May 3, 2023 meeting and by the Board of Trustees at its May 17-18, 2023 meeting.</p>	
	<p>Board selects and regularly assesses the university president. ORS 352.096.</p>	<p>The focus of the Board's attention this year was on finding and hiring the next president, a process that concluded with the appointment of</p>	<p>Board of Trustees</p>

		<p>President Kelly Ryan on May 9, 2023.</p> <p>The EOU Board conducted no evaluation of presidential performance in FY '23, because the position of president was staffed only by two interim co-presidents.</p> <p>Board Statement Number 7, Evaluation of Presidential Performance, codifies the Board's procedure for evaluating presidential performance.</p>	
Engagement in the University's Mission (ORS 352.025(1)(b))	The Board adopts the mission statement. ORS 352.089(2).	The Board adopted the university's mission statement in Board Resolution No. 16-08 (November 10, 2016) .	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).	EOU's Board Secretary forwarded Board Resolution 16-08 to the Director of the HECC's Office of Academic Policy and Authorization, Veronica Dujon, by letter dated February 23, 2018. The letter was sent via USPS and email. Director Dujon confirmed receipt by email February 27, 2018.	Board of Trustees
	The Board forwards any significant change in the university's academic programs to HECC. ORS 352.089(1).	<p>During FY '23, the EOU Board approved two new programs which were forwarded to the HECC:</p> <ul style="list-style-type: none"> • Master in Accounting • Master of Social Work 	

<p>Real Property Holdings (ORS 352.025 (2)(c))</p>	<p>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.</p>	<p>All property acquired since the Board of Trustees became the university's governing body on July 1, 2015 has been taken and held in the name of the State of Oregon, acting by and through the governing Board. No property was acquired in FY '23.</p>	
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CONCLUSION

This report is guided by Oregon Revised Statute (ORS) 352.061 which requires that the HECC report on the university's achievement of outcomes, measures of progress, goals and targets; assess the university's progress toward achieving the mission of all education beyond high school described in the 40-40-20 goal; and assess how well the establishment of its governing board comports with the findings of ORS 352.025. This report relies heavily on regularly conducted academic accreditation reports and the self-assessments prepared for these accreditation reviews, as well as on state and federal data. The contents of this report signal areas of alignment with the HECC Strategic Plan, which in turn supports the objectives of higher education for the State of Oregon.

EOU is accredited by the Northwest Commission on Colleges and Universities (NWCCU) and remains fully aligned with the 7-year accreditation cycle. The university's accreditation status was last reaffirmed following its Year Seven (Mission Fulfillment and Sustainability) review in fall 2018. At that juncture, EOU had satisfactorily addressed all prior recommendations from NWCCU, leading to its reaffirmation in 2019. Since then, the institution has diligently worked on implementing four recommendations for continuous improvement outlined by NWCCU. Notably, two recommendations (#1 and #2) were successfully fulfilled in 2020, following NWCCU's review of EOU's ad hoc report. Additionally, two recommendations (#3 and #4) were found to be substantially compliant but necessitated further enhancement, addressed during the mid-cycle review in fall 2021. Looking ahead, EOU anticipates the submission of its year six report on standard 2 – Policies, Regulations, and Financial Review in 2024, followed by a comprehensive evaluation of institutional effectiveness in 2025. All pertinent accreditation reports, records of official NWCCU actions, and materials are accessible on EOU's dedicated accreditation cycle page, ensuring transparency and accountability throughout the process.

Fall 2023 witnessed a significant upturn in undergraduate enrollment, marking the first increase since the pandemic's onset and contrasting with the two-year enrollment decline observed in Fall 2021. This recent uptick in enrollment underscores a positive shift compared to the last evaluation, where EOU experienced a significant decrease in total enrollment. Over the past decade, there has been a notable shift in enrollment patterns at EOU. Specifically, between Fall 2014 and Fall 2023, resident enrollment declined from 2,715 to 1,948 students, marking a substantial decrease of 767 students or approximately 28.2 percent. Similarly, non-resident enrollment also experienced a decline from 938 to 850 students during the same period, indicating a reduction of 88 students or roughly 9.4 percent. These trends underscore the evolving landscape of student demographics at EOU. However, despite these fluctuations, resident students continue to constitute a significant portion (66.3 percent) of EOU's total student body, emphasizing their continued importance to the university community. The four-year graduation rates for first-time, full-time freshmen entering EOU in Fall 2016 ranged from 31.3 percent for underrepresented minorities to 33.6 percent for all students, with Pell Grant recipients at 33.3 percent. Conversely, the six-year graduation rates showed an increase, with all students reaching 47.2 percent, underrepresented minorities at 44.6 percent, and Pell Grant recipients at 49.7 percent. Additionally, the recent increase in degree completions among underrepresented minority students and those identifying as Asian, Pacific Islander, American Indian/Alaska Native, and Hispanic signals EOU's dedication to enhancing outcomes across diverse student demographics, reinforcing its commitment to student access and success.

While state funding for public universities has increased substantially in Oregon over the last decade (more than all but a couple of other states in the country), increasing institutional expenses and decreasing enrollment at most institutions have put substantial pressure on tuition in spite of sizable increases in state

investment. Resident undergraduate tuition and fees at Eastern Oregon University has increased 43.4 percent in the last 10 years, including increases of 5.6 percent²⁵ and 5.0 percent in 2022-23 and 2023-24 respectively.²⁶ In the current academic year, tuition increased 4.9 percent and fees increased 5.5 percent.²⁷ Resident graduate students have faced similar increases.

In the 2022-23 academic year, EOU recorded \$1,570,411 in resident tuition remissions (10.7 percent of resident gross tuition charges), which is a 9.1 percent decrease over the prior year. The year prior, the 2021-22 academic year, EOU recorded \$1,728,399 in resident tuition remissions (11.2 percent of resident gross tuition charges).

The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. Eastern Oregon University estimates the average student budget for living expenses annually – \$18,501 for the 2023-24 academic year²⁸ – exceeds resident tuition and fees. According to the HECC’s EOU scorecard for the 2021-22 academic year,²⁹ 32 percent of EOU’s students were unable to meet expenses with expected resources, family contributions, student earnings and grant aid, compared to a statewide average of 47 percent.³⁰

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.

²⁵ The increases over 5% are due to incidental fee increases not subject to HECC review.

²⁶ Source: <https://www.eou.edu/staccts/tuition-and-fees/> as well as historical OUS tuition data. Defined to include full-time resident base tuition and all mandatory fees (including incidental fees).

²⁷ A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) at Eastern Oregon will pay \$8,618 in tuition and \$2,091 in fees for a total annual cost of \$10,709.

²⁸ Source: <https://www.eou.edu/fao/coa/>

²⁹ Source: <https://www.oregon.gov/highered/research/Documents/Snapshots/EOU-Snapshot.pdf>

³⁰ Statewide averages from: <https://www.oregon.gov/highered/research/Documents/Snapshots/Statewide-Snapshot.pdf>

