

2025 UNIVERSITY EVALUATION: Southern Oregon University (ORS 352.061)



Source: Southern Oregon University

TABLE OF CONTENTS

INTRODUCTION

Legislative Mandate	3
Evaluation Process	3
Statewide Context	4
Local Conditions and Mission	5
Economic and Community Impact	6

ACCREDITATION

8

STUDENT ACCESS AND SUCCESS

10

AFFORDABILITY

17

ACADEMIC QUALITY AND RESEARCH

19

COLLABORATION

21

SHARED ADMINISTRATIVE SERVICES

23

FINANCIAL HEALTH ASSESSMENT

25

BOARD OF TRUSTEES

28

CONCLUSION

31

INTRODUCTION

This report is guided by Oregon Revised Statute (ORS) 352.061, which requires the Higher Education Coordinating Commission (HECC) to submit to the Legislative Assembly an evaluation of public universities listed in ORS 352.002. Each public university must be evaluated once every two years. The purpose of this 2026 report is to evaluate the contributions of Southern Oregon University (SOU) to State objectives for higher education as articulated in statute and in the HECC 2024-2029 Strategic Plan.

The report relies on a combination of accreditation reports, self-assessments and framework responses submitted by SOU, and state and federal data. This is the sixth biennial evaluation of SOU. It builds on the descriptive benchmarks and findings in prior evaluations while incorporating academic-year 2023-24 and 2024-25 data, Fall 2025 enrollment information, and more recent accreditation or financial developments when they materially affect the Commission's assessment.

The evaluation signals areas of key interest to HECC that support Oregon's higher education objectives: student success and completion; access and affordability across socioeconomic, racial/ethnic, and regional groups; academic quality and research; financial sustainability; economic and workforce contributions; and continued collaboration across institutions. It also reviews the work of the university's governing board under the criteria set forth in ORS 352.025. The report is not intended to be a comprehensive institutional review against the university's own mission; that broader assessment is undertaken through institutional accreditation and other university processes.

Legislative Mandate

Passed by the Oregon Legislature in 2013, Senate Bill 270 established individual governing boards at the University of Oregon and Portland State University and created a path for Oregon State University to establish its own governing board. House Bill 4018 (2014) and Senate Bill 80 (2015) authorized independent governing boards at Western Oregon University, Southern Oregon University, Oregon Institute of Technology, and Eastern Oregon University and accompanied the dissolution of the Oregon University System.

In 2017, the Legislature amended ORS 352.061 to require HECC to evaluate each public university once every two years. ORS 352.061(2) requires the evaluation to report on institutional outcomes, measures of progress, goals, and targets; assess progress toward the statewide mission for education beyond high school; and assess university governing boards against the findings in ORS 352.025, which includes the following provisions:

- Provide transparency, public accountability, and support for the university.
- Remain close to, and closely focused on, the individual university.
- Do not negatively affect public universities that do not have governing boards.
- Lead to greater access and affordability for Oregon residents without disadvantaging Oregon students relative to out-of-state students.
- Act in the best interests of both the university and the State of Oregon as a whole.
- Promote the academic success of students in support of statewide postsecondary goals.

ORS 352.025 also recognizes that, even under independent governing boards, there are benefits to a coordinated public university system, including economies of scale and continued sharing of services. The Legislature retains responsibility for monitoring the success of governing boards and their stewardship of state assets.

Evaluation Process

HECC developed the university evaluation framework through a collaborative workgroup beginning in 2015. University provosts, faculty representatives, state staff, and other institutional stakeholders participated in defining the purpose, scope, structure, and data elements of the evaluation. The

Commission adopted the framework in September 2015 and has continued to refine the process as institutional and statewide priorities have evolved.

A balanced assessment of Oregon’s public universities does not lend itself to a purely mechanical approach. HECC uses consistent statewide measures while also considering institutional mission, geography, program mix, student population, accreditation findings, financial context, and current conditions. The evaluation therefore integrates quantitative data with university narrative and documentary evidence to provide a focused assessment of each institution’s contribution to statewide goals.

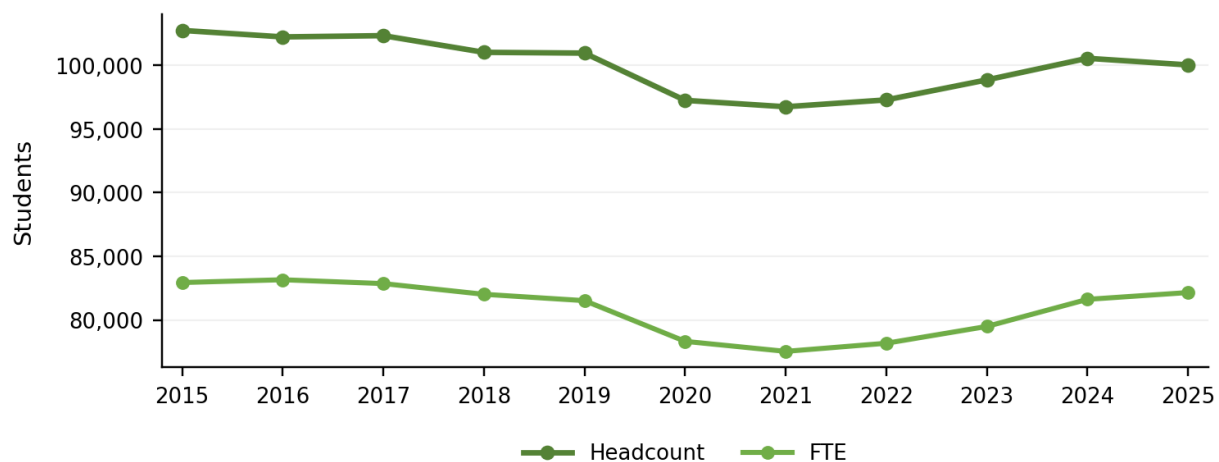
For this cycle, HECC requested two years of framework information and a current institutional narrative; supplemented the framework with centralized student data and financial analysis; and presented preliminary two-page summaries to the Commission in August 2026. This comprehensive evaluation incorporates subsequent institutional clarification and additional analysis. Where a university’s data or narrative uses a definition that differs from a HECC measure, this report relies on the definition identified in the source and avoids treating unlike measures as directly comparable.

Statewide Context

Oregon’s public universities operate under independent governing boards while remaining part of a coordinated statewide higher education system. The institutions share many of the same pressures: demographic change, uneven enrollment recovery, rising operating costs, student affordability, workforce demand, and the cost of maintaining academic and administrative capacity. Recent state investments have increased support for public universities and financial aid, but institutional sustainability continues to depend on the interaction of enrollment, tuition revenue, state funding, expenditure growth, and the ability to align programs and operations with changing student and workforce needs.

The technical and regional universities also participate in statewide academic coordination, transfer work, public-university councils, and selected shared administrative services. During the current cycle, EOU, Oregon Tech, SOU, WOU, and Portland State University received targeted state financial-sustainability funding for projects intended to reduce ongoing costs, increase revenue, improve recruitment and retention, and evaluate opportunities for shared administrative functions.

Figure 1: Oregon Public University Headcount and FTE Enrollment, Fall 2015-2025



Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 2. Headcount and FTE totals include all Oregon public universities and OSU-Cascades.

Governance Changes

ORS 352.025 recognizes both the benefits of institution-specific governing boards and the continuing advantages of statewide coordination and economies of scale. Many administrative services that were once

centralized under the Oregon University System are now provided institutionally, through USSE, through inter-institutional agreements, or through outside vendors. The universities continue to collaborate through retirement-plan administration, collective bargaining, treasury and debt services, risk management, academic pathways, transfer policy, shared procurement, and other joint work.

Local Conditions and Mission¹

Southern Oregon University is based in Ashland, with additional programming and partnerships in the Rogue Valley. The institution combines a liberal-arts foundation with professional and applied programs that serve regional workforce needs, and it maintains significant cultural, educational, and community partnerships throughout southern Oregon.

The current evaluation period has also been defined by significant institutional restructuring. SOU's 2023 Forward Plan, 2025 Resiliency Plan, and 2026 Vitality Plan reflect successive efforts to reduce structural deficits, reshape the academic and administrative portfolio, diversify revenue, and position the university for long-term sustainability. The Board declared financial exigency in August 2025 and has continued to oversee a broad transformation effort.

At the same time, SOU continues to pursue regional access and workforce priorities through community-college transfer pathways, K-12 partnerships, arts and cultural collaborations, OHSU nursing, health and behavioral-health partnerships, sustainability initiatives, and professional programs. The university's mission therefore remains closely tied to both regional service and the financial capacity needed to sustain that service.

SOU's location in the Rogue Valley gives the institution a regional role that extends beyond degree delivery. The university supports arts and culture, educator and health-workforce pipelines, sustainability initiatives, civic partnerships, and economic development in a region that is geographically distant from Oregon's largest population centers.

The evaluation period is also defined by substantial institutional restructuring. SOU's financial plans are not separate from its academic mission: decisions about program array, staffing, administrative services, property, and revenue diversification are intended to preserve long-term capacity to serve southern Oregon while bringing recurring expenditures into alignment with recurring revenue.

Vision:

Southern Oregon University will become an inclusive, sustainable university for the future that guides all learners to develop the knowledge, capacities, and audacity to innovate boldly and create lives of purpose.

Mission:

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

- We inspire curiosity and creativity, compel critical thinking, foster discovery, and cultivate bold ideas and actions.
- We achieve student success, professional preparation, and civic engagement through service excellence, evolving technologies, and innovative curriculum.
- We foster access, equity, inclusion and diversity in thought and practice.
- We prepare our learners to be responsible, engaged citizens in our democracy.
- We promote economic vitality, sustainability, cultural enrichment, and social well-being in our region, the state, the nation, and the world.

Values:

¹ Source: University mission, strategic-planning, and current evaluation materials. <https://sou.edu/strategic-planning/vision-mission-values/>

- The well-being and success of all learners
- Critical thinking, discovery, and engaged learning
- Equity, diversity, and inclusion
- Creativity and collaboration
- Excellence, continuous improvement, and accountability
- A healthy, safe, and civil campus
- Economic vitality and environmental sustainability
- Improving our community, region, and world

Economic Impact

A comprehensive economic impact study conducted in spring 2026 by Econsult Solutions, Inc. identifies Southern Oregon University as a primary driver of regional and statewide prosperity. The study estimates a total statewide impact of \$730 million, representing approximately 24 times the state's \$30.4 million investment in SOU operating expenses. Within southern Oregon, the study estimates an annual impact of \$532.5 million, including \$440.1 million in Jackson County.

The study estimates that SOU supports 4,060 direct, indirect, and induced jobs that generate \$202.4 million in annual earnings. SOU reported a network of 26,165 alumni living in Oregon, including 18,473 alumni in the workforce. The study estimates that these alumni receive an aggregate annual wage premium of \$362.6 million attributable to their university degrees. SOU also reported that approximately 68 percent of its bachelor's degree earners remain in Oregon to work for at least one year after graduation.

Campus operations, student and visitor spending, construction, and tourism are additional contributors to the regional economy. SOU reported that an average of 24,042 visitors come to campus annually and that student and visitor activity accounts for substantial spending in southern Oregon. Capital construction also contributes to regional activity and employment. Beyond these direct economic effects, SOU supports workforce and community development through educator preparation, healthcare and behavioral-health partnerships, the Oregon Center for the Arts, and sustainability initiatives.

Table 1: SOU Reported Economic Impact Measures

Measure	Reported Impact
Statewide annual economic impact	\$730 million
Regional impact (southern Oregon)	\$532.5 million
Jackson County impact	\$440.1 million
Jobs supported	4,060
Annual earnings supported	\$202.4 million
Oregon alumni in workforce	18,473
Annual alumni wage premium	\$362.6 million

Source: Econsult Solutions, Inc., 2026 economic impact study, as reported by Southern Oregon University in its 2024-25 evaluation framework.

Workforce and Alumni Contributions

SOU's workforce impact is linked to educator preparation, behavioral health, business, public service, creative industries, and regional health partnerships. The university's collaboration with OHSU supports nursing education in Ashland, while relationships with regional healthcare and social-service organizations expand experiential learning and workforce capacity.

Five years after graduation, 71.2 percent of resident graduates from the 2017-18 cohort were employed in Oregon. The 2026 Econsult analysis separately estimates a substantial wage premium for Oregon-resident SOU alumni. Together, these measures indicate that SOU's economic contribution includes both current institutional spending and the longer-run earnings and productivity of graduates who remain in the state.

SOU also contributes through arts, culture, tourism, sustainability, and public engagement. The Oregon Center for the Arts and partnerships with the Oregon Shakespeare Festival and Ashland Independent Film Festival connect academic programming to the region's cultural economy, while the Institute for Applied Sustainability supports applied research, student learning, and community engagement.

Regional and Community Role

SOU serves as an anchor institution for southern Oregon through education, arts and culture, workforce development, sustainability, health partnerships, and civic engagement. Its location and partnerships allow the university to support communities across Jackson and Josephine counties and the broader region while also contributing to statewide educational and economic goals.

ACCREDITATION

A comprehensive assessment of academic and institutional quality is provided through accreditation by the Northwest Commission on Colleges and Universities (NWCCU), which accredits Oregon's public universities. Accreditation is an institution-wide peer-review process focused on mission fulfillment, student learning and achievement, institutional effectiveness, governance, resources, and continuous improvement. Accreditation applies to the institution as a whole and does not replace specialized professional accreditation for individual programs.

NWCCU's current seven-year cycle includes annual reporting, a Mid-Cycle Review, a Policies, Regulations, and Financial Review, and an Evaluation of Institutional Effectiveness, with ad hoc reporting or visits when the Commission determines additional evidence is necessary. HECC uses accreditation findings as an external source of evidence while maintaining a separate statutory focus in this evaluation.

Southern Oregon University is a member institution of the Northwest Commission on Colleges and Universities (NWCCU), and its institutional accreditation remains active. SOU's accreditation was reaffirmed in 2024 following its Year Seven Evaluation of Institutional Effectiveness. That review identified multiple recommendations for continuous improvement and two areas requiring action related to student-achievement benchmarking and use of benchmarked indicators in planning and resource allocation.

On August 5, 2026, NWCCU placed Southern Oregon University on probation pending resolution of issues related to finances. SOU's public accreditation page states that the university remains actively accredited while on probation. The action substantially raises the importance of financial viability, implementation of the university's Vitality Plan, and evidence that institutional planning and resource allocation support continued mission fulfillment.

SOU reports specialized accreditation or external approval in several professional areas, including business through the Accreditation Council for Business Schools and Programs (ACBSP), Clinical Mental Health Counseling through CACREP, educator preparation through AAQEP and the Oregon Teacher Standards and Practices Commission, and Environmental Education through the North American Association for Environmental Education. Institutional materials also identify other program-level accreditation and professional review where applicable.

Probation and Current Accreditation Status

Probation is an accreditation sanction, but it is not loss of accreditation. SOU's public accreditation page explicitly states that the institution's current accreditation status remains active while the university works to resolve the financial issues identified by NWCCU. Because the sanction occurred after the 2024 reaffirmation and during the period in which this final evaluation was being completed, it is a material current development and is included here even though it falls after the primary two academic years covered by the framework.

The accreditation action should be read together with the Financial Health Assessment later in this report. HECC's financial analysis identifies long-term enrollment decline, repeated E&G operating deficits, and depleted operating reserves as major sustainability concerns. SOU's response includes the SOU Forward, Resiliency, and Vitality planning efforts and significant additional reductions and restructuring.

Specialized and Professional Accreditation

Program Area	Accreditor / Status
Business	Accreditation Council for Business Schools and Programs (ACBSP)
Clinical Mental Health Counseling	Council for Accreditation of Counseling and Related Educational Programs (CACREP)
Educator preparation	AAQEP / Oregon Teacher Standards and Practices Commission
Environmental Education	North American Association for Environmental Education

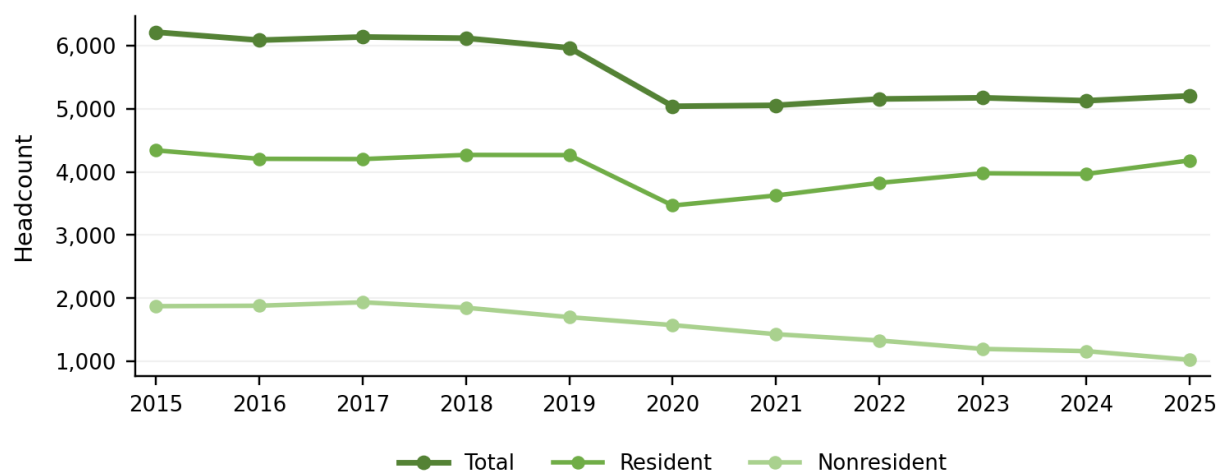
Current institutional accreditation information: <https://institutionalresearch.sou.edu/accreditation-resources/>

STUDENT ACCESS AND SUCCESS

This section tracks enrollment, student characteristics, retention, graduation, transfer outcomes, degree completion, and post-graduation employment. The primary sources are the HECC Office of Analytics and Strategy workbooks submitted for the 2025 evaluation cycle. The analysis uses multiple workbook tabs and time horizons to distinguish short-term movement from longer-term trends. Unless otherwise noted, fall enrollment is fourth-week headcount and FTE follows HECC's standard credit-hour methodology.

Between Fall 2023 and Fall 2025, total headcount at SOU increased from 5,175 to 5,206 students, a change of 31 students (0.6 percent). Over the same period, FTE changed from 3,236.2 to 3,150.2. These measures are related but not identical; institutions with substantial dual-credit, part-time, online, or nontraditional enrollment can experience different movement in headcount and FTE.

Figure 2: SOU Fall Headcount Enrollment by Residency, 2015-2025



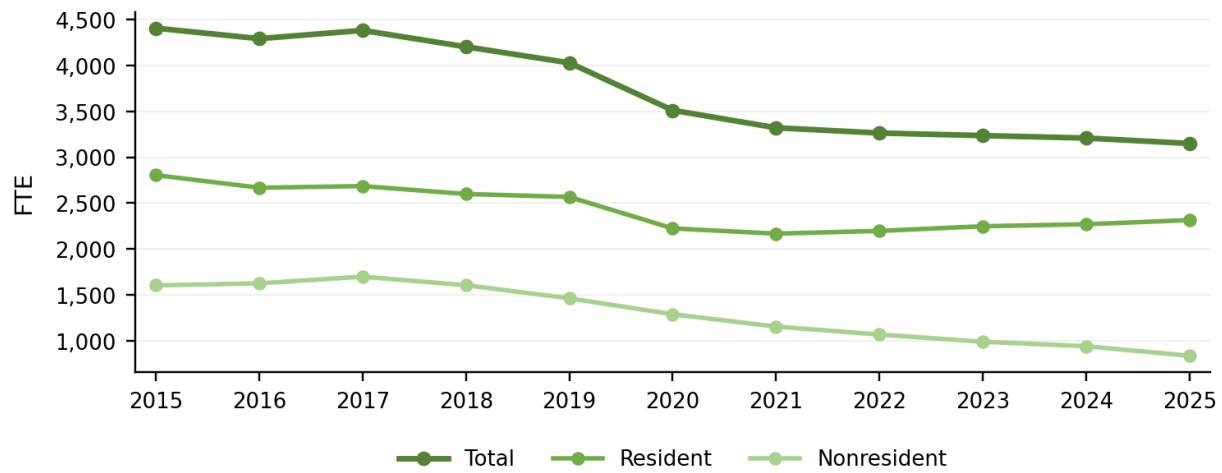
Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 2.

Table 3: SOU Fall Headcount Enrollment by Residency, 2015-2025

Fall	Resident	Nonresident	Total
2015	4,342	1,873	6,215
2016	4,208	1,880	6,088
2017	4,204	1,935	6,139
2018	4,270	1,849	6,119
2019	4,267	1,699	5,966
2020	3,468	1,573	5,041
2021	3,627	1,429	5,056
2022	3,827	1,329	5,156
2023	3,979	1,196	5,175
2024	3,968	1,161	5,129
2025	4,182	1,024	5,206

Source: HECC Office of Analytics and Strategy, 15-Year Headcount by Residency tab.

Figure 3: SOU Fall FTE Enrollment by Residency, 2015-2025



Source: HECC Office of Analytics and Strategy, 15-Year FTE by Residency tab.

Current Enrollment Profile

Table 4: SOU Fall 2024 Enrollment Profile

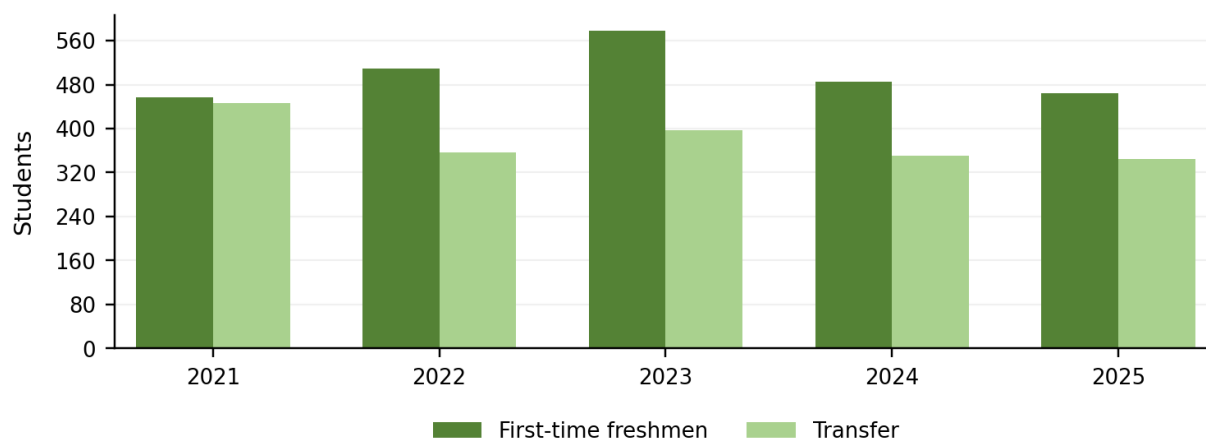
Measure	Headcount	Share of Enrollment
Resident	3,968	77.4%
Nonresident	1,161	22.6%
Full-time	2,472	48.2%
Part-time	2,657	51.8%
Undergraduate	4,251	82.9%
Graduate - Master's	878	17.1%
Graduate - Doctoral/Professional	0	0.0%
Pell Grant recipients	1,439	28.1%
Underrepresented minorities	830	16.2%

Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 1, Current Year Data - Pell Update.

Newly Admitted Undergraduates

New student volume helps indicate the strength and composition of the future enrollment pipeline. The HECC workbook separates first-time freshmen from transfer students, allowing the evaluation to distinguish changes in traditional direct-entry recruitment from transfer enrollment.

Figure 4: SOU Newly Admitted Undergraduates by Entry Path, Fall 2021-2025



Source: HECC Office of Analytics and Strategy, Newly Admitted Undergraduates by Entry Path tab.

Table 5: SOU Newly Admitted Undergraduates, Fall 2021-2025

Fall	First-Time Freshmen	Transfers	Total New Undergraduates
2021	457	446	903
2022	510	356	866
2023	578	397	975
2024	486	351	837
2025	464	345	809

Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 2, Newly Admitted Undergraduates by Entry Path tab.

SOU's headcount remained relatively stable between Fall 2023 and Fall 2025 even as FTE continued to decline. This divergence is consistent with a student mix that includes substantial part-time, adult, graduate, and dual-credit enrollment and is important to the institution's financial context because headcount growth does not necessarily translate into equivalent instructional FTE or net tuition revenue.

Enrollment by Race and Ethnicity

The current HECC framework identifies underrepresented minority students as students who identify as Black, Hispanic, American Indian/Alaska Native, Native Hawaiian/Pacific Islander, or as two or more races including at least one of those categories. The table below shows recent movement across the same categories used in the evaluation workbook.

Table 6: SOU Headcount Enrollment by Race/Ethnicity

Race/Ethnicity	Fall 2023	Fall 2024	Fall 2025	Change
Nonresident Alien	61	54	43	-18
American Indian/Alaska Native	74	68	73	-1
Asian	129	96	87	-42
Black	68	66	61	-7
Hispanic	532	465	431	-101
Native Hawaiian/Pacific Islander	67	40	36	-31
White	2,332	2,038	1,822	-510

Race/Ethnicity	Fall 2023	Fall 2024	Fall 2025	Change
Two or More Races, URM	207	191	193	-14
Two or More Races, not URM	75	79	68	-7
Unknown	1,630	2,032	2,392	+762
URM subtotal	948	830	794	-154
Total	5,175	5,129	5,206	+31

Source: HECC Office of Analytics and Strategy, Headcount by Ethnicity (10-year) tab.

SOU's Fall 2025 race/ethnicity data include a large "Unknown" category. That reporting pattern limits the conclusions that can be drawn from changes in individual race/ethnicity categories and should be considered when interpreting URM shares over time.

Age and Student Level

The Fall 2025 age distribution provides additional context for institutional mission and modality. It is particularly useful for interpreting institutions with large dual-credit populations or substantial adult and graduate enrollment.

Table 7: SOU Fall 2025 Enrollment by Age

Age Group	Headcount	Share
Under 18	1,152	22.1%
18-24	2,256	43.3%
25-29	371	7.1%
30-35	270	5.2%
Over 35	1,127	21.6%
Unknown	30	0.6%

Source: HECC Office of Analytics and Strategy, Fall Enrollment by Age and Student Level tab.

Retention, Graduation, and Transfer Outcomes

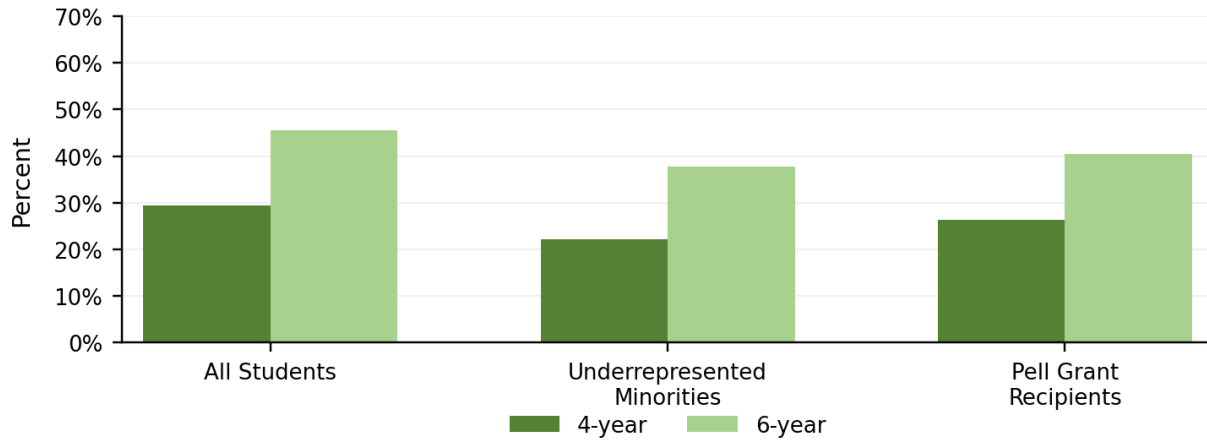
HECC's graduation-rate methodology includes students who begin at the institution and subsequently complete at another Oregon public university. Retention similarly includes students who remain enrolled at the original institution or transfer and enroll at another Oregon public university in the following fall. These definitions are intended to capture statewide student progress rather than only institutional persistence.

Table 8: SOU Graduation Rates, Fall 2018 First-Time/Full-Time Cohort

Student Group	4-Year	5-Year	6-Year
All Students	29.5%	42.0%	45.5%
Underrepresented Minorities	22.2%	32.7%	37.7%
Pell Grant Recipients	26.3%	36.0%	40.5%

Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 1, Current Year Data - Pell Update.

Figure 5: SOU Four- and Six-Year Graduation Rates, Fall 2018 Cohort



Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 1.

Table 9: SOU Retention and Transfer Outcomes

Student Group	First-Year Retention - Fall 2023 Cohort	Transfer Graduation within Four Years - Fall 2018 Cohort
All Students	73.0%	65.5%
Underrepresented Minorities	68.5%	56.9%
Pell Grant Recipients	70.9%	65.8%

Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 1.

For the Fall 2018 cohort, the six-year graduation-rate difference between all students and underrepresented minority students was 7.8 percentage points, while the difference between all students and Pell Grant recipients was 5.0 percentage points. Transfer graduation outcomes were generally closer to the overall institutional rate, illustrating the importance of examining direct-entry and transfer populations separately.

Degree and Credential Completion

Degree and credential completion is reviewed alongside enrollment because changes in completion volume can reflect both institutional performance and the size and composition of entering cohorts. The long-term overview includes resident and nonresident completions by award type; the table below combines residency categories to show total awards.

Table 10: SOU Completions by Award Type

Academic Year	Certificates	Associate	Bachelor's	Master's	Doctoral/Professional
2021-22	201	0	710	236	0
2022-23	192	0	625	245	0
2023-24	1,063	0	634	251	0
2024-25	826	0	559	212	0

Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 2, Degrees by Award Type (10-year) tab.

The large increase in reported SOU certificate completions beginning in 2023-24 reflects the credential categories contained in the HECC source workbook. Because the source data include certificate activity beyond traditional degree completion, this report presents those values as reported and does not reinterpret them as bachelor's-degree completions.



Source: HECC Office of Analytics and Strategy, Degrees by Award Type (10-year) tab.

For 2024-25, the current evaluation workbook separately identifies 559 undergraduate degrees and 212 master's degrees. Of the undergraduate degrees, 125 were awarded to underrepresented minority students and 283 to Pell Grant recipients.

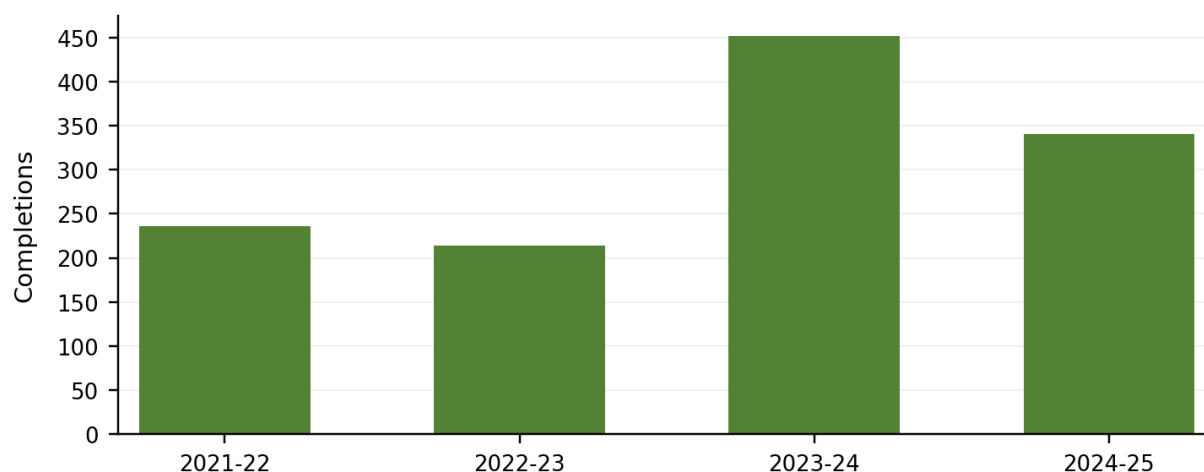
Completions by Underrepresented Minority Status

Table 11: SOU Underrepresented Minority Completions - All Award Types

Academic Year	URM Completions
2021-22	236
2022-23	214
2023-24	452
2024-25	340

Source: HECC Office of Analytics and Strategy, 2025 Evaluation Data Request 2, Degrees by Race/Ethnicity (10-year) tab. URM totals combine the categories used in the HECC framework.

Figure 7: SOU Underrepresented Minority Completions, 2021-22 to 2024-25



Source: HECC Office of Analytics and Strategy, Degrees by Race/Ethnicity (10-year) tab. URM totals combine the categories used in the HECC framework.

Employment in Oregon After Graduation

Five years after graduation, 71.2 percent of resident graduates from the 2017-18 cohort were employed in Oregon, based on matched HECC and Oregon Employment Department data. This indicator provides one measure of the institution's contribution to Oregon's workforce. It does not capture graduates employed outside the state, some self-employed individuals, or graduates continuing their education, and should therefore be interpreted as a state-employment measure rather than a comprehensive employment rate.

AFFORDABILITY

Affordability, more specifically the affordability rate, is a key performance measure used in tracking the factors that contribute to student attainment and equity in alignment with Oregon's higher education goals. As a result, it is a consideration in the university evaluation process. This section includes a discussion of student costs and provides information on the affordability rate over time.

Tuition and fee rates can vary based on several factors including a student's academic year (or cohort), declared major, and residency. The governing boards have authority to set tuition and fee rates; however, they must seek HECC approval for any annual increase of greater than five percent for undergraduate, resident tuition and mandatory fees. Tuition and fee setting is complex with ORS 352.103 laying out requirements for an annual process at each university which requires staff and student participation.

Table A shows the trend in undergraduate, resident tuition and mandatory fees for the past decade unadjusted for inflation. This is for full-time students taking 45 credits over three terms in a given academic year. Differential tuition and course fees are not included. The average annual increase across all Oregon public universities over this period is 4.5 percent, with an average annual increase of 5.1 percent for SOU, compared to consumer inflation of 3.7 percent.

Table A: Undergraduate, Resident Tuition and Mandatory Fees (Full-time enrollment, unadjusted for inflation)					
	Academic Year 2016-17	Academic Year 2025-26	Variance	Variance	Annual Growth Rate
SOU	\$8,523	\$13,298	\$4,774	56%	5.1%
Statewide	\$9,114	\$13,582	\$4,468	49%	4.5%
Source: HECC Office of Analytics and Strategy. Full-time represents 15 credits for undergraduates.					

Universities establish a total cost of attendance, or sticker price, which includes tuition and fees, books and supplies, room and board, and personal expenses. During 2023-24, tuition and related fees made up 41 percent of the total cost of attendance on average. Table B shows the change in the total cost of attendance for full-time students over the past decade unadjusted for inflation. The average annual increase across all Oregon public universities over this period was 3.4 percent, which is the same as the rate of consumer inflation.

Table B: Total Cost of Attendance (Full-time, unadjusted for inflation)					
	Academic Year 2014-15	Academic Year 2023-24	Variance	Variance	Annual Growth Rate
SOU	\$20,796	\$31,852	\$11,056	53%	4.9%
Statewide	\$23,832	\$32,292	\$8,460	35%	3.4%
Source: Public University Data Dashboard as published by the HECC Office of Analytics and Strategy, accessed January 13, 2026. Labeled as estimated cost of attendance for full-time.					

For most students, the total cost of attendance may be partially offset by financial aid including institution remissions and waivers. As a result, many students pay less than the sticker price. Table C shows the change in the average net price for full-time students after accounting for public financial aid and institutional aid. The average annual increase across all Oregon public universities over this period was 3.0 percent, which is less than the rate of consumer inflation. An estimated quarter of students do not apply for financial aid and an estimated one-third do not receive financial aid. Therefore, a fair number of students who do not receive need-based aid may experience a different net price than what is presented.

Table C: Average Net Price (Full-time, unadjusted for inflation)					
	Academic Year 2014-15	Academic Year 2023-24	Variance	Variance	Annual Growth Rate
SOU	\$11,099	\$17,767	\$6,668	60%	5.4%
Statewide	\$14,484	\$18,898	\$4,414	30%	3.0%
Source: Public University Data Dashboard as published by the HECC Office of Analytics and Strategy, accessed January 13, 2026. Labeled as estimated cost of attendance after public/institution aid.					

This data also suggests the average discount to the total cost of attendance has grown slightly over time for all public universities from 39 percent to 41 percent from 2014-15 to 2023-24. The average discount rate for SOU declined from 47 percent to 44 percent from 2014-15 to 2023-24.

The affordability rate is defined as the percentage of students, overall and by race/ethnicity, whose expected costs are greater than their expected resources. A higher number, therefore, indicates lesser affordability. It is measured by comparing the cost of attendance at a college or university with the expected financial resources available for each student including financial aid, the family's contribution, and an estimate of the student's earnings while enrolled. The cost of attendance data comes from the universities and includes estimates for the average, full-time student for tuition and fees, housing, books, supplies, transportation, and personal expenses. The cost of attendance does not include expenses that some students will face such as the cost of caring for children or other family members, health issues, and unexpected events.

Table D: Trend in Affordability Rate		
	Statewide	SOU
2014-15	63%	57%
2015-16	62%	60%
2016-17	61%	60%
2017-18	61%	56%
2018-19	60%	60%
2019-20	57%	59%
2020-21	54%	55%
2021-22	47%	52%
2022-23	50%	51%
2023-24	45%	44%
Source: Public University Data Dashboard as published by the HECC Office of Analytics and Strategy, accessed January 13, 2026.		

Table D includes the trend in the overall affordability rate for all seven public universities and SOU specifically. This data comes from the Public University Data Dashboard available on the HECC's website. Within the dashboard, the affordability rate can be further explored by race/ethnicity, Pell recipient status, geographic origin (urban, rural, mixed), and gender. Over time, the affordability rate has improved in part due to increased public financial aid and increased institutional aid. Expanded federal supports during the pandemic had an impact for a few years after 2020.

ACADEMIC QUALITY AND RESEARCH

HECC relies on four broad areas to track academic quality and research at each institution: regular external accreditation reviews; evidence of systematic academic program and curriculum review; regular faculty evaluation and opportunities for professional development; and institutional research, scholarship, or grant activity. These measures are not a substitute for peer accreditation or discipline-specific review, but they provide consistent points of assessment across Oregon's public universities.

Curriculum Review and Approval

SOU maintains a faculty-led curriculum process in which academic proposals move through program and school review, university curriculum or graduate governance, Faculty Senate, and—when required—Board and statewide review. This structure is intended to ensure that new programs and substantive changes receive academic, administrative, and governance review before implementation.

Academic Program Review and Assessment

SOU's academic program review process has been used to examine program quality, outcomes, demand, and improvement on a recurring cycle. The university has also continued to strengthen assessment of student learning and institutional effectiveness in response to NWCCU recommendations. Those processes now intersect directly with the university's academic restructuring and financial-sustainability work, making evidence about outcomes, demand, and mission alignment increasingly important to program decisions.

Faculty Evaluation

The SOU Faculty Bylaws establish evaluation processes for faculty, including timelines and procedures for non-tenured faculty, promotion and tenure, and annual Faculty Professional Activity Reports. Faculty evaluation considers teaching, scholarship, service, and professional goals. These processes provide a recurring mechanism for documenting performance and development.

Faculty Professional Development

The Center for the Advancement of Teaching and Learning (CATL) is SOU's primary centralized resource for teaching and faculty development. CATL supports professional learning communities, workshops, course design, direct consultation, learning technologies, accessibility, and instructional innovation. The center also supports cross-departmental scholarship and provides a venue for faculty to test and implement new approaches to teaching and learning.

Sponsored Programs and Research

SOU's Sponsored Programs Office supports pre-award and post-award grant activity, with additional accounting support for grant management. SOU reported approximately \$4.631 million in grants and contracts awarded in FY2024-25 and approximately \$3.909 million in FY2025-26. The university also reported that a \$2.0 million U.S. Department of Energy award was re-scoped to support academic programming and student fellowships related to solar energy, workforce development, and community resilience.

Applied Sustainability

The Institute for Applied Sustainability provides another mechanism for integrating faculty scholarship, student experiential learning, curriculum, and campus operations. Current institutional materials describe faculty fellowships, innovation funds, student opportunities, regional convenings, and campus clean-energy initiatives as parts of the institute's work. This approach reflects SOU's broader emphasis on using the campus as a living laboratory for sustainability and workforce preparation.

Current Institutional Framework Evidence

SOU participates in a number of accreditation processes institution wide and at program levels as documented in the following documents:

Accreditation

- SOU Evaluation of Institutional Effectiveness (7-year report) Accreditation Reaffirmation letter NWCCU Notice of action August 2026.
- Business: Accreditation Council for Business Schools and Programs (ACBSP).
- Clinical Mental Health Counseling: Council for Accreditation of Counseling and Related Educational Programs (CACREP)
- Education: Oregon Teacher Standards and Practices Commission (TSPC)

The institution evaluates faculty using an identified faculty evaluation process.

The faculty evaluation process is detailed in the SOU Faculty By-Laws. Section 5.330 covers the evaluation timeline for non-tenured faculty. Faculty evaluations figure prominently in the promotion and tenure process outlined in section 5.200 of the by-laws. In addition, all faculty complete a Faculty Professional Activity plan. Section 5.340 provides details on the FPAR process.

Institution supports Faculty Professional Development

Academic Quality and Research

SOU provides support for faculty across both teaching and scholarship. The primary venue for this support is the Center for the Advancement of Teaching and Learning (CATL). CATL provides leadership in instructional excellence across all learning environments by facilitating professional learning communities and workshops, supporting cross-departmental research and scholarship initiatives, and managing the university's learning technology ecosystem. Through professional development events, trainings, direct consultations, and program sponsorship, CATL empowers faculty to pilot, test, and implement innovative best practices in curriculum and instruction.

In parallel, the SOU Sponsored Programs Office (SPO) is staffed by a Director of Sponsored Programs, and a Post-Award Manager, to support faculty who are seeking and/or managing research grants, including federal, state, local, and non-profit grants and contracts. SOU also has a Grants and Contracts Accountant who assists in post-award management and invoicing of grants. SOU was awarded approximately \$4,631,000 in grants and contracts in FY24-25. This includes programmatic grants, SOULA contracts, faculty research grants, and solar infrastructure projects.

SOU was awarded approximately \$3,909,000 in grants and contracts in FY25-26 and in the prior year, FY2024, it was awarded a \$2,000,000 grant from DOE for solar infrastructure, that was re-scoped into a grant for academic programming and student fellowships, which was approved and begun in FY26. Southern Oregon University (SOU) will serve as a regional demonstration site for the power and potential of solar energy, showcasing how sustainable infrastructure can drive workforce development, educational innovation, and community resilience while reducing greenhouse gas emissions. By integrating resilient energy infrastructure with hands-on learning and workforce training, SOU will prepare the next generation of professionals to lead in renewable energy generation, energy management, and climate resilience.

COLLABORATION

Oregon law and the university-evaluation framework recognize that independent governing boards do not eliminate the benefits of coordination across the public higher education system. Collaboration includes statewide councils and governance, transfer and dual-credit pathways, joint academic programs, research partnerships, workforce initiatives, shared facilities, and work with community colleges, K-12 schools, Tribal governments, local governments, nonprofits, and industry.

Statewide Transfer and Pathways Work

Transfer student success has been a sustained area of statewide policy and institutional collaboration. Oregon's public universities and community colleges work through the Transfer Council and related faculty and operational groups on common course numbering, Major Transfer Maps, general-education alignment, transfer policy, and implementation issues. The purpose of this work is to reduce unnecessary credits, improve transparency for students, and create more predictable pathways between institutions.

High-school-based college credit and other accelerated-learning programs are another area of shared work. Public universities participate in statewide review and coordination intended to ensure that college credit earned in high school is appropriately aligned, transferable, and supported by clear information for students. The scale of these programs differs substantially by institution and is important context for both access and enrollment data.

University presidents, provosts, finance officers, general counsels, public-information officers, faculty representatives, and other institutional leaders also participate in statewide councils and networks. These groups provide ongoing venues for coordination on legislation, academic policy, finance, transfer, collective bargaining, research, operations, and emerging statewide issues.

Lithia & Driveway / Institute for Applied Sustainability

Through a major philanthropic partnership with Lithia & Driveway, SOU established the Institute for Applied Sustainability. The institute supports faculty research, curricular innovation, student experiential learning, regional convenings, and clean-energy campus infrastructure, linking external partnership resources directly to academic and community outcomes.

Arts and Creative Economy

SOU's Oregon Center for the Arts collaborates with the Oregon Shakespeare Festival on acting traineeships, technical-design internships, arts administration, guest instruction, and mentoring. The Digital Cinema program's partnership with the Ashland Independent Film Festival provides internships, masterclasses, technical-production experience, and public showcases for student work.

Community College Pathways

SOU works with Rogue Community College and Klamath Community College on 2+2 pathways, articulation, synchronous remote instruction, transfer advising, and student support. The Osprey/Pirates to Raiders model uses direct data sharing and proactive advising to connect RCC students with SOU, while reverse-transfer and resource-sharing arrangements reduce barriers for students moving between institutions.

Health Partnerships

SOU hosts the OHSU School of Nursing Ashland campus within university facilities, supporting a regional pathway into nursing. SOU also reports a partnership with La Clinica to operate the campus Student Health and Wellness Center, shifting clinical and administrative overhead to a regional nonprofit while expanding integrated medical, behavioral-health, dental, and substance-use services for students.

Regional Civic Engagement

SOU reports active participation with regional economic-development, workforce, sustainability, arts, government, and nonprofit organizations. These relationships extend the institution's role beyond formal academic partnerships and connect faculty, staff, students, and university facilities to regional priorities.

Statewide Collaboration Participation

Table 12: SOU Statewide Collaboration Participation

Collaborative Activity	SOU Response
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	P
Capital Construction Services	P
OWAN	NP
NERO Network	NP
RAIN	NP
Orbis Cascade Alliance	P
ONAMI	NP
Other	N/P not indicated

Source: University 2024-25 evaluation framework. P = participation; N/P or NP = non-participation where provided by the institution.

SHARED ADMINISTRATIVE SERVICES

Following dissolution of the Oregon University System, the seven public universities created the University Shared Services Enterprise (USSE), hosted by Oregon State University, to provide selected back-office functions on a fee-for-service basis. Participation requirements and service offerings have changed over time, and universities now use a mix of USSE, institutionally provided services, inter-institutional agreements, and external vendors.

Evolution of the Shared-Service Model

The prior statewide shared-services assessment documented a substantial contraction in USSE over the decade following dissolution of the Oregon University System. In FY2015, USSE had approximately 32 staff and a \$4.8 million operating budget, and universities used an average of about eleven services. By FY2025, USSE budgeted approximately 5.2 FTE and \$1.3 million, with universities using an average of roughly six services. The change reflects universities bringing financial reporting, payroll-related functions, and information technology in-house or moving them to other providers while retaining selected common functions.

Table 13: Statewide USSE Context, FY2015 and FY2025

Measure	FY2015	FY2025
Approximate USSE staff	32 FTE	5.2 FTE
Approximate operating budget	\$4.8 million	\$1.3 million
Average number of services used per university	11	6

Source: HECC 2024 university evaluations, statewide shared administrative services assessment; USSE staff data reported February 2025.

Several functions continue through statewide or multi-institution arrangements even when they are not delivered by USSE. The University of Oregon hosts administration of the Oregon Public Universities Retirement Plans. Six of the seven public universities participate in the Public Universities Risk Management Insurance Trust (PURMIT). Collective bargaining and selected treasury and debt services also continue to involve shared or coordinated arrangements.

TRU + PSU Shared Administrative Services Work

The current state financial-sustainability investment for EOU, Oregon Tech, SOU, WOU, and PSU includes an assessment of opportunities to share or standardize administrative functions. The service areas identified for assessment include purchasing and procurement; information technology, platforms, and cybersecurity; legal services; compliance and risk management; internal audit; payroll; and human-resource functions such as training and recruitment. The intended outcome is actionable implementation planning tied to both service quality and cost savings.

SOU Current Participation

Shared Service / Function	SOU 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*)	N/P
Collective Bargaining *	P
Information Technology/5th Site	N/P
Treasury Management Services:	
Legacy Debt Services-Post Issuance Tax Compliance	P

Shared Service / Function	SOU Response
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	N/P
Risk Management Analyst (TRUs only)	N/P
Public University Fund Administration	N/P
Southern Oregon University	
Retirement Plans *	
Legacy 401(a) Plan	P
Legacy 403(b) Plan	P
Optional Retirement Plan (ORP)	P
Tax-Deferred Investment (TDI) Plan	P
SRP Plan	P
Public University Risk Management and Insurance Trust (Risk Management)	P
Notes: All retirement plan administration handled by SOU directly with providers; SOU collaborates with other universities as necessary for cross-institutional data sharing needs.	

Source: University 2024-25 evaluation framework. Blank responses are shown as a dash and are not interpreted as participation or non-participation.

Current Institution-Specific Activity

SOU reports active examination of shared administrative services with PSU and the other technical and regional universities in areas including legal services, internal audit, multi-state tax and payroll compliance, cybersecurity infrastructure, and centralized professional-development platforms. SOU also participates in the joint stopped-out-student re-engagement contract and uses partnership-based service models such as the La Clinica student-health arrangement.

FINANCIAL HEALTH ASSESSMENT

This section provides an assessment of the university's current financial position, provides information on cost efficiency, and summarizes recent budget actions as well as recent, targeted state investment to improve sustainability. Financial monitoring is conducted annually by HECC staff. The most recent report, titled Financial Sustainability of Oregon Public Universities, was published in June 2025.

The financial sustainability report is an attempt to provide warning of potential instability for policy makers. While no singular method of analysis is perfectly capable of determining long-term financial sustainability, the report uses currently available data. It assesses three factors that lead to an increased risk of predictable instability including sharp declines in enrollment, declines in financial ratios over time, and an increased reliance on a single revenue source (i.e., state funding). The trends for all three are summarized in this section. Also, the analysis in the report uses a dual perspective approach, by providing information across the whole enterprise including the foundation for the composite financial index, and then only for the education and general (E&G) fund for the reliance on state funding.

The most important predictor of financial instability is enrollment. Specifically, significant declines in enrollment over a short period of time. Table E considers fall fourth week total FTE enrollment over the past decade for SOU and the public universities combined. SOU's enrollment over the past decade has fallen more than that of the public universities collectively. The trend in enrollment is noted as stable in Table 1 on page 7 of the 2025 financial sustainability report.

Table E: Fall Fourth Week, Total FTE					
	Fall 2016	Fall 2025	Variance	Variance	Annual Growth Rate
SOU	4,293	3,150	(1,143)	(27%)	(3.4%)
All OPUs	83,159	82,154	(1,005)	(1%)	(0.1%)
Source: HECC Office of Analytics and Strategy.					

Additionally, by evaluating the composite financial index (CFI), the trend in SOU's finances is noted as "struggling" over the recent past when considering the whole enterprise (i.e., all funds which include E&G, restricted, auxiliary, etc. and the expendable portion of the foundation's net assets). As shown in Table 8 on page 13 of the 2025 financial sustainability report, the CFI in FY2020 for SOU was (1.17) and 1.27 in FY2024. However, the industry standard for sustainability is 3.0 or above.

Table F provides a summary of the five-year trend in the E&G fund. During four of the past five years, SOU has generated a negative operating margin with expenses exceeding available revenue. During the period noted, expenses have grown an average of 4.9 percent annually while revenues have grown an average of 0.9 percent annually. As a result, SOU's fund balance has declined significantly.

Table F: Trend in General (E&G) Fund					
	FY2021	FY2022	FY2023	FY2024	FY2025
Total Revenue	61,080,824	61,643,005	62,326,625	63,955,651	63,250,786
Total Expenses	58,367,204	62,551,754	65,603,154	67,123,934	70,547,413
Operating Margin	2,713,620	(908,749)	(3,276,529)	(3,168,283)	(7,296,627)
Operating Margin	4%	(1%)	(5%)	(5%)	(12%)
% State Revenue	39%	42%	43%	43%	45%
Fund Balance (months)	1.5	1.3	0.7	0.3	(1.1)
Source: Survey data submitted to the HECC annually by the university.					

Cost Efficiency

The changing higher education landscape will require efforts by the universities to maximize efficiency, manage spending, and improve student affordability. To assess cost efficiency, several factors are considered including the alignment of staffing levels with enrollment, degree production relative to enrollment, and spending per completion.

Table G provides a summary of the recent trend in staffing ratios. For SOU, the total number of employees has declined at a rate less than enrollment leading to a lower student-to-staff ratio over time. There is no accepted standard or best practice measure for these ratios; however, when enrollment declines, and the number of employees does not to the same extent, this can create structural inefficiencies.

Data Years:	2019	2020	2021	2022	2023	Variance (2019 to 2023)
Student FTE	4,031.0	3,500.7	3,329.6	3,286.1	3,291.6	(18%)
Employee FTE	616.1	569.6	562.4	570.2	558.4	(9%)
Faculty FTE	223.7	205.2	200.2	194.4	183.0	(18%)
Student-to-Faculty	18.0	17.1	16.6	16.9	18.0	0%
Student-to-Staff	6.5	6.1	5.9	5.8	5.9	(10%)

Source: ORS 350.360 Higher Education Employees Annual Report, November 2025.

Degree productivity, which accounts for enrollment and expressed as completions per 1,000 student FTE, is a different metric than a degree completion rate. It is an attempt to assess cost effectiveness. Table H shows the trend in degree productivity over time. The completions per 1,000 FTE metric is calculated by dividing the number of completions by the number of student FTE and then multiplying by 1,000. Another way to assess cost efficiency is to consider what is being produced relative to spending. Therefore, Table H also includes E&G spending per completion. Total E&G expenses are divided by the number of degree completions. The spending data is unadjusted for inflation.

	2019-20 FY2020	2020-21 FY2021	2021-22 FY2022	2022-23 FY2023	2023-24 FY2024	Variance (2020 to 2024)
Annual Student FTE	4,075.7	3,650.7	3,508.5	3,462.5	3,430.1	(16%)
Degree Completions	1,235.0	1,194.0	1,053.0	962.0	1,270.0	3%
Completions per 1,000 FTE	303.0	327.1	300.1	277.8	370.3	22%
Total E&G Expenses	\$64,366,627	\$58,367,204	\$62,551,754	\$65,603,154	\$65,665,508	2%
Spending per Completion	\$52,119	\$48,884	\$59,403	\$68,195	\$51,705	(1%)

Source: Student FTE and degree completion data is from the Public University Data Dashboard. E&G spending data is from an annual survey conducted by HECC staff.

Recent Budget Actions

Recent actions have occurred within the university's E&G fund to address and improve financial sustainability. On August 1, 2025, SOU declared financial exigency to transform the university to address existing structural deficits. During the September 2025 board meeting, a plan to reimagine the university

was presented and a budget update was provided. The plan calls for an E&G budget target of \$60 million, a more focused academic portfolio, and more than \$10 million in savings over the next four years.

Even more recently, SOU's Board of Trustees approved the Vitality Plan in June 2026—a plan to transform the university from its more historic model as a regional public liberal arts institution to a more modern model that includes streamlined pathways, utilizing the entire Rogue Valley as a “living laboratory”; and ensuring that every student has community-connected, interdisciplinary experiences. The Vitality Plan is projected to reduce expenses by more than \$20 million, intended to enable SOU to live within its means without additional infusions of one-time funding.

The Vitality Plan was developed following the release of the Deloitte Option Pathway in April 2026, a report funded through a \$500,000 legislative allocation to help SOU develop a plan for financial sustainability. SOU invited community feedback on the Deloitte Option Pathway, and received more than 500 individual suggestions for improvement.

Current State Investment to Improve Long-Term Financial Sustainability

During the 2023-25 biennium, the state invested \$25 million to improve the financial sustainability of the four technical/regional universities (EOU, OIT, SOU, WOU) and PSU. The funding, which was appropriated to the HECC, was intended to support the universities in realigning institutional offerings and resources with current and emerging enrollment and economic realities to achieve long-term financial sustainability. The funds have been used at SOU for the transition to a new Workday platform for students, website changes to improve enrollment, and solar energy that will reduce energy costs—all initiatives that seek to reduce ongoing costs, increase revenue, and improve recruitment and retention in the pursuit of student success.

Additionally, following legislative passage of a \$15 million Special Purpose Appropriation in the 2026 Session, SOU began complying with legislative direction to provide the HECC monthly financial reports and quarterly updates on cash flow. In June 2026, the Legislative Emergency Board voted to release \$7.5 million of this money to the HECC to distribute to SOU. In September 2026, the Emergency Board voted to release the remaining \$7.5 million. SOU will continue to provide this reporting going forward, both as a check on financial assumptions as well as to demonstrate publicly its ongoing cash position.

BOARD OF TRUSTEES

ORS 352.061 requires HECC to assess each university governing board against the findings in ORS 352.025. The framework reviews meeting frequency and public access, transparency and public-records compliance, bylaws, fiduciary oversight, tuition-setting processes, presidential selection and evaluation, engagement with the institutional mission, coordination with HECC on significant academic program changes, and stewardship of real property.

The table below presents the university's current framework response in the same statutory categories used in prior evaluations. HECC's assessment is based on the institution's submitted narrative and identified governing-board materials. Inclusion of the response does not substitute for independent legal review of individual board actions.

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(6).	ORS 352.067(6)(8) states: The governing board "shall meet at least four times per year. The full Board of Trustees of Southern Oregon University met nine times in 2025. Those dates were: January 17, 2025; March 27, 2025; April 18, 2025; June 20, 2025; July 30, 2025; August 27, 2025; September 18, 2025; September 19, 2025; October 17, 2025; The full Board of Trustees of Southern Oregon University met five times in 2024. Those dates were: January 19, 2024; April 19, 2024; June 21, 2024; September 20, 2024; and October 18, 2024. The full Board of Trustees of Southern Oregon University met eight times in 2023. Those dates were: January 19, 2023 January 20, 2023 March 17, 2023 April 21, 2023 June 16, 2023 August 28, 2023 September 29-30, 2023 October 20, 2023	Board of Trustees website
Transparency (ORS 352.025(1)(a))	Board provides public notice of agenda and meetings. ORS 352.025(1)(a).	In the interest of transparency and public accountability the Board of Trustees provides public notice of agenda and meetings, including meeting materials, for all meetings of the board and its committees, in accordance with Oregon Public Records and Meetings Laws (OPMPRL). These notices are distributed via email to all SOU students, faculty, and staff; the HECC; and members of the public, including the media and those who request individual receipt. The board also provides this information, including meeting materials, for general public access on the on the board's website: governance.sou.edu	Board of Trustees website
Transparency (ORS 352.025(1)(a))	The Board operates in a transparent manner and in compliance with Public Meetings and Public Records laws. ORS 352.025(1)(a).	The Board of Trustees operates in a transparent manner and in compliance with Public Meetings and Public Records laws. All meetings of the board and its committees are publicly noticed and held in compliance with OPMPRL. All board meetings and actions take place in properly noticed, public meetings. In compliance with Oregon Law, meetings are open to the public except for those portions allowed by law to be held in executive session. Materials for meetings are posted on the board's website (governance.sou.edu) and are available online to the public at the time they are made available to trustees, usually seven days in advance of regular meetings. Copies of the agenda also are available onsite at each meeting for members of the public attending in-person. The meeting materials are available online and are broadcast in the boardroom to view during meetings. The board adopted a policy on the conduct of public meetings outlining these and other transparency requirements. Additionally, the board's meetings are accessible by livestream for remote viewers via Zoom webinar, the details for which are included on the public notice. Following each meeting, the audio-video recordings are posted to the board's website. Requests for recordings, documents and copies of meeting materials are honored and made available in compliance with OPMPRL.	Board of Trustees website
Transparency (ORS 352.025(1)(a))	The Board has adopted bylaws. ORS 352.076(5).	The board originally adopted bylaws on January 30, 2015. The board reviews and updates these bylaws at least every four years and as needed. The most recent update was October 20, 2023. Bylaws are available on the "Bylaws & Policies" page of the board's website: governance.sou.edu.	Board of Trustees website

Governing Board Focus Area	Evaluation Question	Supporting Narrative (documentation may include links to materials on board website)	Data Source
Accountability (ORS 352.025(1)(a))	The Board demonstrates its accountability on behalf of the university and awareness of its mission and fiduciary duties. (Please describe your Board's efforts to receive and understand important financial information regarding the institution, to ensure fiscal responsibility and stability, to safeguard institutional resources, to assess its own operations and effectiveness, and to otherwise operate in a manner that is consistent with governance best practices.)	<p>Mission: The board adopted a mission, vision, and values for the university as well as a strategic plan in 2017. Fiduciary Duties and Assessment: In 2015, the board adopted a resolution on the Responsibilities of Individual Trustees, outlining board members' fiduciary duties of care, loyalty, and obedience. It also includes responsibilities of evaluation, service, respect, and behavior. The resolution was converted to an official board policy in 2024 in the "Board Statement on Responsibilities of Individual Trustees."</p> <p>The board upholds the requirements of this policy, including conducting a regular board assessment evaluating fulfillment of trustees' fiduciary duties, the board's operations, board effectiveness, and numerous other criteria. The board discusses this evaluation in a public meeting. Fiscal Responsibility, Receive and Understand Financial Info: On January 30, 2015, the board adopted a policy outlining its delegated and retained authorities for budget; tuition and fees; business and administrative affairs; transactions; academic affairs; and gifts of a certain size, scope, length, or obligation, and other authorities. The board last updated this policy on January 20, 2023. The board maintains a consistent focus on the short-term and long-term health of the institution. The full board and/or appropriate committees of the board frequently review, receive reports and/or make decisions on academic affairs, new academic programs; enrollment matters; student success initiatives; student support services; student survey data; campus climate data, belonging and engagement, university advancement and fundraising, the university's financial condition; collective bargaining; treasury and investment services activity and performance; business services; capital projects; facilities; internal audit; risk; external audit; athletics; various state and federal regulations pertaining to the university; legislative and government affairs; the general higher education landscape; and university priorities as detailed and monitored in SOU's Strategic Plan, consistent with the institutional mission. At each meeting of the Board of Trustees, and through its frequent meetings of the Finance and Administration Committee, the board receives, monitors, discusses, and acts on information regarding the financial performance as well as projections of the university. The board approves a combined operations budget for the university, tuition and fees, certain expenditures, special revenue allocations, and certain debt instruments and bonds in accordance with state law and the board's Statement on "Delegation of Authority." Fiscal Stability, Safeguard Resources: The Board has exercised consistent fiduciary oversight by authorizing and monitoring comprehensive stabilization efforts, including but not limited to the 2023 SOU Forward Plan to eliminate approximately \$13 million in expenses and diversify revenue; the 2025 SOU Resiliency Plan to achieve over \$10 million in savings through targeted labor and operational reductions; the authorization of the sale of excess university properties to generate revenue; and the resultant 2026 strategic restriction of net proceeds from the sale of excess University properties to ensure disciplined reinvestment. Additionally, the board oversees an internal auditor to provide independent, objective assurance and consulting services to add value, support and accountability, and improve operations through a systematic, disciplined approach to evaluating and improving effectiveness. The board adopts an enterprise risk assessment and internal audit plan each year. This auditor also performs investigations for the university as necessary. SOU's fraud, waste, and abuse hotline reports are delivered to the internal auditor, who keeps the board informed of these matters, and who operates under a board-approved Internal Audit Charter. The board also monitors the progress of SOU's external auditors in the interest of fiscal oversight, independent communication, required governance communications, reporting on testing of SOU's internal controls, and the independent audit of the university's financial statements. The internal and external auditors have direct lines of communication with the Board of Trustees. Best Practices: Regarding best practices, SOU trustees undergo a thorough orientation and remain abreast of best practices in higher education governance through ongoing trustee development, education and training. Trustees undergo public meetings training once per term, government ethics training biannually, and may attend webinar trainings or national conferences on trusteeship. In 2020, the Association of Governing Boards of Colleges and Universities (AGB) named SOU a national 2020 John W. Nason Award for Board Leadership. "Serving at the pinnacle of excellence, these are boards that go above and beyond what boards should do and instead take board-driven measures to advance their institutions in ways that truly matter."</p>	Board of Trustees

Governing Board Focus Area	Evaluation Question	Supporting Narrative (documentation may include links to materials on board website)	Data Source
Accountability (ORS 352.025(1)(a))	The Board has established a process for determining tuition and mandatory enrollment fees that provides for participation of enrolled students and the recognized student government of the university. ORS 352.102(2)	On April 15, 2016, in its "Resolution: Process for Establishing Tuition and Fees," the board established such a process. The Board of Trustees reviewed and updated SOU's Process for Establishing Tuition and Fees on January 20, 2019. This process complies with applicable laws and requirements.	Board of Trustees website
Accountability (ORS 352.025(1)(a))	Board selects and regularly assesses the university president. ORS 352.096.	The board selected SOU president, Dr. Richard Bailey on November 9, 2021. Dr. Bailey's service to SOU began on January 15, 2022. In January of 2025, the board renewed Dr. Bailey's employment contract through June 30, 2028. The board updated its process on the Evaluation of the University President on June 16, 2023, and performs an annual assessment of the university president at the conclusion of each academic year.	Board of Trustees website
Engagement in the University's Mission (ORS 352.025(1)(b))	The Board adopts the mission statement. ORS 352.089(2).	The board adopted a mission statement on November 16, 2017.	Board of Trustees website
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 adopted a mission statement on November 16, 2017. The board forwarded the university's mission statement to the HECC. The HECC reviewed it on January 11, 2018.	Board of Trustees website
Coordination across the State of Oregon (ORS 352.025(1)(e))	The Board forwards any significant change in the university's academic programs to HECC. ORS 352.089(1). (List all programs approved in 2023, 2024, 2025.)	Following the SOU Board's approval, the following significant program changes were forwarded to HECC 2023 New Program Approvals Bachelor of Arts/Bachelor of Science, Media Innovation Bachelor of Fine Arts, Digital Cinema Production Arts Bachelor of Arts/Bachelor of Science, Human Service Bachelor of Arts/Bachelor of Science, Power and Politics 2024 New Program Approvals Bachelor of Science, Biomedical Science Bachelor of Science, Ecology and Conservation 2025 New Program Approvals The board did not approve new degree programs in 2025	Board of Trustees website
Real Property Holdings (ORS 352.025 (2)(c))	Legal title to all real property, whether acquired before or after the creation of a governing board, through state funding, revenue bonds or philanthropy, shall be taken and held in the name of the State of Oregon, acting by and through the governing board.	Southern Oregon University complies with ORS 352.025(2)(c). Additionally, new contracts and legal transactions are reviewed by the university's legal counsel to ensure compliance.	SOU Board of Trustees

Source: University 2024-25 evaluation framework and governing-board materials identified and produced by the institution.

CONCLUSION

This evaluation of Southern Oregon University (SOU) was conducted pursuant to ORS 352.061 and draws on accreditation materials, university self-assessment and framework responses, HECC student data, affordability and financial analysis, governing-board materials, and related state and federal information. The report is intended to assess SOU's contribution to statewide higher education objectives, including student access and success, affordability, academic quality, collaboration, financial sustainability, and public accountability. It is not a substitute for the broader institutional review conducted through accreditation, but instead provides a biennial assessment focused on areas identified in Oregon statute and HECC policy. Because SOU's situation is somewhat unique among Oregon's public universities and has evolved rapidly over the past year, additional information has been provided here beyond the 2025 reporting period, for context.

Southern Oregon University continues to serve an important regional role in southern Oregon through undergraduate and graduate education, transfer pathways, workforce preparation, arts and culture, public service, and partnerships with schools, community colleges, healthcare providers, employers, local governments, and nonprofit organizations. A 2026 economic impact study conducted by Econsult Solutions, Inc. estimated SOU's statewide economic impact at approximately \$730 million and its impact within southern Oregon at \$532.5 million, including \$440.1 million in Jackson County. The study estimated that the university supports approximately 4,060 direct, indirect, and induced jobs generating \$202.4 million in annual earnings. SOU also reported that 26,165 alumni live in Oregon and that approximately 68 percent of its bachelor's degree earners remain in Oregon to work for at least one year after graduation. Five years after graduation, 71.2 percent of resident graduates from the 2017-18 cohort were employed in Oregon according to matched HECC and Oregon Employment Department data.

SOU remains accredited by the Northwest Commission on Colleges and Universities (NWCCU). The university's accreditation was reaffirmed in 2024 following its Year Seven Evaluation of Institutional Effectiveness, which identified recommendations related to institutional effectiveness, student achievement, assessment, and the use of benchmarked outcomes in planning and resource allocation. On August 5, 2026, NWCCU placed SOU on probation pending resolution of issues related to finances. The university remains actively accredited while on probation. This action makes financial viability, implementation of SOU's restructuring plans, and evidence that institutional planning and resource allocation support continued mission fulfillment central areas for continued monitoring. SOU also maintains specialized accreditation or external approval in professional areas including business, clinical mental health counseling, educator preparation, and environmental education.

Enrollment and student outcomes during the evaluation period present a mixed picture. Total headcount increased slightly from 5,175 students in Fall 2023 to 5,206 students in Fall 2025, an increase of 31 students, or 0.6 percent. However, fall FTE declined from 3,236.2 to 3,150.2 during the same period, and long-term FTE enrollment declined from 4,293 in Fall 2016 to 3,150 in Fall 2025, a 27 percent decrease. SOU's student population also reflects a substantial part-time, adult, graduate, and dual-credit presence. In Fall 2024, 51.8 percent of students attended part-time, 82.9 percent were undergraduates, and Oregon residents represented 77.4 percent of enrollment. Newly admitted undergraduate enrollment declined from 975 students in Fall 2023 to 809 in Fall 2025, which will remain an important indicator of future enrollment stability.

Student success outcomes show areas of strength as well as persistent equity gaps. The Fall 2023 first-year retention rate was 73.0 percent overall, compared with 68.5 percent for underrepresented minority students and 70.9 percent for Pell Grant recipients. For the Fall 2018 first-time, full-time cohort, the six-year graduation rate was 45.5 percent overall, 37.7 percent for underrepresented minority students, and 40.5 percent for Pell Grant recipients. Transfer students continued to demonstrate comparatively strong completion outcomes: the four-year transfer graduation rate for the Fall 2018 cohort was 65.5 percent overall and 65.8 percent for Pell Grant recipients, while the rate for underrepresented minority transfer students was 56.9 percent. During 2024-25, SOU awarded 559 undergraduate degrees and 212 master's degrees. Of the undergraduate degrees, 125 were awarded to underrepresented minority students and 283

to Pell Grant recipients. Continued attention to retention, completion, and equity gaps - particularly for direct-entry students - will remain important as SOU restructures its academic portfolio and student-support model.

Affordability remains an important consideration for SOU students. Resident undergraduate tuition and mandatory fees increased from \$8,523 in 2016-17 to \$13,298 in 2025-26, an increase of 56 percent and an average annual growth rate of 5.1 percent, above the statewide average of 4.5 percent over the same period. Total cost of attendance increased from \$20,796 in 2014-15 to \$31,852 in 2023-24, while average net price increased from \$11,099 to \$17,767. At the same time, SOU's overall affordability rate improved from 57 percent in 2014-15 to 44 percent in 2023-24, slightly better than the statewide rate of 45 percent in the most recent year. The improvement in the affordability rate is a positive development, but the growth in tuition, total cost of attendance, and net price underscores the need to continue monitoring the financial burden faced by students.

Prior to the development of the Vitality Plan, SOU has continued to demonstrate academic and community strengths through faculty development, sponsored programs, applied research, and regional collaboration. The Center for the Advancement of Teaching and Learning supports instructional improvement and faculty development, while the Sponsored Programs Office supports grant development and administration. SOU reported approximately \$4.631 million in grants and contracts awarded in FY2024-25 and approximately \$3.909 million in FY2025-26. Partnerships with Rogue Community College and Klamath Community College support transfer pathways and advising, collaboration with OHSU supports nursing education, and the Oregon Center for the Arts, the Institute for Applied Sustainability, and partnerships with regional arts, healthcare, and community organizations extend the university's contribution beyond the campus. These activities continue to support workforce preparation, experiential learning, cultural vitality, and community engagement in southern Oregon. The new academic model and mission envisioned in the Vitality Plan may hold greater potential for expanded partnerships.

Financial sustainability remains the most significant institutional challenge identified in this evaluation. HECC's financial analyses from June 2025 and June 2026 have characterized SOU's recent whole-enterprise financial condition as 'struggling.' The university's composite financial index improved from -1.17 in FY2020 to 1.27 in FY2024, but remained below the industry sustainability benchmark of 3.0. Within the E&G fund, SOU reported negative operating margins in four of the past five fiscal years, including a deficit of approximately \$7.3 million in FY2025. Over the five-year period, expenses increased at an average annual rate of 4.9 percent while revenues increased at 0.9 percent, and the E&G fund balance declined to a negative 1.1 months in FY2025.

This assessment of "struggling" was not a surprise to SOU. SOU Forward was launched in 2023 to address looming budget deficits at the university. SOU further declared financial exigency on August 1, 2025 and pursued additional, significant cost reduction under its Resiliency Plan, launched in September 2025. The development of the Vitality Plan in the summer of 2026 and its adoption by the Board of Trustees was a recognition that efforts to merely sustain the university were insufficient and a new and sustainable institutional model was required. The current effort, as noted earlier in this evaluation, identifies a new academic model, with streamlined pathways, use of the Rogue Valley as the campus, and the development of community-connected, interdisciplinary experiences that rely on community partners.

SOU's Board of Trustees continued to exercise its statutory governance responsibilities during the evaluation period through regular public meetings, budget and financial oversight, tuition-setting processes, presidential evaluation, oversight of academic and institutional priorities, and monitoring of the university's restructuring efforts. The Board has played a particularly significant role during the current period through oversight of SOU Forward, the Resiliency Plan, financial exigency, property actions, and the institution's ongoing transformation through the Vitality Plan. Continued Board attention to financial performance, accreditation requirements, student outcomes, enrollment, and implementation milestones will be critical as the university works to restore long-term stability.

Overall, Southern Oregon University continues to make significant contributions to Oregon through educational access, degree production, transfer pathways, workforce development, arts and culture,

sustainability, public service, and regional economic activity. Positive indicators include relatively stable recent headcount, strong transfer-student completion outcomes, substantial employment of resident graduates in Oregon, improvement in the affordability rate, continued grant and partnership activity, and the university's broad regional impact. At the same time, long-term enrollment decline, lower FTE, equity gaps in direct-entry completion, rising student costs, repeated operating deficits, depleted reserves, and NWCCU probation create substantial risks that require sustained attention. HECC will continue to monitor the university's accreditation status; implementation of the university's financial and operational restructuring; enrollment and new-student pipelines; financial performance; and the Board's continued oversight of SOU's path toward long-term sustainability.

