

2023 UNIVERSITY EVALUATIONS: Western Oregon University (ORS 352.061)



Source: Western 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 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) 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 WOU'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 WOU'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 (PSU). 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 (the Commission) 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.

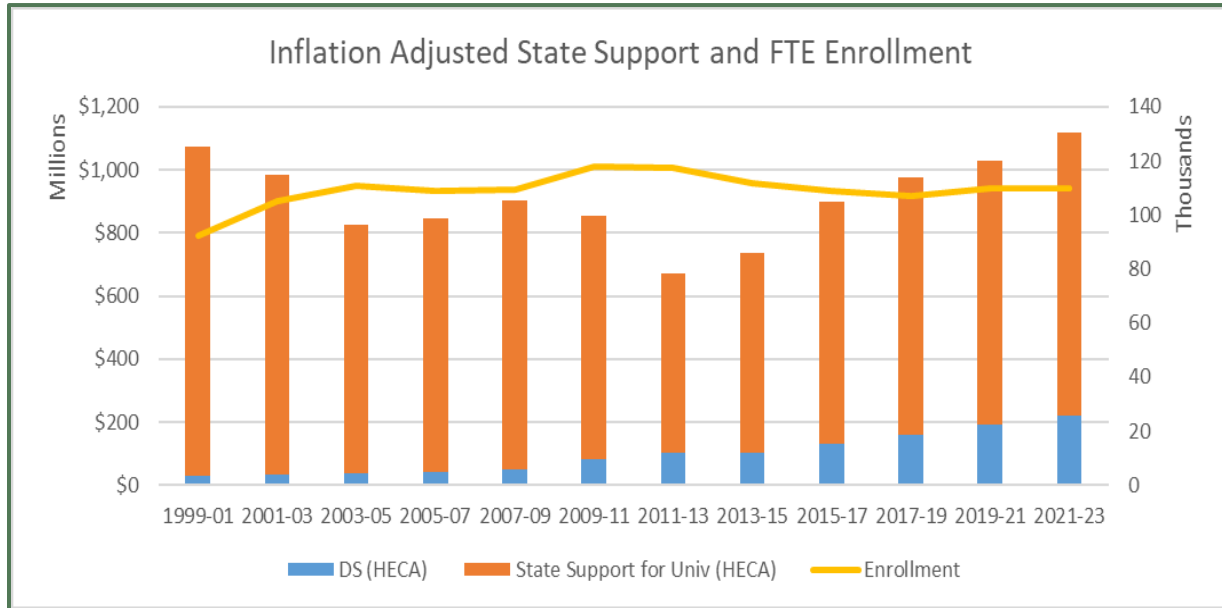
This report is focused on the legislative charge and the HECC’s primary areas of emphasis as indicated in its Strategic Plan. This report is not a comprehensive evaluation. It reflects the narrower scope of legislative issues of interest, incorporating findings from accreditation studies where there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

STATEWIDE CONTEXT

Funding History

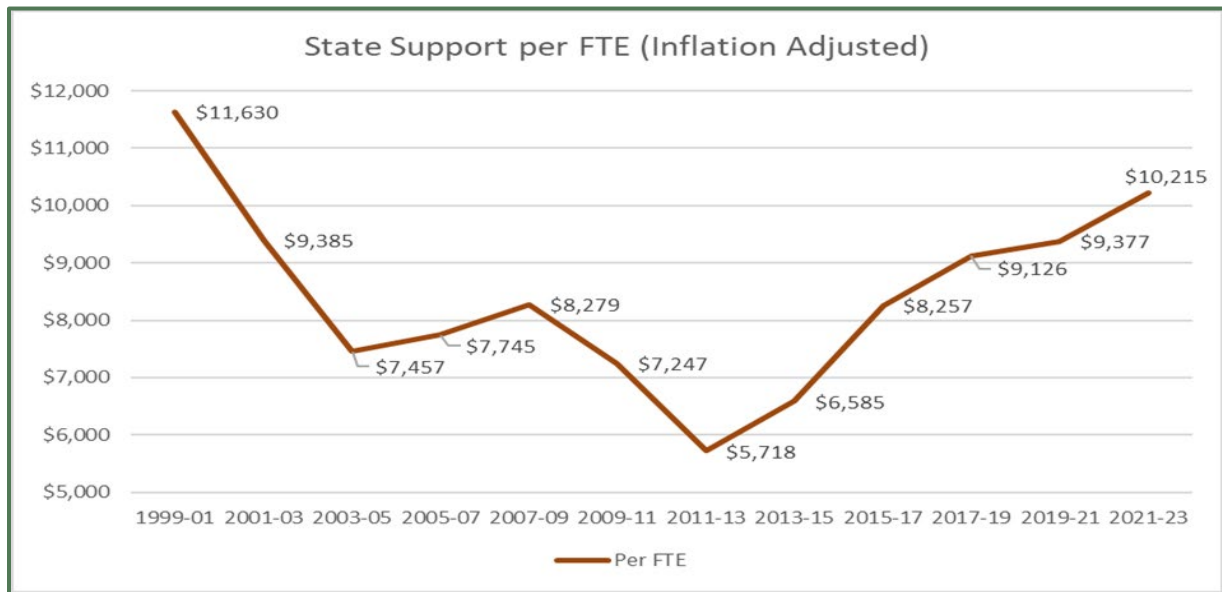
Over the past several biennia, state funding for public universities has not kept pace with enrollment or inflation. While recent investments have moved the needle in a positive direction, additional funding is necessary to support institutions as they work to increase the graduation and completion rates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

Figure 1: Public University Funding



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

Figure 2: State Support per Full Time Equivalent (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

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 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 43 undergraduate programs of study (over 80 percent have the option of pursuing 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 17 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. HECC has approved 4 academic programs since the last time WOU was evaluated in 2019: M.S. in Justice Studies, B.A. in Creative Productions, B.A.S. in Professional Studies in the Deaf Community, and a B.S. in Economics and Mathematics.

ORS 350.075 and 350.085 require the HECC to review and approve public university mission statements. The WOU Board of Trustees adopted a mission statement and core themes for the university on July 22, 2015, followed by approval by the HECC on June 9, 2016. The WOU's Board of Trustees adopted a new mission at its January 25, 2017 board meeting, which was 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 Northwest Commission for Colleges and Universities (NWCCU).

MISSION:

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

ECONOMIC AND COMMUNITY IMPACT

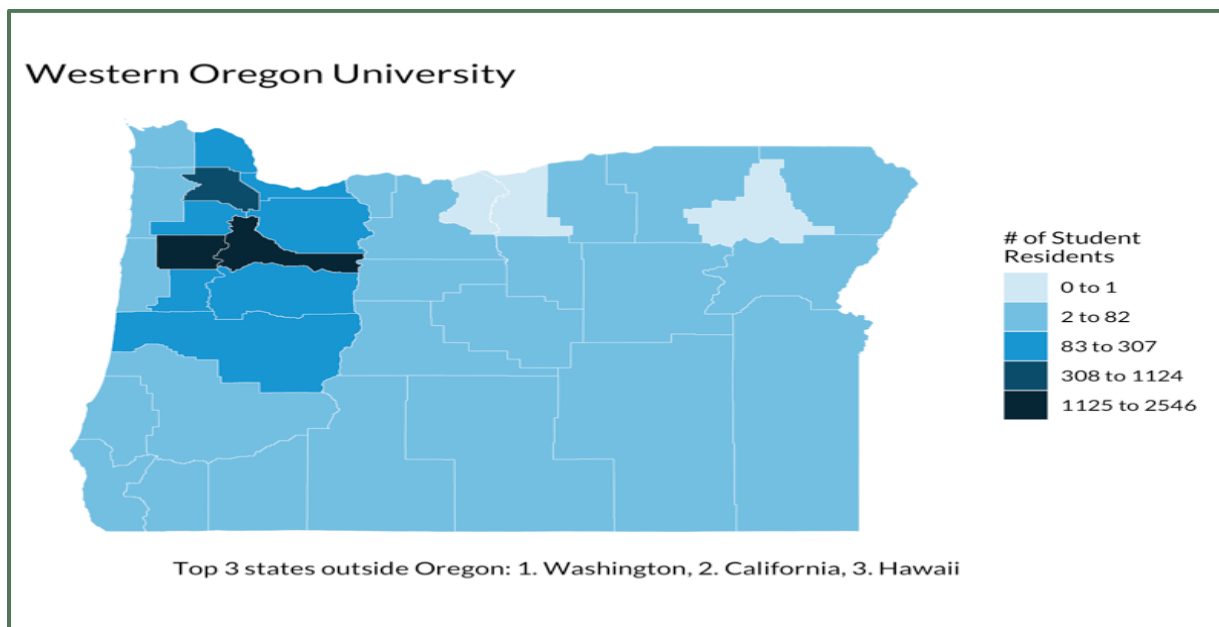
Western Oregon University

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

Western Oregon University (WOU) is located in Monmouth, a town of roughly 10,500, in Polk County. The University was founded in 1865 as a private university. However, in 1882, the Oregon Legislature approved the university's request to become a state-supported institution, making it a public university.

Western Oregon University students largely came from the region, with the majority of students coming from Polk County followed by those adjacent counties closest in proximity to the university.

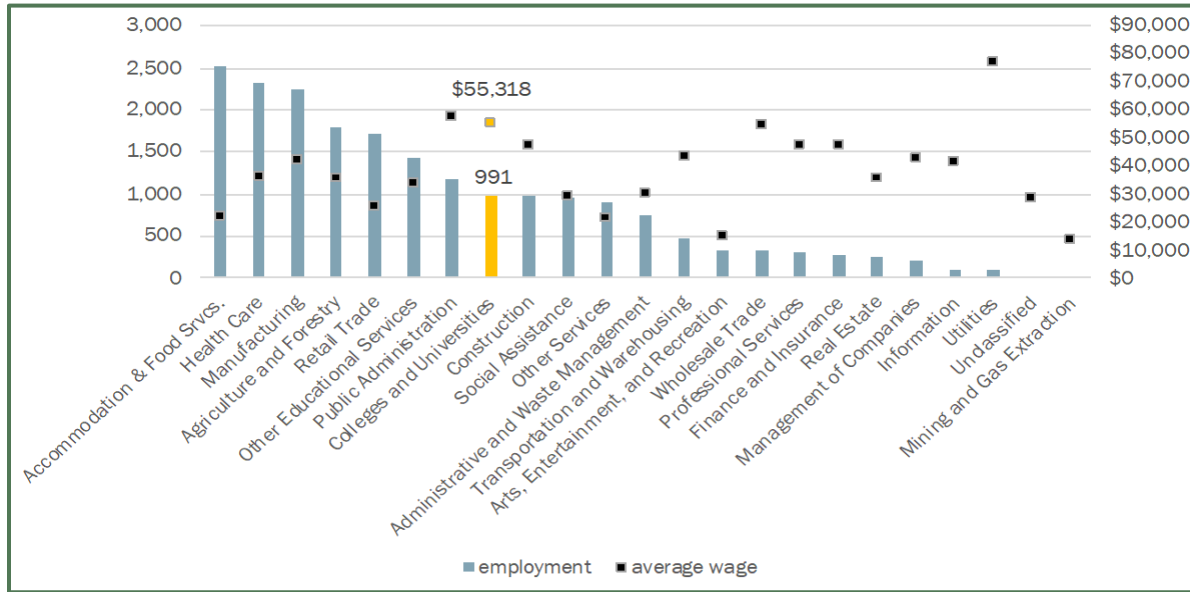
Exhibit 1. WOU Map of Student Origin by County



WOU is a Major Source of Good Paying Jobs in the County

WOU is an important employer in Polk County. In 2017, colleges and universities accounted for 991 jobs in this county. It was the eighth largest employment sector, paying on average \$55,318 annually in wages, which is the third-highest. This indicates that WOU is one of the most important sources for middle-income jobs in the county. The chart below illustrates the importance of colleges and universities sector in comparison to all other sectors in the regional economy.

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



Source: ECONorthwest using QCEW data

WOU is an Important Employer in the County

WOU makes up a large share of the total college and university jobs in the region. During the 2017-2018 academic year, the university supported 929 direct university jobs, paying on average \$69,362 in wages and benefits and produced \$108 million in economic output. Campus operations also supported important secondary impacts such as 133 local vendors and small business jobs who contract with WOU (indirect) as well as the spending by both direct and indirect employees in the local economy, which supported an additional 724 jobs in the county.

Exhibit 3. Total Operational Contributions of Western Oregon University

Type of Impact	Output	Labor Income	Jobs
Polk County			
Direct	\$108,080,000	\$64,437,094	929
Indirect	\$14,714,225	\$6,396,410	133
Induced	\$100,793,283	\$33,510,356	724
Total	\$223,587,508	\$104,343,860	1,786

Note: Operations contributions include student and visitor spending.
 Source: ECONorthwest using inputs from TRU and the IMPLAN model

Capital spending on WOU’s campus supported additional economic activity beyond operations. Ongoing construction projects include the Natural Science building renovation, solar panel installation on the Education Center and the third phase of the Instructional Technology Center. These renovations, upgrades, and expansions supported 39 direct construction jobs during the 2017-2018 academic year, paying on average \$65,800 in wages and benefits.

Exhibit 4. Construction Contributions of Western Oregon University

Type of Impact	Output	Labor Income	Jobs
Polk County			
Direct	\$0	\$0	-
Indirect	\$8,527,141	\$2,864,890	46
Induced	\$1,178,097	\$327,290	9
Total	\$9,705,237	\$3,192,180	55

Source: ECONorthwest using inputs from TRU and the IMPLAN model

Students and Visitors Provide Ancillary Economic Contributions

In 2017, WOU enrolled 4,776 undergraduates who on average spent \$15,924 on non-tuition expenses such as housing, food, and entertainment. This was equal to an infusion of \$76.1 million into the local economy that otherwise would not occur without the university. The university also attracted 28,796 visitors to the campus to either visit students or attend other campus activities. Campus visitors spent about \$2.4 million in the county on food, lodging, and entertainment.¹

¹ 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

This report is formative and focuses on the areas of interest identified by the Legislature and in alignment with the HECC Strategic Plan. 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. Reviews are structured as a cyclical process of continuous improvement.

A comprehensive assessment and review of academic and institutional quality is available from the Northwest Commission on Colleges and Universities (NWCCU) that accredits WOU 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, WOU 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. WOU was last re-affirmed for accreditation in 2023.

WOU submitted its Year Seven Evaluation of Institutional Effectiveness Report in Spring of 2023 and was reaffirmed for accreditation by NWCCU in July of 2023. NWCCU noted that WOU was in full compliance with the standards, made two commendations and noted three recommendations for improvement. The following three standards are areas substantially in compliance but where improvement is needed.

Those recommendations were as follows:

Recommendation 1: Continue its efforts to establish an ongoing and systematic evaluation and planning process that supports the demonstration of continuous improvement and to inform and refine its effectiveness, assign resources, and improve student learning and achievement objectives and measures. (2020 Standard 1.B.1)

Recommendation 2: Further development and the systematic use of effective enrollment, financial planning and financial management practices to ensure realistic development of financial resources to ensure short term financial health and long-term financial stability and sustainability. (2020 Standard 2.E.2)

Recommendation 3: Deploy current higher education best practices, including the effective use of technology, to ensure attainment of industry standard practices to achieve its organizational responsibilities and the integrity and continuity of its educational programs (2020 Standard 2.F.3)

WOU will submit an Ad Hoc Report for standard 2.E.2 in Spring 2024, followed by an ad hoc report with visit in Spring 2025. The next regular accreditation milestone for WOU is the Mid-Cycle Review in Spring 2026. All reports, records of official NWCCU actions and accreditation materials are located on [the university's website](#).

Notably, WOU was recognized for “use of data to improve student achievement. In particular, the curricular alignment project enables students to streamline their path to graduation. This project illustrates the Institution's commitment to equitable student success.” This work earned WOU the NWCCU Beacon Award in 2022.

WOU offered the following specialized accredited programs in 2022-23:

- Rehabilitation and Mental Health Counseling
- Teacher Education

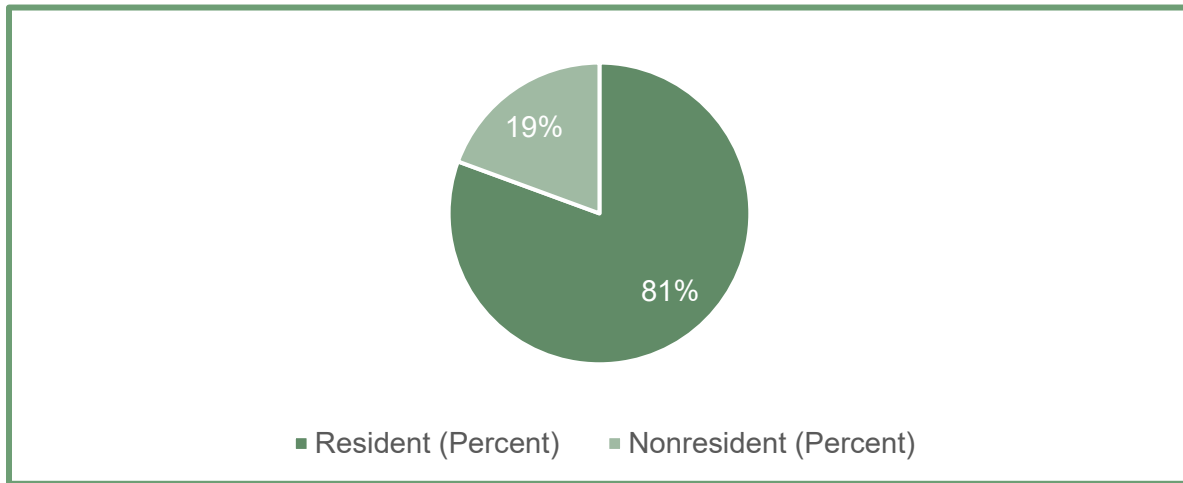
STUDENT ACCESS AND SUCCESS

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 year².

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.

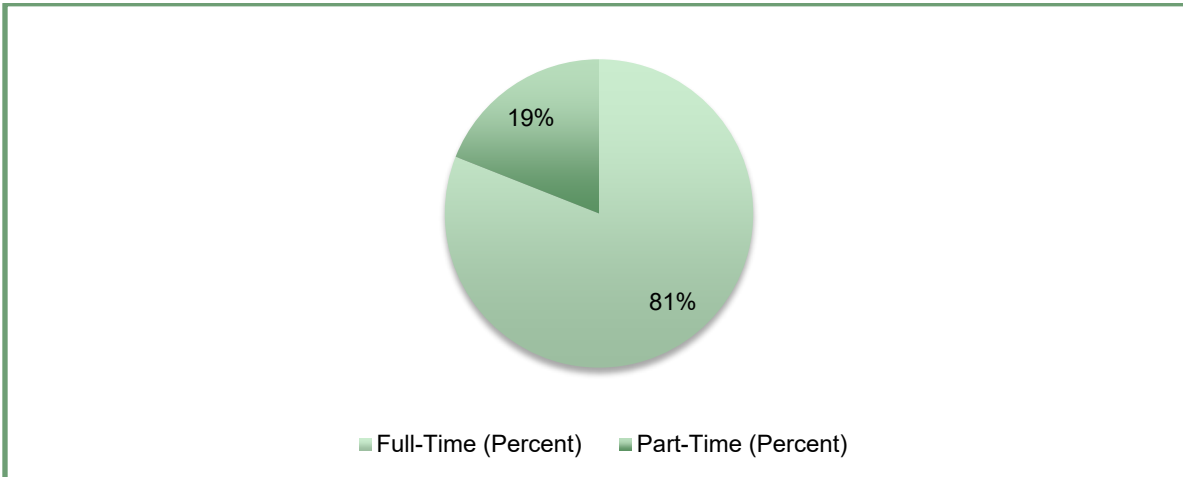
The majority of WOU students during fall 2022-23 (81.7 percent) were residents. The majority of WOU students (81.0 percent in 2020-21) also attended full-time.

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



Source: HECC (2023)

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



Source: HECC (2023)

² <https://www.insidehighered.com/news/students/retention/2024/01/24/enrollment-rising-first-time-pandemic>

Table 1: Headcount Enrollment, Historical

Fall of	Non-Resident	Resident	Total
2009	844	4,810	5,654
2010	965	5,268	6,233
2011	971	5,246	6,217
2012	1,060	5,127	6,187
2013	1,127	5,061	6,188
2014	1,181	4,877	6,058
2015	1,149	4,296	5,445
2016	1,161	4,221	5,382
2017	1,185	4,100	5,285
2018	1,140	4,045	5,185
2019	1,008	3,921	4,929
2020	883	3,671	4,554
2021	728	3,301	4,029
2022	687	3,065	3,752
2023	600	3,351	3,951

Source: HECC (2023)

Historically, WOU has observed fluctuations in enrollment figures over the years. From 2009 to 2014, there was a general upward trend in both non-resident and resident enrollments. After several years of enrollment increases driven by non-resident students, head count at WOU began to decline in 2011. Over the last 10 years, total enrollment at WOU has decreased by 36.1 percent; when broken-down by residency status over the same time period, resident student population has decreased by 33.8 percent and non-resident students have decreased by 46.8 percent. In the most recent year over year changes (fall 2022 to fall 2023), total enrollment increased from 3,752 to 3,951, or 5.3 percent. This marks a significant increase compared to the 2022 figures, suggesting a potential reversal or stabilization of the declining enrollment trend. Since WOU was last evaluated in 2021, total enrollment has declined 1.9 percent.

WOU students come from diverse backgrounds. Of the total 3,951 students enrolled in fall 2023, 1,309 students were from underrepresented minority populations, representing 33.1 percent of the total population and a steady growth each year over the last several years. In addition, 44.7 percent of WOU's students were Pell Grant recipients.

Table 2: WOU Headcount Enrollment by Race/Ethnicity

Race/ Ethnicity	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Change Fall 2022 to Fall 2023
Non-Resident Alien	132	124	90	82	-8
American Indian/ Alaska Native	48	43	38	42	4
Asian	141	110	99	100	1
Black Non-Hispanic	148	113	105	121	16
Hispanic	892	832	808	911	103
Pacific Islander	76	60	51	57	6
Two or more races, Underrepresented Minorities	153	151	154	178	24
Two or more races, not Underrepresented Minorities	45	51	49	53	4
White Non-Hispanic	2,794	2,424	2,252	2,331	79
Unknown	125	121	106	76	-30

Source: HECC (2023)

For the 2016 cohort, the four-year graduation rate for underrepresented students was about four percentage points lower than the overall student population. As a whole, underrepresented and Pell Grant recipient students significantly increased their graduation rates at six-years. The graduation rates for WOU first time freshmen who entered in the fall term of 2016 are as follows:

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

	Four-Year Graduation Rate	Six-Year Graduation Rate
All Students	32.1 %	53.4 %
Underrepresented Minorities	27.5 %	49.6 %
Pell Grant Recipients	28.1 %	49.5 %

Source: HECC (2023)

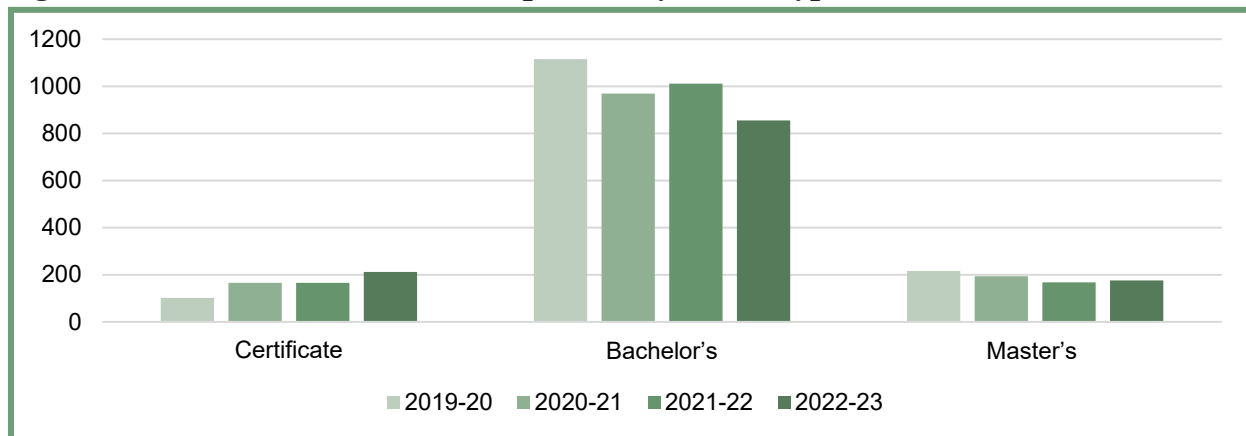
The total number of completions by residency and award type has fluctuated slightly between the 2017-18 academic year and the 2020-21 academic year mainly due to a sharp increase in certificates awarded and that trend continued into 2022-23. Bachelor’s degrees are the greatest number of completions by award type each year, WOU experienced a stark drop in total bachelor’s degrees awarded in a year-over-year comparison. WOU awarded no doctoral or professional degrees, though WOU has been approved for a new program which lead to a professional doctorate degree.

Table 4: WOU Resident Student Completions by Award Type

	2019-20	2020-21	2021-22	2022-23
Certificate	102	166	166	212
Associate’s	-	-	-	-
Bachelor’s	1,115	969	1,011	855
Master’s	216	194	168	176
Doctoral	-	-	-	-
Professional	-	-	-	-

Source: HECC (2023)

Figure 5: WOU Resident Student Completions by Award Type



Source: HECC (2023)

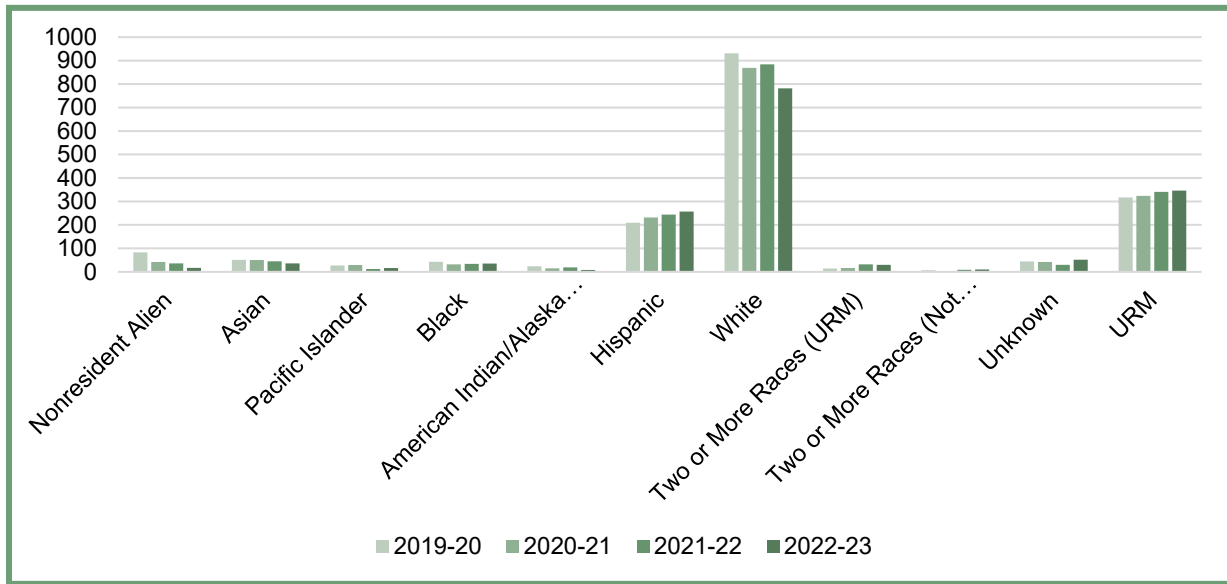
Over the last four academic years, under-represented minority (URM) students have made substantial progress in their total number of completions.

Table 5: WOU Completions by Race/Ethnicity

Race/ethnicity	2019-20	2020-21	2021-22	2022-23
Nonresident Alien	83	42	36	17
Asian	51	50	45	36
Pacific Islander	27	29	12	16
Black	43	32	34	35
American Indian/Alaska Native	24	15	19	8
Hispanic	209	232	244	257
White	931	869	884	782
Two or More Races (URM)	14	16	32	30
Two or More Races (Not URM)	7	2	9	10
Unknown	44	42	30	52
URM	317	324	341	346

Source: HECC (2023)

Figure 6: WOU 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 Western Oregon University's affordability.

Many students and prospective students at Western Oregon University (WOU), 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 Western Oregon University has increased 34.2% in the last 10 years, including increases of 3.2% and 4.0% in 2022-23 and 2023-24 respectively.³ In the current academic year, tuition increased 3.1% and fees increased 8.2%.⁴ 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 2022-23 academic year, WOU recorded \$3,862,376 in resident tuition remissions (16.7% of resident gross tuition charges) which is a 5.1% increase over the prior year. The year prior, the 2021-22 academic year, WOU recorded \$3,675,762 in resident tuition remissions (14.8% of resident gross tuition charges).

Western Oregon University also engages in a number of targeted programs designed to increase access and completion among targeted populations.⁵ For example, WOU's "Pell Plus Scholarship" covers all remaining tuition and fees for Pell eligible students after all other aid is applied for Oregon first-time resident freshmen with a high school GPA of 3.4 or higher. Students can maintain this award for four years provided they maintain at least a 2.0 GPA.

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. Western Oregon University estimates the average student budget for living expenses annually – \$15,372 for the 2023-24 academic year⁶ – 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

³ Source: <https://wou.edu/finaid/estimated-expenses/cost-of-attendance/> as well as historical OUS tuition data. Defined to include full-time resident base tuition and all mandatory fees (including incidental fees).

⁴ A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) at Western Oregon will pay \$9,000 in tuition and \$2,025 in fees for a total annual cost of \$11,025.

⁵ <https://wou.edu/finaid/scholarships/>

⁶ Source: <https://wou.edu/finaid/estimated-expenses/cost-of-attendance/>

been incurred. According to the HECC's WOU scorecard for the 2021-22 academic year,⁷ 31% of WOU's students were unable to meet expenses with expected resources, family contributions, student earnings and grant aid, compared to a statewide average of 47%.⁸ Average earnings among bachelor's degree recipients five years after graduation were \$50,353, compared to a statewide average of \$57,087. The average debt among graduates was \$20,609, compared to a statewide average of \$20,728 and 76% of WOU undergraduate students had federally supported loans, compared to a statewide average of 32%. According to the College Scorecard, during the 2021-22 academic year, 44% of students received Pell grants.⁹

⁷ Source: <https://www.oregon.gov/highered/research/Documents/Snapshots/WOU-Snapshot.pdf>

⁸ Statewide averages from: <https://www.oregon.gov/highered/research/Documents/Snapshots/Statewide-Snapshot.pdf>

⁹ https://collegescorecard.ed.gov/school/?210429-Western_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.

Following WOU's Year Seven Evaluation (*Mission Fulfillment and Sustainability*) in 2016, 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 fall 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.

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 at institutes on topics such as general education, assessment, diversity, and course design. 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

In FY 2021, WOU submitted 68 external funding proposals. The proposals were led by 39 different faculty and staff members from across campus and totaled just under \$23 million in requested funding. This is up from FY 2020, in which 55 proposals were submitted with close to \$20 million in requested funding. FY 2021 WOU proposals are faring well; as of January 14, 2022, 41 of the 68 proposals have been funded totaling close to \$11.7 million in new awards so far.

For FY 2022, WOU continues to see an upward trend in grant submissions. As of January 14, 2022, 33 proposals had been submitted, seeking over \$22 million in external funding. For comparison, by January 2021, 35 proposals seeking close to \$8 million in external funding had been submitted. For FY2022 proposals, 10 have been funded so far for a total of \$3.9 million in external funds.

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, 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 6: 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 (<i>note: taking part in State contracts</i>)	P
Capital Construction Services	P
OWAN	N/P
NERO Network	P
RAIN	N/P
Orbis Cascade Alliance	P
ONAMI	N/P
Other	N/P

Chemeketa/WOU Summit: On January 6th, 2022 several operational areas (Academic Affairs, Admissions, Financial Aid, Registrar, and Student Success and Advising, and Transfer Pathways) met with colleagues at Chemeketa to discuss how to strengthen relationships through the development of multiple programmatic pipelines while supporting students through their transfer transition.

Transfer plans: In partnership with Chemeketa, Linn-Benton, and Portland community colleges faculty, WOU continues to develop seamless transfer pathways using data to prioritize development and implementation. This process begins with aligning curriculum and creating a transfer four-year plan. Transfer plans are published on the [Transfer Pathways website](#).

The table below indicates the pathways identified for development this academic year and their status.

Community College	Transfer Pathway	Status
Chemeketa	Early Childhood Studies	Curriculum Aligned Fall 21
Chemeketa	Political Science	Finalizing the transfer plan
Chemeketa	Music Education	Aligning Curriculum
Clackamas	Early Childhood Studies	Curriculum Aligned Fall 21
Clackamas	Political Science	Finalizing the transfer plan
Columbus State Community College	Interpreting Studies	Aligning Curriculum
Lane	Dance	In Development
Linn-Benton	Earth Science	3 Pathways Launched Fall 2021
Linn-Benton	Criminal Justice	Aligning Equivalencies
Linn-Benton	Art	In Development
Linn-Benton	Early Childhood Studies	In Development
Linn-Benton	Human Services to Gerontology	Development begins – Winter Term 2022
Linn-Benton	Music and Music Education	Development begins – Spring Term 2022
Portland	Earth Sciences	In Development

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).

Western 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%

Willamette Promise

Through Willamette Promise, Western Oregon University has provided assessment-based learning college credit opportunities in Oregon since 2014.

As research suggests, there are continuing achievement gaps in education, including the attainment of college credits in high school. The [Accelerated Learning in Oregon Equity Portal](#) provides data on equity in dual credit. Looking at three years of data (2016-17, 2017-18, 2018-19) from Salem-Keizer, which is WOU’s largest partner school district, data trends emerge showing the impact that WOU’s assessment-based learning has had on equitable realization of dual credit. Specifically, the following groups in SKSD were more equitably served by WOU’s assessment-based learning credits than by traditional dual credit: American Indian/Alaska Native students, Black students, Hispanic/Latino students, multi-racial students, Native Hawaiian/Pacific Islander students, students of color, students who have ever been eligible for the Free and Reduced Price Lunch (FRPL) program, English language learners (when they were in K-8), English language learners (in 9-12), students who have ever been English Language learners, students who have ever received an Individualized Education Program (IEP), and male students. WOU, through Willamette Promise, continues to innovate in the interest of serving increasingly diverse Oregon students.

Dual Enrollment and Transfer Pathways: Established Dual Enrollment Partnerships and transfer pathways, such as the one with Chemeketa Community College, facilitating seamless educational transitions. These partnerships allow students to access a wider range of educational options and ease their progression from undergraduate to graduate programs, like the progression from Chemeketa’s BA to WOU’s MA in Organizational Leadership.

Collaborative Educational Programs: WOU’s collaboration with Oregon Health & Science University (OHSU) in delivering nursing programs highlights our joint efforts in addressing essential educational needs. This partnership enriches the curriculum and offers students diverse and comprehensive educational experiences.

Facility Sharing and Resource Utilization: WOU’s collaborative approach includes facility sharing, as evidenced by the allowance of the use of our Salem campus for initiatives like OCOP. This approach not only maximizes resource utilization but also demonstrates a commitment to supporting statewide educational development.

Workforce Development Initiatives: Participate in workforce development projects, such as supporting the Corvallis Microfluidic Technology Hub (CorMic) at Oregon State University. WOU’s involvement in these initiatives underscores their dedication to advancing technological education and workforce planning in Oregon.

\$25M Financial Sustainability: The Financial Sustainability Funding Report for Oregon's Technical and Regional Universities and Portland State University highlights Western Oregon University's (WOU) significant collaborative efforts in the utilization of financial sustainability funds. Western Oregon, in coordination with other Oregon universities, has prioritized joint decision-making in the planning and distribution of these funds. This concerted effort, facilitated by the collaborative approach of Oregon Solutions, reflects WOU's commitment to projects with collective impact, focusing on student-centered initiatives and the long-term financial sustainability of the universities. These strategic collaborations emphasize WOU's dedication to advancing not only its educational mission but also contributing to the broader objectives of Oregon's higher education system.

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; N/P indicates non-participation)

Table 8: WOU Shared Administrative Services

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

Chancellor's Office. ORS 352.129 mandated 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 WOU, continue to participate in these services.

Western Oregon University (WOU) is dedicated to fostering dynamic partnerships that align with the institutional mission and support the State's higher education objectives. WOU's collaborative engagements are diverse, ranging from joint ventures with universities and government agencies to alliances with non-profit organizations.

Inter-University Collaborations: WOU actively participates in inter-university collaborations, contributing to the Presidents Council, Provosts Council, and the VPFA group. These councils serve as platforms for sharing strategies and enhancing the collective strength of Oregon's higher education institutions. WOU also engages in joint programs and degrees, broadening educational opportunities and sharing expertise across institutions. These efforts exemplify WOU's commitment to collaborative education and institutional cooperation.

Partnerships with Government and Non-Profits: WOU's engagement extends to local government agencies and non-profit organizations. WOU's involvement in initiatives like the Regional Accelerator and Innovation Network (RAIN) showcases WOU's contribution to research and community development. Through these collaborations, WOU strives to enrich students' learning experiences while supporting community growth and innovation.

Joint Service Initiatives: WOU collaborates in non-USSE "back office" services, aiming for operational excellence and resource optimization. This cooperation reflects WOU's approach to efficient administration and resource management, essential for institutional sustainability and effectiveness.

FINANCIAL HEALTH ASSESSMENT

This section of Western 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.¹⁰ 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.

¹⁰ 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.

	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 2022-23¹¹ while the number of annual high school graduates in Oregon is projected to decline five percent through 2037¹². 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 9.¹³ 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.¹⁴

¹¹ Oregon Statewide Report Card for 2022-23, Oregon Department of Education, November 2023.

¹² WICHE, Knocking at the College Door: Projections of High School Graduates, 2020.

¹³ 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.

¹⁴ US Census Bureau, 2023 National Population Projections, <https://www.census.gov/programs-surveys/popproj.html>, February 2024.

Table 11: Projection of Oregonians Aged 18-24

	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 adults¹⁵ 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 decade¹⁶. 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 unchanged¹⁷. 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”.¹⁸

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.

¹⁵ Oregon’s Demographic Trends, DAS Office of Economic Analysis, July 2019.

¹⁶ HECC Annual Report of Key Performance Measures, November 2023.

¹⁷ Damon Rundberg, Oregon Employment Department, Enrollment at Oregon’s Public Universities, December 2021.

¹⁸ 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 region¹⁹. 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.

¹⁹ 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.²⁰

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.

²⁰ 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 quarterly. ORS 352.076(7).	Yes. The Board meets at least quarterly plus an annual planning retreat. In 2022-23, the Board met six times. WOU Board Website: Meeting Schedules & Materials	Board of Trustees
	Board provides public notice of agenda and meetings. ORS 352.025(1)(a).	Yes. The Board provides public notice of upcoming meetings on its web page and through campus emails in advance of meetings. WOU Board Website: Meeting Schedules & Materials WOU Board Statement on Conduct of Public Meetings	Board of Trustees
	The Board operates in a transparent manner and in compliance with Public Meetings and Public Records laws. ORS 352.025(1)(a).	Yes. The Board has an approved statement of the conduct of public meetings. All meetings are in full compliance of all relevant state laws. WOU Board Statement on Conduct of Public Meetings	Board of Trustees
	The Board has adopted bylaws. ORS 352.076(7).	Yes. The Board has adopted bylaws, which are reviewed and updated annually. WOU Board Website: Policies, including Bylaws	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>Yes. The Finance and Administration Committee (FAC) meets quarterly: they met four times in 2022-23. The FAC is charged with ensuring effective operations and sound stewardship of the university's financial, technology, and physical assets in support of the university's mission. It is responsible for making decisions delegated to it and making recommendations to the Board, consistent with Board Statements and University policy. The full Board reviews and actively analyzes past, current and projected fiscal details such as revenues, expenditures and fund balances. The Board review culminates in a vote to accept the budget report and plans.</p> <p>WOU Board Website: Committee Information</p>	Board of Trustees
	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>Yes. The Board has established the Tuition and Fee Advisory Committee (TFAC), which makes recommendations to the President and Board regarding resident tuition and mandatory enrollment fees for the upcoming academic year. TFAC consists of two members from the student government (ASWOU), two students from historically underserved populations, two faculty members, two administrators, and several at-large student representatives. All meetings are public.</p> <p>Tuition and Fee Advisory Committee Website</p> <p>The Incidental Fee Committee determines the incidental fee amount and distribution. Its members are composed of students, faculty, and staff, but only student members may vote.</p> <p>Website: Incidental Fee Committee</p>	Board of Trustees

	Board selects and regularly assess the university president. ORS 352.096.	Yes. The Board is responsible for selecting the President and provides an annual performance review for the President. WOU Board Statement on the Performance Evaluation of the University President WOU Board Statement on Presidential Vacancies	Board of Trustees
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 WOU Mission statement effective in 2022-23 on January 25, 2017. Minutes for January 25, 2017 WOU Board Meeting	Board of Trustees
Coordination across the State of Oregon (ORS 352.025(1)(e))	The Board forwards the university's mission statement to the HECC. ORS 352.089(1).	The Board forwarded the approved mission statement to the HECC following its approval in January of 2017.	Board of Trustees
	The Board forwards any significant change in the university's academic programs to HECC. ORS 352.089(1).	After Board review and approval, the Provost or their designee sends all significant changes in academic programs to HECC, on behalf of the Board. Programs approved in 2022-23: <ul style="list-style-type: none"> • Master of Science, Human Wellness & Performance • Bachelor of Arts, Ethnic Studies • Graduate Certificate, Healthcare Administration 	Board of Trustees
Real Property Holdings (ORS 352.025 (2)(c))	Legal title to all real property, whether acquired before or after the creation of a governing board, through state funding, revenue bonds or philanthropy, shall be taken and held in the name of the State of Oregon, acting by and through the governing board.	All WOU property including those in Monmouth and Salem are held in the name of the State of Oregon. Documentation is held by the counties of Polk and Marion.	Board of Trustees or Finance VPs?

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.

WOU was first accredited by NWCCU in 1924. In 2023 WOU was affirmed for continued accreditation by the NWCCU following its year seven evaluation. As of their most recent evaluation, WOU is substantially compliant with the Standards, Policies, and Eligibility Requirements of the Northwest Commission on Colleges and Universities. WOU submitted its Year 7 Evaluation of Institutional Effectiveness in Spring 2023. NWCCU issued two commendations for WOU with three recommendations for continuous improvement. WOU will submit an Ad Hoc Report for standard 2.E.2 in Spring 2024, followed by an ad hoc report with visit in Spring 2025. The next regular accreditation milestone for WOU is the Mid-Cycle Review in Spring 2026. Notably, WOU was recognized for "use of data to improve student achievement. In particular, the curricular alignment project enables students to streamline their path to graduation.

Fall 2023 brought a notable resurgence in undergraduate enrollment at WOU, marking the first increase since the onset of the pandemic, a stark contrast to the two-year decline observed in Fall 2021. This recent upswing in enrollment signals a positive shift compared to the institution's last evaluation, where total enrollment experienced a significant decrease. Over the past decade, WOU has witnessed a noteworthy transformation in enrollment patterns. Between Fall 2014 and Fall 2023, resident enrollment plummeted from 4,877 to 3,351 students, indicating a substantial decline of 1,526 students, approximately 31.3 percent. Similarly, non-resident enrollment also dwindled from 1,181 to 600 students during the same period, reflecting a reduction of 581 students or roughly 49.2 percent. These trends underscore the evolving landscape of student demographics at WOU. Despite these fluctuations, resident students persist as a significant majority, constituting 81.7 percent of WOU's total student body, underscoring their enduring significance to the university community. Graduation rates for first-time, full-time freshmen entering WOU in Fall 2016 varied from 27.5 percent for underrepresented minorities to 32.1 percent for all students, with Pell Grant recipients at 28.1 percent. Conversely, six-year graduation rates witnessed an increase, with all students reaching 53.4 percent, underrepresented minorities at 49.6 percent, and Pell Grant recipients at 49.5 percent. Furthermore, the recent surge in degree completions among underrepresented minority students and various ethnic groups underscores WOU's commitment to advancing outcomes across diverse student demographics, further solidifying its dedication 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 Western Oregon University has increased 34.2 percent in the last 10 years, including increases of 3.2 percent and 4.0 percent in 2022-23 and 2023-24 respectively.²¹

²¹ Source: <https://wou.edu/finaid/estimated-expenses/cost-of-attendance/> as well as historical OUS tuition data. Defined to include full-time resident base tuition and all mandatory fees (including incidental fees).

In the current academic year, tuition increased 3.1 percent and fees increased 8.2 percent.²² Resident graduate students have faced similar increases. In the 2022-23 academic year, WOU recorded \$3,862,376 in resident tuition remissions (16.7 percent of resident gross tuition charges) which is a 5.1 percent increase over the prior year. The year prior, the 2021-22 academic year, WOU recorded \$3,675,762 in resident tuition remissions (14.8 percent of resident gross tuition charges).

Western Oregon University estimates the average student budget for living expenses annually – \$15,372 for the 2023-24 academic year²³ – exceeds resident tuition and fees. According to the HECC's WOU scorecard for the 2021-22 academic year,²⁴ 31 percent of WOU'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.²⁵

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.

²² A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) at Western Oregon will pay \$9,000 in tuition and \$2,025 in fees for a total annual cost of \$11,025.

²³ Source: <https://wou.edu/finaid/estimated-expenses/cost-of-attendance/>

²⁴ Source: <https://www.oregon.gov/highered/research/Documents/Snapshots/WOU-Snapshot.pdf>

²⁵ Statewide averages from: <https://www.oregon.gov/highered/research/Documents/Snapshots/Statewide-Snapshot.pdf>

