

Financial and Strategic Assessment

SOU Option Path to Sustainability

May 4, 2026



Document Purpose and Context

The following materials have been prepared for Southern Oregon University (SOU) at the request of the Higher Education Coordinating Commission (HECC) to provide SOU options to consider as the University charts a path to sustainability by June 30, 2027.

The acute revenue pressures on SOU are not unique in today's higher education landscape but rather, the result of a widespread demographic shift and declining trust in the value of higher education. Over the past several years, the University has taken action to address these pressures, including making difficult budget cuts on two occasions.

SOU is now collaborating with HECC to develop a plan for the continued delivery of higher education in Southern Oregon. This includes a balanced budget for the 2027-29 biennium and a path to future financial stability without reliance on ongoing state emergency support (\$15M appropriated for FY 2027).

The strategic options presented here are for the consideration of the SOU Board and SOU's Executive Leadership Team. They have been developed with the University's input and data, as well as the understanding that SOU leadership and the Board will determine the right path forward for the University.

Community Feedback

Deloitte hosted 14 focus groups and launched an “always on” feedback loop for input.

Feedback Loop

SOU Financial and Strategic Assessment Feedback Loop

Thank you for taking this opportunity to reflect and share your perspective on Southern Oregon University's Financial and Strategic Assessment. As a reminder, this form is optional and all responses will be aggregated and considered to inform our view of the current state, desired future state, and how we can continue to deliver this plan most effectively.

The data submitted in this form will be sent directly to Deloitte Consulting to inform their work. Your responses will be kept confidential and reported only in aggregate, with no individual responses attributed to you.

When you submit this form, it will not automatically collect your details like name and email address unless you provide it yourself.

* Required

1. (Optional) Name

Enter your answer

2. (Optional) Email Address

Enter your answer

3. Which Southern Oregon University group do you identify with? *

- Students
- Faculty & Academic Deans
- Board Members
- Administrative, Professional, Operational & Support Staff

SOU Financial and Strategic Assessment Feedback Loop

750+ responses from students, faculty, community, Board members, and staff

Focus Groups

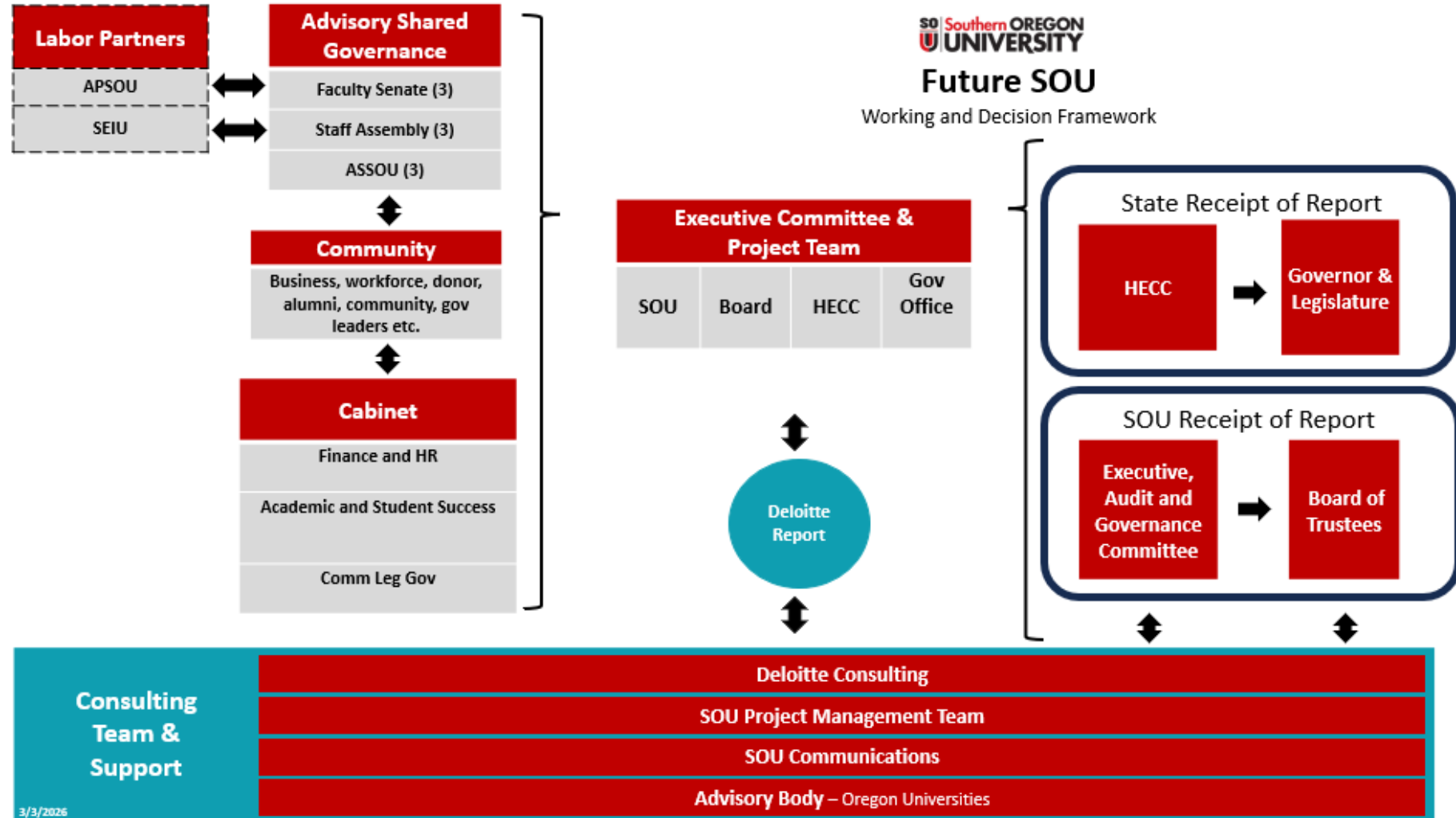


Fourteen in-person and virtual focus groups and interviews held with 50+ participants, including:

- **Students**
- **School/College Chairs**
- **Cabinet Members and Deans**
- **Faculty Senate**
- **Staff Assembly**
- **Community, Business, and Government Leaders**

Governance Structure and Decision Framework

In addition to hosting focus groups and ad hoc meetings with functional and academic leads, Deloitte met weekly with the Executive Committee and Project Team to discuss options for consideration.



3/3/2026

Table of Contents

- 06** Environmental Context
- 11** SOU Today
- 20** The Path Forward
- 28** The Path Forward | Academics
- 37** The Path Forward | Administrative Areas
- 45** The Path Forward | Auxiliaries
- 50** The Path Forward | Near-Term Revenue Opportunities
- 55** The Path Forward | Structural Cost Reduction Measures
- 59** The Path Forward | Setting the Foundation for Success
- 63** Appendix and Supplemental Analysis



Environmental Context

Environmental Context | *Higher Education*

Regional Universities Are Under Pressure

- **Enrollment is shifting**, not simply shrinking. Regional public universities face a demographic slope in traditional-age students, but that is being partly offset by growth in adult learners, online/hybrid demand, dual enrollment, and community-college transfer pipelines.
- **Workforce relevance and public trust now define competitive advantage.** Regional public universities are increasingly valued for economic mobility, employer alignment, and career-ready programs. They have an opportunity to communicate this value more effectively to lawmakers and the public.
- **Student demographics are more diverse and more mission-critical.** Regional public universities serve more first-generation, Pell-eligible, rural, veteran, and diverse students, which strengthens their access mission but also raises the need for support services and retention strategies.
- Affordability remains critical to the value proposition, but it is under pressure. Across the nation, **regional public universities are still among the most affordable four-year options**, yet cost remains a major barrier for students, especially as state disinvestment has shifted more burden to students and families.

Higher Ed is Experiencing Unprecedented Change & Emerging Threats

Recent years have brought unforeseen challenges that not only threaten the financial and operational efficiency of many institutions, but also their very existence.

DEEP DIVE

'We can't cut anymore': Can colleges recover from the gut-punch of inflation?

Cost growth in higher ed is easing after big spikes in recent years. But institutions remain under steep financial pressure.

Published July 1, 2024



Princeton Braces for Budget Cuts, Possible Layoffs

Permanent cuts of 5% to 10% will be implemented over the next three years, according to a memo sent to faculty and staff



Government grants and contracts accounts
Jensie Applewhite / Princeton University

August 22, 2024

Report Finds Higher Ed Sector Shrank by 2%

Data from the National Center for Education Statistics shows that nearly 100 institutions closed between the 2022-23 and 2023-24 academic years.

By Josh Moody

The Mercury News · 12d

California higher education layoffs: UC, Stanford and Cal State universities cut, freeze jobs

Stanford University will lay off at least 363 employees this fall as part of \$140 million in budget cuts due to rising costs ...



NEWS & CULTURE > EDUCATION

A Looming 'Demographic Cliff': Fewer College Students and Ultimately Fewer Graduates

February 22, 2024

More Than Half of Recent 4-Year College Grads Underemployed

A new report found that many recent graduates don't land jobs that require a degree.

LEADERSHIP > CAREERS

3 Reasons Degree-Free Jobs Are On The Rise— And How To Land One

By Mark C. Perna, Contributor. © Mark C. Perna is a generational expert who c...

Follow Author

Published Feb 06, 2024, 06:00pm EST

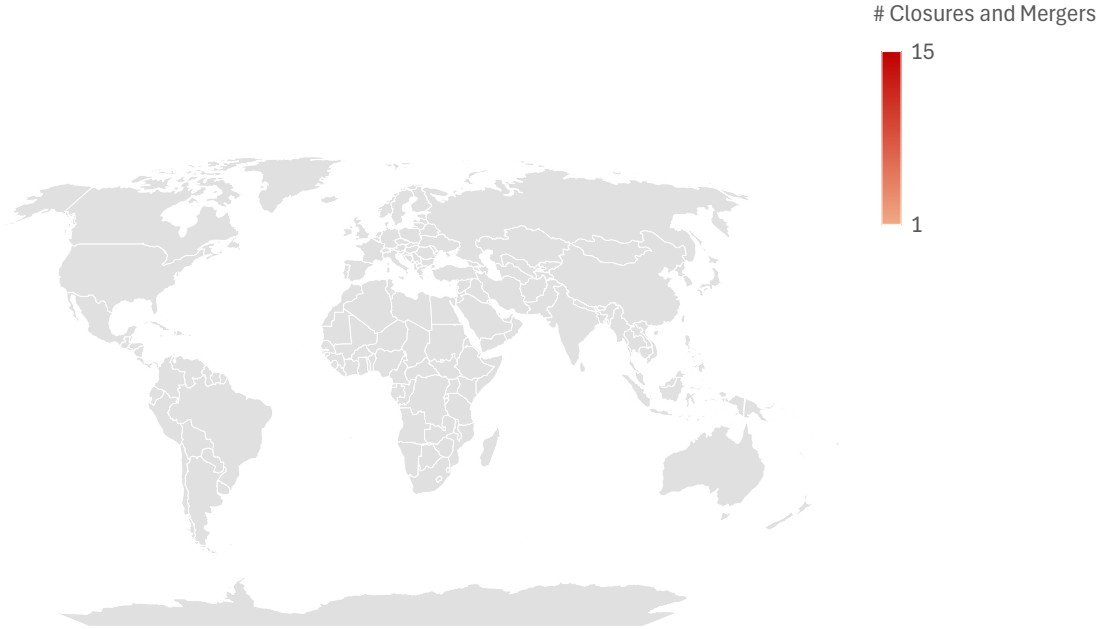
The higher education operating model is under threat. Demographic shifts and rising costs to educate students are challenging revenues, placing pressure on institutions' top and bottom lines.

Closures & Mergers Demonstrate Increasing Instability

The challenges facing higher education are leading more colleges and universities to close or merge with other institutions.

College Closures & Mergers by State^{1,2,3}

Nearly 150 institutions of higher education announced closures or mergers² from 2016-2025.



© Australian Bureau of Statistics, GeoNames, Microsoft, Navinfo, Open Places, OpenStreetMap, Overture Maps Foundation, TomTom, Zenrin
Powered by Bing

Sources:

- 1) [HigherEdDive - College Closings and Mergers by State](#)
- 2) The number of college closures and mergers as in the above map are cumulative over time, starting from 2016 and running to present
- 3) [Best Colleges - Mapping College Closures](#)
- 4) [Research: The Geography of Possible Campus Closures](#)

Additional At Risk Institutions⁴

Beyond these known closures/mergers, nearly 1,800 institutions are at risk of “*potential closure or consolidation in the next few years,*” according to analyses³ **conducted in 2020**

568

schools categorized as at **Serious risk**

658

schools noted as having **Some Risk Factors**

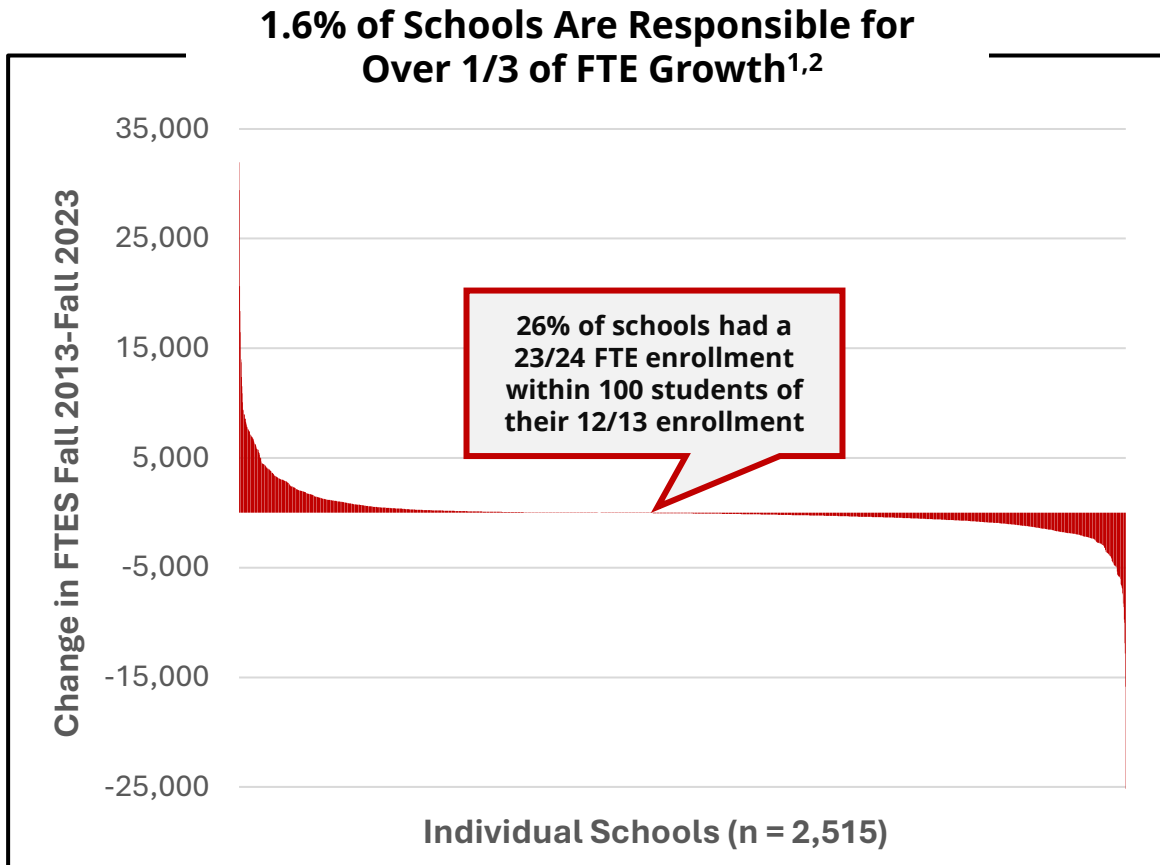
545

schools noted as **Stable with Emerging Risk Factors**

Given that **challenges facing higher education have only worsened** since this assessment was conducted, early studies anticipate **even more schools are at risk of closure today.**

Institutions Will Struggle to Solve This Crisis through Enrollment

A very small percentage of institutions are responsible for an outsized amount of enrollment growth at four-year schools, creating a wider gulf between the “haves” and the “have-nots.”



Minor Change Overall

- The number of FTEs at four-year schools remained relatively flat, **growing on average by only 1%** from Fall 2013 to Fall 2023 (excluding “mega” institutions).
- Roughly **60% of schools** were either flat or lost FTEs over the period.

R1s Are More Insulated³

- Schools with a Carnegie Classification of Very High Research Activity accounted for **35% of FTE growth**.
- While 60% of all four-year schools shrunk, just **15% of Very High Research schools did**.

Notes: 1) Includes four-year schools, excluding Mega institutions and schools that did not appear in the starting and ending years of the analysis period; Sources: 2) National Center for Education Statistics IPEDS Tables drvef2023 and drvef2013; 3) National Center for Education Statistics IPEDS table hd2023 was used to determine Carnegie Classification.

SOU Today

Environmental Context | *Southern Oregon University*

Environmental Context

- SOU has a strong regional identity with connections to local arts and culture, especially its long-standing partnership with the Oregon Shakespeare Festival.
- SOU's mission is community-centered. The institution focuses on opportunities to serve as a partner to the Rogue Valley through local business and organizational relationships and efforts that build regional capacity and strengthen collaboration.
- SOU has seen a **consistent decline in student headcount over the last five years. SOU's top five programs account for roughly 56% of student headcount.** Even as enrollment has declined and programs have been reduced, SOU still offers a significant number of academic programs that serve a very small number of students.
- SOU faces increasing financial pressure, driven primarily by declining operating revenues and growing operating expenses that have put pressure on liquidity and the balance sheet.
- From AY21–22 to AY25–26, **total SOU employee FTE decreased almost 11%**, driven by a steeper reduction in faculty FTE (~15%) than non-faculty (~9%), and with declines concentrated in non-tenured and classified staff.
- Emergency funding from the legislature and cost restructuring offers SOU a narrow path to shift the operating model to a sustainable base. With a sustainable base in place, SOU will have the opportunity to invest in growth areas to maintain a thriving institution, in service to regional learners and the needs of Oregon.

SOU's Core Strengths

As a four-year institution in the Rogue Valley, Southern Oregon University is focused on the success of its students. This includes promoting intellectual growth, continuous improvement, excellence, innovation, and creativity, while providing core learning experiences in a rural setting. Looking ahead, SOU has an opportunity to reimagine how it advances the priorities of its students, workforce, and region.



Strong Sense of Mission and Place

SOU is deeply embedded in its region, with strong ties to the local community



Deep Faculty and Staff Care

Faculty and staff establish and maintain strong relationships with students



Inclusive Culture

SOU offers a nationally recognized sense of belonging for students



Education for All

SOU has pride in serving students who may not have attended college if not for SOU



Philanthropic Support

SOU benefits from generous community support from donors who believe in the institution



Experiential Learning

SOU offers opportunities for students to participate in experiential and community-based learning



Reciprocal Community Benefits

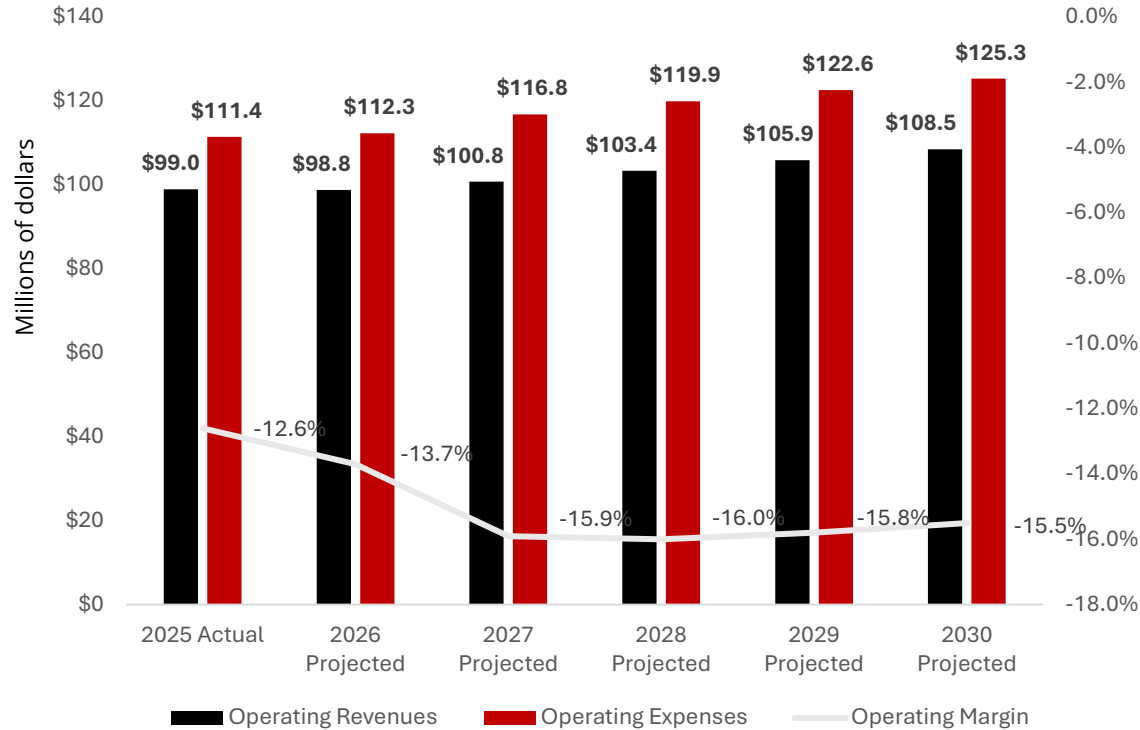
SOU serves the region and is cited as a reason for residents to move to the area

SOU's Financial Position Is Distressed and Will Persist without Action

The university has a structural deficit due to rising expenses and enrollment declines that have put pressure on tuition and fee revenue.

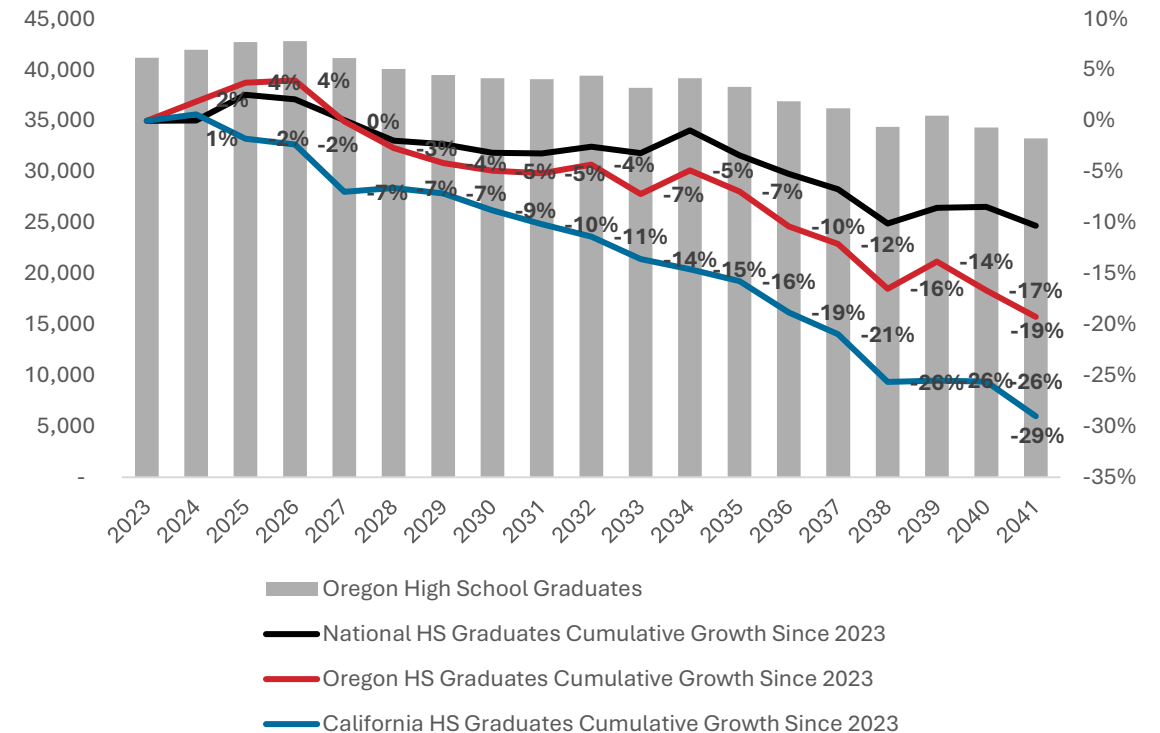
SOU Operating Revenue and Expense Forecast (All Funds)

SOU currently operates at a deficit of \$12.5M. The deficit is expected to grow to \$16.9M in FY30.*



Cumulative % Change in High School Graduates through 2041

Financial challenges will not resolve themselves. The pipeline of traditional high school graduates in Oregon and California will shrink precipitously over the next 15 years.

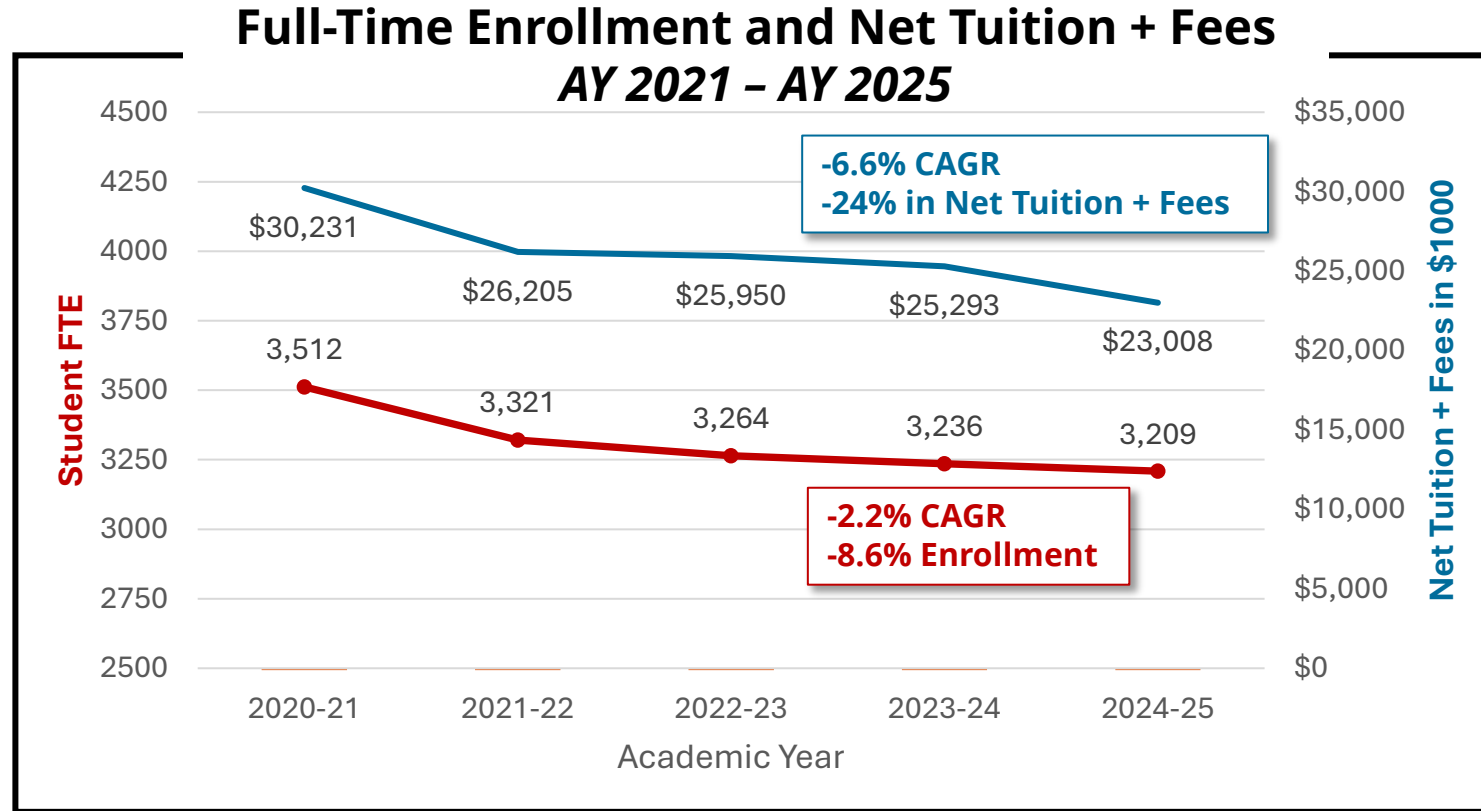


*Totals may not foot due to rounding

Source: FY25 Income Statement Transactions 2026-02-28.xlsx / Budget Master Model (as of 02.19.2026).xlsx / <https://www.wiche.edu/knocking/data-visualizations/graduates/>

A Shrinking Student Base Has Eroded SOU Tuition Revenue

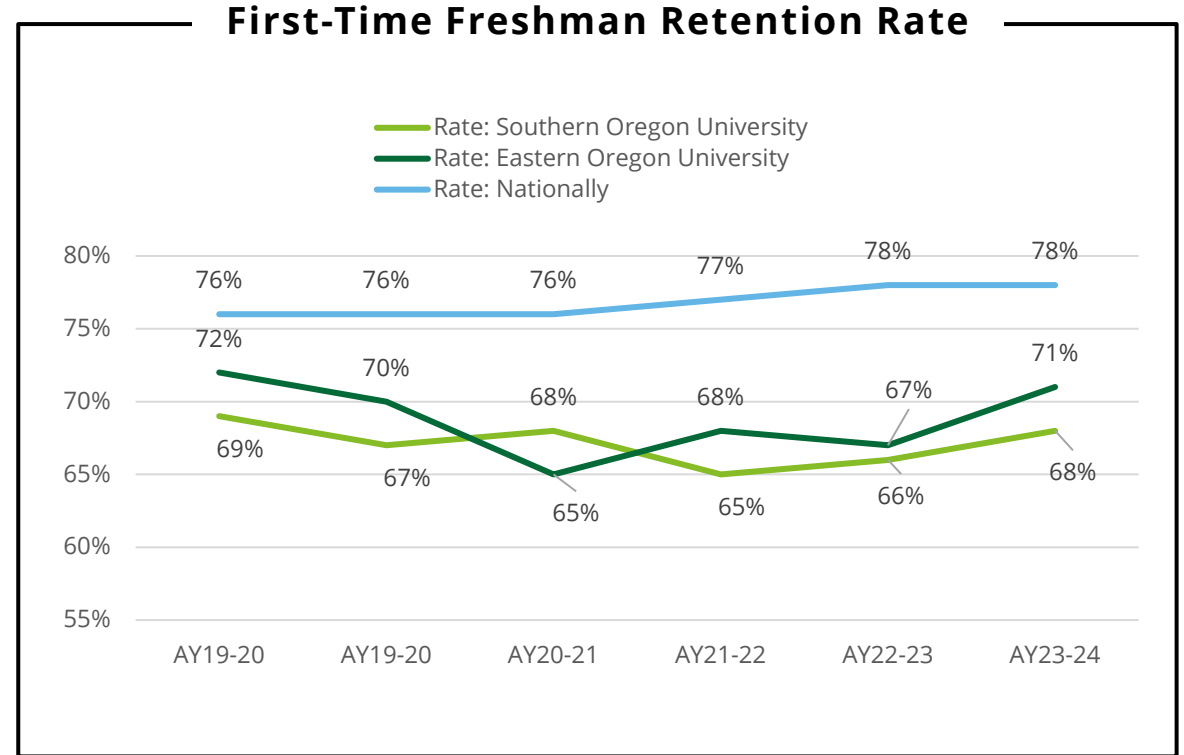
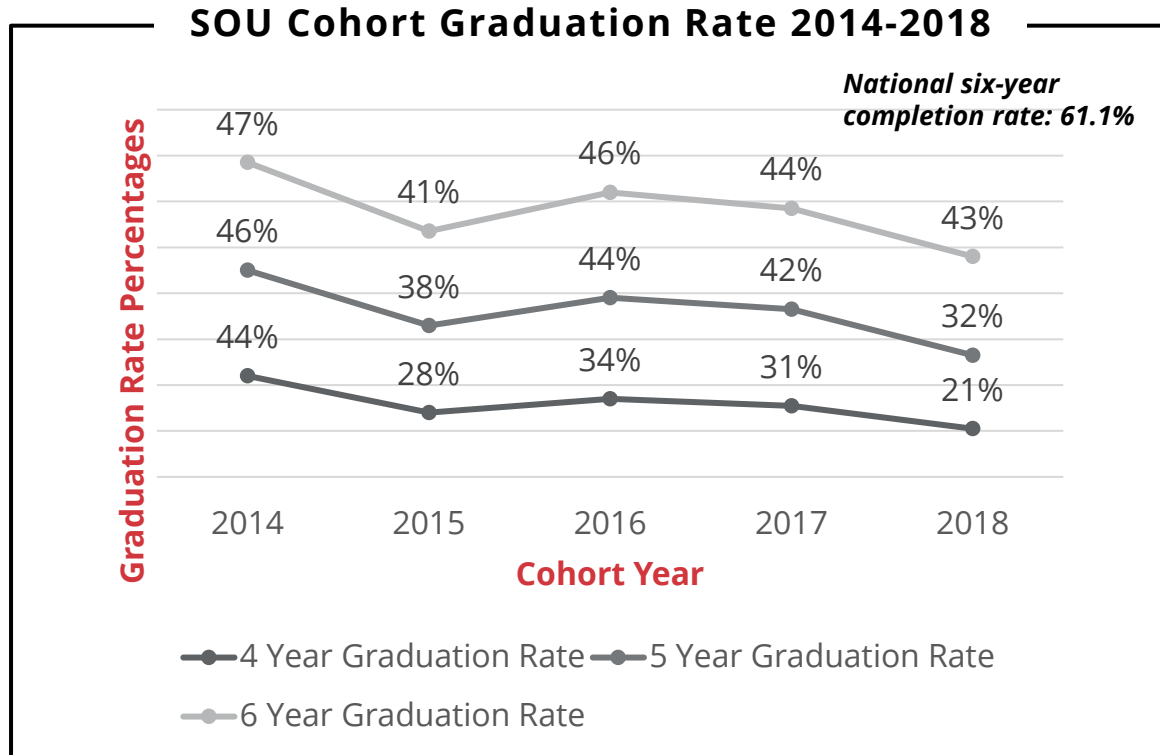
SOU's full-time enrollment is down 8.6% since AY21 and net tuition revenue is down 24% between FY21 and FY25.



SOU has seen a consistent decline in student headcount over the last five years.

Graduation and Retention Rates Impact SOU Tuition & State Funding

The Student Success and Completion Model (SSCM) is used to allocate funding appropriated in the Public University Support Fund to public universities. There are three funding components: mission support, activities-based funding, and outcomes-based funding. **Outcomes-based funding distributes funding for degree and certificate completion by Oregon residents, averaged over a three-year period.**

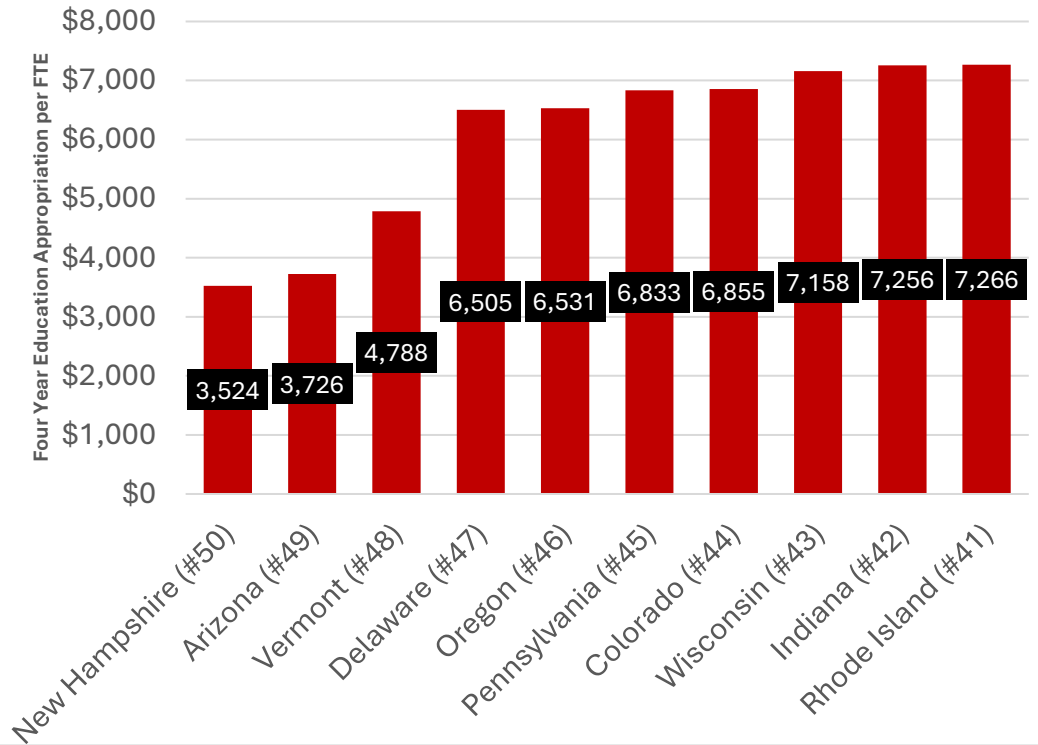


Given the state's funding model, SOU does not receive outcomes-based funding for students who do not graduate. Declining retention negatively impacts revenues from both incoming student tuition and the state funding model.


Regional Pressures Are Intensifying


Rising living costs are making postsecondary education more difficult to afford. Oregon continues to rank low in state funding per student, and enrollment pressure has increased competition across public institutions.


Bottom 10 States in Four-Year Education Appropriations per FTE



SOU faces additional challenges in the region

- 

Oregon is 46th in four-year education appropriations per student FTE
- 

Declining enrollment has put substantial pressure on financial sustainability and has resulted in increased competition among state schools
- 

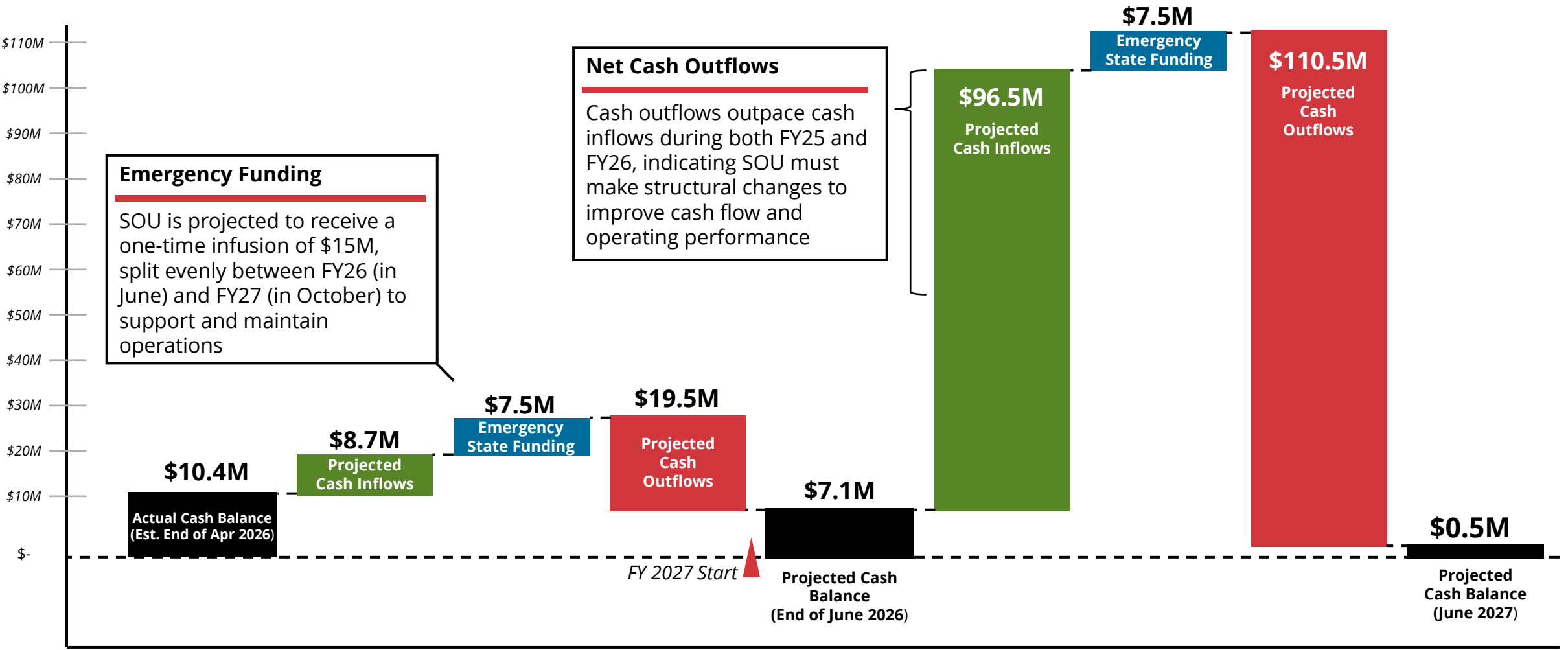
Rising costs of living impacts Oregonians' ability to pursue postsecondary education

SOU must navigate its future within a state model that provides limited funding support, even as institutions across Oregon actively compete for a smaller and more price-sensitive student pool.

Source: [HECC State Funding and Formula Summary; SHEEO](#)

SOU Must Act Decisively in the Near Term to Preserve the Future

Emergency funding will help SOU maintain operations through FY 2027. However, to address the structural, operational, and financial challenges that are driving negative net cash outflows, **SOU will need to achieve \$20M in expense savings and new revenues to continue to meet its obligations.**



Net Cash Outflows
Cash outflows outpace cash inflows during both FY25 and FY26, indicating SOU must make structural changes to improve cash flow and operating performance

Emergency Funding
SOU is projected to receive a one-time infusion of \$15M, split evenly between FY26 (in June) and FY27 (in October) to support and maintain operations

Source: FY2026-2029 Cash Flow Projections (4.1.26) - FLAT VERSION.xlsx

SOU's Alignment to Local Workforce Demand

Top high-wage high-demand occupations in Rogue Valley by projected 2034 total openings

	Occupation Title	Total Openings	Competitive Education	2025 Median Wages
Current SOU Offering	General and Operations Managers	2,148	Bachelor's	\$85,613
	Registered Nurses*	1,735	Bachelor's	\$115,003
	First-Line Supervisors of Office and Administrative Support Workers	780	Associate's	\$66,498
	Managers, All Other	739	Bachelor's	\$109,450
	Elementary School Teachers, Except Special Education	731	Master's	\$63,294
	Exercise Trainers and Group Fitness Instructors	713	Post-Secondary Training Non-Degree (PSND)	\$50,814
	Business Operations Specialists, All Other	708	Bachelor's	\$64,958
	Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	653	Associate's	\$59,738
	Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	584	PSND	\$60,382
	Accountants and Auditors	572	Bachelors'	\$78,707
Not Offered	Heavy and Tractor-Trailer Truck Drivers	2,011	PSND	\$59,446
	Construction Laborers	1,135	GED Equivalent	\$49,878
	Maintenance and Repair Workers, General	991	PSND	\$49,982
	Carpenters	933	PSND	\$58,573
	Real Estate Sales Agents	811	PSND	\$54,371
	First-Line Supervisors of Production and Operating Workers	651	Bachelor's	\$66,498
	Bus Drivers, School	624	GED Equivalent	\$62,587
	Electricians	596	PSND	\$82,597
	Medical Secretaries and Administrative Assistants	1,405	PSND	\$49,691

Key Takeaways

Rogue Valley Demand

- 35% of the 18,520 projected high-wage, high-demand openings in Rogue Valley require a Bachelor's or above.
- The occupational groups with the highest demand are:
 - 1) Management Occupations
 - 2) Construction & Extraction Occupations
 - 3) Transportation & Material Moving Occupations
 - 4) Office & Administrative Support Occupations
 - 5) Sales & Related Occupations.

SOU Workforce Preparation Strengths

- SOU offers a relevant credential (at or above the competitive education level) for 50% of the openings among the top 20 occupations.

High SOU Alignment	Credential
Business	BA, BS, MBA, Certificate (CT)
Education	MSEd, MA, BA, BS, (CT)
Healthcare	BA/BS* (CT)

*Nursing programs at SOU are offered in partnership with Oregon Health & Science University (OHSU) School of Nursing

The Path Forward

The Path Forward | *Stabilize & Evolve*

Stabilization & Evolution Considerations

Given the short runway SOU has, with a legislative mandate to attain a balanced budget by June 30, 2027, the path forward will include **two simultaneous efforts**:

- 1. Rapidly align expenses to revenues over the next year** and build a cash balance over time to cover emergency needs and unexpected events.
- 2. Strengthen and build identity around a core set of programs while expanding the learner base.** This includes adult learners seeking short-term credentials of value and high school graduates seeking alternative degree modalities that align to working professionals needs.

The Path Forward | *Stabilize & Evolve*

The Hallmarks of the Future SOU Are...

- A set of **Academic Programs that align to the skills and experiences students will need in the future to meet local and regional employers' needs.** Programs are concentrated across business, education, creative industries, and health and human services, with a streamlined set of gen ed requirements offered on a consistent and diverse schedule to accommodate the time today's learners have available to complete their coursework.
- Courses within programs are not static. **Ongoing, two-way communication with local businesses informs coursework,** which evolves with the needs of the community. Business connections also feed into experiential learning, internships, and earn and learn programs. **An innovation fund provides release time for faculty to pilot new courses;** adoption of these new courses should be measured, so that they can adapt as necessary to meet the needs of students and the community.
- **Programs align to student career paths, with credit for work related to their major that they engage in during their time of study.** An academic program that blends paid, experiential learning opportunities for students helps students afford their coursework.
- **A student body that is primarily comprised of traditional learners who sign up for a three- to four- year residential, campus-based experience.** Students work with faculty and advisors from day one to align career goals to coursework (which may evolve over the course of their study) and ensure they have a path of study that aligns to their own graduation timeline. Predictive analytics alert advisors when students need help, spotting patterns of behavior and potential for academic risk so that effective, personalized interventions can be provided in real-time. Courses are offered on schedules that enable each student to complete their path on time.
- Campus activities that drive belonging and create communities for students. Students participate in campus life, with student programs and a **set of athletic programs that include both NAIA sports and club sports.**
- **Support for students who predominantly live off campus and are focused on what they need to achieve from their course of study.** These students take classes alongside SOU's traditional learners and rely on programs that accommodate individuals with full-time jobs and other commitments, such as caring for families. These students look for robust academic to career advising that is available when they need it, and an academic portfolio at SOU that evolves to meet changing employer needs in real time.
- Recruitment focused on the local region. Admissions staff are in the local high schools to support students' understanding of the costs and opportunities of programs. **Admissions staff provide support to students applying for financial aid and assist them in understanding how to put together a program of study that leads to a career. The cost of an SOU degree must be transparent to students.**

Future of SOU

The future model builds on institutional strengths, maintains core offerings, and adds more flexible pathways connected to workforce and community needs.

What does SOU look like in four years?

SOU's Students

Traditional College Students

SOU remains a primarily residential campus, with a focus on recruiting students who are looking for an immersive, residential experience

Local Adult Learners

SOU expands focus to explicitly serve learners in the community who are looking for options to upskill and/or gain skills through shorter credentials of value, aligned to SOU's core focus areas

SOU's Programs

Continuing Core Existing Programs

SOU consolidates some courses to form new majors and streamline degree requirements to offer clear, targeted paths to a degree

Agile Programs for Learners in the Community

SOU adapts programs and offerings as learner and local needs change

SOU's Partnerships

Employers

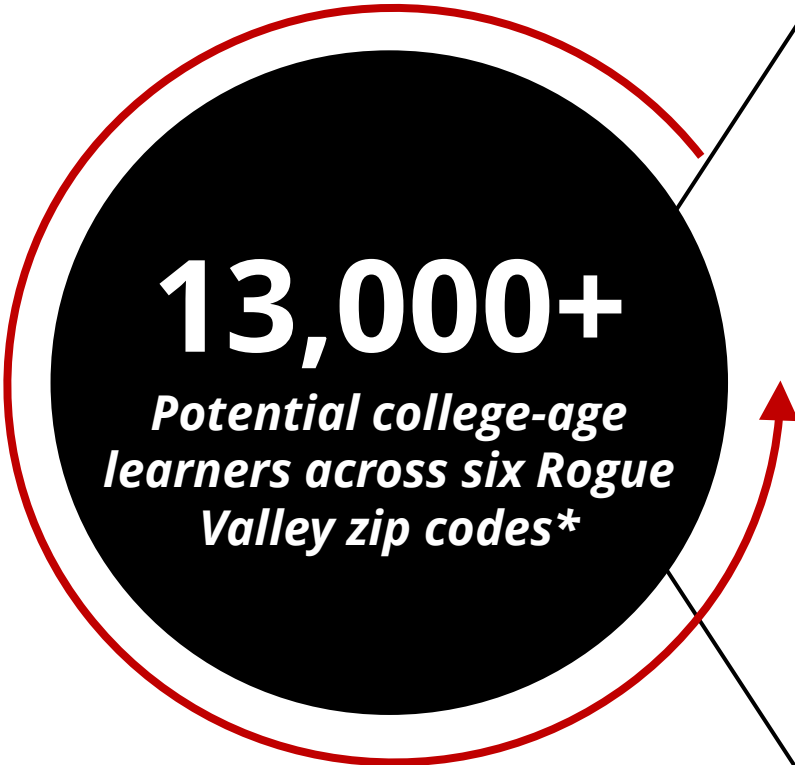
SOU increases focus on employer partnerships to offer internships, integrating learning and work for credit

Oregon Institutions

SOU develops integrated pathways to offer courses that students may want that are not offered at SOU; administrative partnerships provide scale for operations

Regional College-Age Learners Support Core Enrollment Strategy

A local pool of 13,000 college-age learners suggests that while the number of high school students will continue to decline, SOU has a meaningful opportunity to reinforce its residential and commuter student base through sharper market focus and clearer value pathways.



Local Pipeline Opportunity:

- A sizable population of college-age learners lives within the broader region, indicating room to strengthen SOU’s position with traditional-age students close to home

Targeted Value Proposition:

- Succeeding in this market will likely require clear academic value, affordability, student support, and a focus on providing programs that meet students’ evolving expectations of higher education

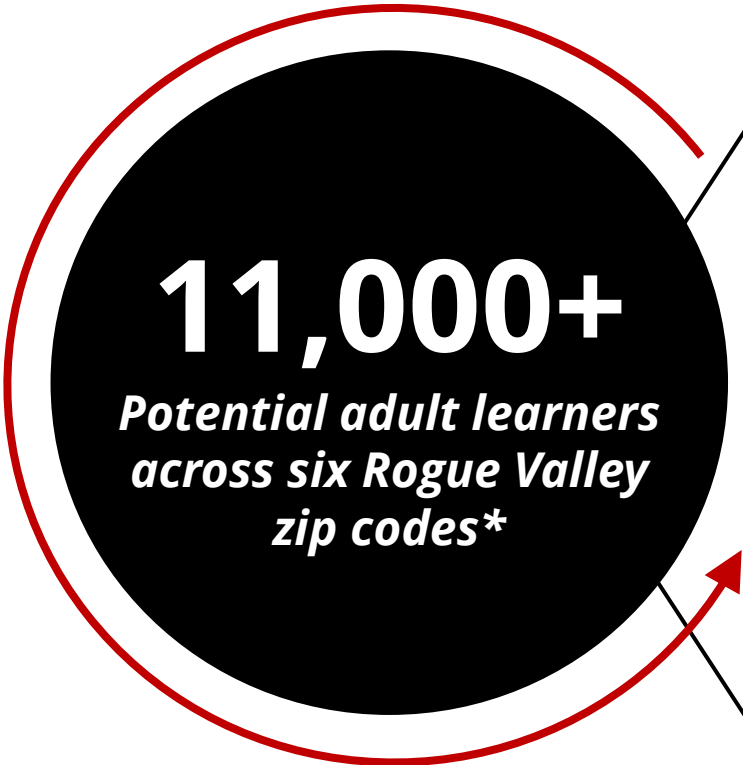
Partnerships Can Expand Reach:

- Stronger connections with nearby schools, counselors, and community partners can improve awareness, yield, and readiness for enrollment

*Zip codes include 97501, 97502, 97504, 97526, 97527, & 97535.

Regional Adult Learners Expand Enrollment Opportunities

The adult learner market presents a targeted, workforce-aligned growth opportunity in the Rogue Valley.



Adult Learner Profile:

- Ages 25–45, with household income of \$75K–\$249K

Regional Labor Demand:

- The Rogue Valley anticipates approximately more than 18,000 projected high-wage, high-demand openings through 2034. While only 38% require a Bachelor’s degree or above, there are opportunities to work with employers to identify credentials of value to help employees and job seekers develop relevant skills and capabilities

Strong Near-Term Opportunity:

- Bachelor’s degree completers
- Certificates/shorter-form credentials in workforce-relevant fields
- Career pathways in business, healthcare, and education, where SOU is already aligned

*Zip codes include 97501, 97502, 97504, 97526, 97527, & 97535.

Action Plan | *Immediate-Term Stabilization Opportunities*

The following categories present opportunities to preserve the student experience by taking practical steps to better align costs, revenues, and operations.

Student Retention & Completion

Keep current students enrolled and progressing to graduation

Academic Focus

Narrow programs and concentrations while preserving the programming for 78% of SOU's current student body

Partnership-Based Cost Reduction

Consider university and local partnerships for back-office, campus, and student services to reduce costs

Fundraising & Community Support

Boost philanthropic and local support

Revenue Optimization

Centralize and improve tuition discounting strategy

Stabilize Auxiliary Units

Pursue self-sufficient operations to avoid drawing on core E&G funds

Operational Discipline

Consider temporary controls on hiring, purchasing, and pay growth

Benefits

Work with the State to explore opportunities to change the benefits structure to reduce overhead costs

Utilize Space

Look for community partners to rent space on campus to bring in supplemental revenue

Near-term stabilization depends on improving retention, increasing support, using partnerships strategically, and tightening operations while preserving the core student experience.

Action Plan | *Medium-Term Priorities for Growth*

Longer-term success will require simpler degree paths, flexible credentials, stronger pipelines, and targeted enrollment growth.



Academic Model

Streamline degree pathways

- Refine course sequencing and delivery across programs
- Simplify and create focused degree maps and move average course size toward 22

Build flexible, stackable credentials

- Add shorter-term credentials of value that build toward a degree
- Align offerings to adult learners' needs and local employers' demands

Expand adult-friendly delivery

- Shift modality and timing to fit working adults' schedules
- Increase evening, online, hybrid, accelerated, and other flexible formats



Enrollment Pathways

Launch early-commitment pathways

- Implement pre-admit and plan models with clear milestones
- Make cost and time-to-degree more predictable for students

Re-engage stop-outs

- Run targeted comeback campaigns and credit audits
- Offer short on-ramps and reinstatement pathways to support re-enrollment

Strengthen transfer pipelines

- Grow transfers through community college and inter-campus partnerships
- Build clearer credit crosswalks and stronger articulation agreements



Growth Engines

Focus growth & pricing strategy

- Prioritize growth segments and manage tuition discounting carefully
- Set annual targets and track performance against them

Create completion-first options

- Offer "finish what you started" degrees with focused degree maps
- Expand credit for prior learning and noncredit-to-credit conversion pathways

Deepen workforce-connected offerings

- Partner with employers and workforce boards to build steady cohorts
- Launch rapid-response credentials of value and explore select accelerated pathways

The medium-term goal is not just to reduce pressure, but to redesign the University around clearer pathways, flexible learning, and stronger regional demand.

SOU Path Forward | Academics

Future SOU | *Academics*

Academic Considerations

- SOU's academic programs have been grounded in the liberal arts tradition, offering students a range of programs with a focus on residential, immersive education.
- *Not including institutional overhead (e.g., central administration costs), analysis of academic units' FY2025 direct margins¹ per student credit hour (SCH) generated highlights that **10 out of 24 units operated with negative margins** (count of 24 academic units excludes 2 units, Healthcare Administration and International Studies – see footnote below for rationale)*
- Furthermore, **most SOU programs are shrinking. Only four out of 26 academic units² increased student headcount from 2020 to 2025...** if programs continue to contract, the loss of scale may drive further academic units to negative direct operating margins
- Headcount is concentrated in large programs. In '24-'25, **the three largest academic units, Business, Education, and Psychology, comprised 45% of student headcount**, and the top 10 programs accounted for 78% of headcount.
- As SOU considers a program array that is sustainable, within the revenue sources that support its programs and in service to the state and the local community, **an ongoing focus on courses and programs that are in-demand from students, support the workforce needs of the local community and state, and provide operating margins that sustain the university will offer a more stable path forward in which revenues and expenses are in balance.**

1) 'Direct margin' calculation overview and additional methodology notes are included on slides 31 and 32

2) Includes only academic units that recorded >0 student majors in AY2025. Given coursework for degree programs in the Healthcare Administration and International Studies academic units is primarily comprised of courses (and therefore, SCH and tuition revenue generation) *outside* those two academic units, these were included in the assessment of headcount change but *not* in the direct margin analysis

Multifactor Analyses of Academics Highlight Potential Opportunities

Through a four-part multifactor assessment of existing academic offerings, SOU can identify areas to improve the efficiency of academic delivery, as well as areas where it may be necessary to close academic units and associated programs. Through streamlined academic offerings, cost savings will help balance revenues and expenses and build a more stable foundation for future growth.

Financial Considerations

Given resource constraints, financial considerations will be critical when evaluating the academic array



Context Considerations

Beyond purely financial considerations, it is critical to evaluate market trends and organizational fit

Operational Efficiency and Outputs

What is the cost of academic programming?

Financial Contributions to the Institution

What impact do the academic units have on the institution's overall financial performance?

Alignment to Local Needs and Labor Trends

How do SOU's academic trends align to local market demands?

Alignment to Organizational Mission

How do academic programs align to SOU's future?

Holistic analysis across these factors will enable SOU to ascertain, by academic unit, whether to implement operational efficiencies and where academic units may need to be closed.

UPDATED: Analysis of Margin by Academic Unit

Academic Unit ¹	AY2024 – 2025 Total UG & GR SCH ²	# Students Majoring in Degree Programs ³	Faculty Salary, Wages & Benefits per SCH ⁴	Estimated Total OpEx per SCH ⁵	Operating Revenues per SCH ⁶	Direct Margin (loss) per SCH ⁷
Business Administration	15,750	696	\$153	\$226	\$364	\$138
Education	12,412	482	\$194	\$309	\$470	\$161
Psychology	9,572	355	\$149	\$187	\$259	\$72
Theatre	6,644	187	\$195	\$327	\$267	(\$60)
Health & Exercise Science	5,490	184	\$146	\$188	\$281	\$92
Biology	4,808	168	\$152	\$224	\$296	\$71
Comms., Media & Cinema	8,355	164	\$133	\$197	\$296	\$99
Criminology & Criminal Justice	4,741	160	\$158	\$201	\$237	\$36
Emerging Media & Digital Arts	2,772	132	\$200	\$272	\$266	(\$6)
Env. Sci., Policy & Sustainability	3,400	91	\$208	\$259	\$310	\$50
Art & Art History	5,061	83	\$148	\$235	\$201	(\$34)
Outdoor Adventure Leadership	2,326	82	\$242	\$391	\$293	(\$98)
Computer Science	2,556	76	\$264	\$320	\$387	\$67
History & Political Science ⁸	2,049	74	\$215	\$214	\$436	\$222
English Studies	1,794	66	\$310	\$358	\$416	\$58
Music	3,292	61	\$326	\$513	\$276	(\$237)
Creative Writing	1,331	50	\$287	\$351	\$275	(\$77)
Sociology & Anthropology	2,401	49	\$245	\$282	\$236	(\$46)
Clinical Mental Health Couns.	2,096	48	\$307	\$381	\$436	\$55
Mathematics	4,480	37	\$181	\$213	\$262	\$50
Chemistry & Physics	3,037	36	\$214	\$327	\$321	(\$6)
Spanish & ASL	3,002	33	\$231	\$311	\$268	(\$44)
Economics	2,096	20	\$138	\$170	\$183	\$13
Gend., Sexuality, & Women's St.	902	8	\$237	\$272	\$243	(\$30)

Analysis Highlights

- Updates:** Analysis refreshed to include direct expenses logged to each academic unit, plus SCH-based allocation of each relevant college's/school's direct costs. Direct revenues such as course fees and other operating revenues have also been included.
- Analysis of direct margins for these 24 academic units¹ indicate **14 units operate at positive margins (excluding overhead)**, while the remaining **10 academic units operate at a loss.**
- Because this analysis only includes direct OpEx charged to the academic units and colleges / schools** - units shown as operating at a loss are in the red before any consideration of central university costs (e.g., student success staff, facilities cost).

1) Academic units not shown here, as no student majors were recorded in FY2025, include: 1) Philosophy, 2) Native American Studies, 3) Undergraduate Studies, 4) Military Science, and 5) First-Year Experience. Additionally, though the Healthcare Administration and International Studies academic units / programs did log student majors in FY2025, as the majority of coursework for these degrees are taught outside the units, assessment of the units' direct margins would inherently understate operating expenses.

Academic Analysis Footnotes

Methodology Notes:

1. Academic units not shown in the table on the prior slide, as no students majors were recorded in FY2025, include: 1) Philosophy, 2) Native American Studies, 3) Undergraduate Studies, 4) Military Science, and 5) First-Year Experience. Additionally, though the Healthcare Administration and International Studies academic units / programs did log student majors in FY2025, as the majority of coursework for these degree is taught outside the units, assessment of the units' direct margins would inherently understate operating expenses
2. Total Undergraduate (UG) and Graduate (GR) Student Credit Hours include all 'SOU regular classes' and Dual Enrollment but exclude any credits associated with 'OLLI' courses
3. Students Majoring in Degree Programs includes all students, undergraduate and graduate, majoring in degree programs within the respective academic units
4. Faculty Salaries, Wages, & Benefits (SW&B) reflect the actual total pay, by faculty member, by activity, and by academic unit, plus a benefits multiplier of 61%
5. **UPDATED:** Estimated Total Operating Expenses (OpEx) includes Faculty SW&B (as above) as well as all other staff /personnel salary and wages, and all other non-personnel operating expenses (e.g., supplies and services) costs charged directly to each academic unit as in the 2025 fiscal year general ledger. Given each of the two colleges/two schools have additional direct costs (i.e., cost of a dean's office) that should be incorporated, these operating expenses have been allocated to the relevant academic units based on the share of student credit hours that each unit comprises within its college/school
6. **UPDATED:** Operating Revenues per Student Credit Hour include: Total **net** tuition revenues, broken out by undergraduate vs. graduate vs. Advanced Southern Credit (dual-enrollment), course fees, State of Oregon Outcomes Based Funding (OBF) and Activities Based Funding (ABF), as well as other operating revenues charged directly to the academic units. Non-recurring, non-operating revenues (such as grant funds awarded for a specific purpose) have not been included
7. Direct Margin (Loss) per SCH is calculated as the difference Estimated Total OpEx per SCH and Operating Revenues per SCH
8. Given coursework and faculty overlap between the History and Political Science academic units, these were 'bundled' together for purposes of the direct margin by academic unit analysis

Sources:

FY2025 instructor loading report 040626.xlsx, *all instructor workload and pay*

Course data 5-years 042726.xlsx, *five-year course enrollment data*

FY2025 General Ledger, *reconciled to audited financial statements*

SOU SSCM Funding FY25, *SOU Student Success and Completion Model Funding for FY2025*

What Magnitude of Change is Needed for Financial Stabilization?

Given financial circumstances, the academic programs of the University will need to reduce expenditures between **\$6.8 and \$8.5M.*** Through the range of analyses included in the appendix, this report has identified the following options for the SOU Board and leadership to consider to create a sustainable portfolio.

Optimize Delivery in 16 Academic Units

- Moving from an average section size of 16 students towards an average size of 22 students will shift academic delivery to a more sustainable operating model
- This shift will require defining a narrower set of general education requirements
- Optimization will also require rethinking degree concentrations, and streamlining degree requirements
- These shifts will also open additional opportunities to offer short(er)-term credentials of value

Consolidate Nine and Close Four Academic Units

- Consider retaining programs that have high student demand, respond to local labor market needs, and offer more stable operating margins
- Consolidating and closing programs may impact up to 382 currently enrolled students; SOU must work individually with impacted students to determine an appropriate pathway to completion of a degree

Target Future State

- Similar to auxiliaries, entities housed within the academic areas—such as the Schnieder Museum, SOU Farm, and Digital Media Lab—cover direct and indirect costs through outside revenue, not drawing on E&G funds
- In the future, to maintain optimized academic delivery, faculty time will be aligned to instruction and supporting students to stay in school and graduate, with faculty support focused on enhancing retention, teaching, and learning

*Figure includes \$2.7M in faculty FTE cuts that have already been announced but had not taken effect in the 2025 Fiscal Year, which as the last complete fiscal year, has been utilized as the baseline for analysis

Optimization Within 16 Academic Units

Southern Oregon University will seek to optimize instructional delivery within a retained core area of academic units.

Academic Units



Optimization Approach

1. Business Administration
2. Education
3. Psychology
4. Theatre
5. Health & Exercise Science
6. Biology
7. Communication, Media & Cinema
8. Criminology & Criminal Justice
9. Emerging Media & Digital Arts
10. Environmental Science, Policy & Sustainability
11. Art & Art History
12. Computer Science
13. History & Political Science
14. English Studies
15. Clinical Mental Health Counseling
16. Hannon Library

- The delivery optimization analyses have been designed to align course delivery with demonstrated student demand and achieve an average size of 22 students per section
- Review of course section size will be conducted each quarter with an expectation of a minimum of 18 students
- Where courses run multiple sections per year, analysis of course enrollment indicates an opportunity to eliminate low-enrolled sections (by consolidating into other sections offered)
- Streamlining degree pathways is essential (e.g., reducing credit hours, simplifying options within degree pathways, and eliminating concentrations and/or certificates)
- While the Hannon Library does not produce credit hours, SOU can budget and align library resources with the evolving demands of students. The full extent of changes to the student population — the annual gate count has fallen to nearly half since 2019 — has not been reflected in the Library staffing, which is in the high end of the peer set
- SOU will transform and evolve course offerings that better align to student and labor market demands

Sunset Four Academic Units

Given Southern Oregon University's current financial condition, closing academic units and associated programs may be a necessary component of a path to sustainability.

Academic Unit	Action Description	AY2024 - 2025 Majors (# of students majoring in programs in the unit)
Gender, Sexuality, & Women's Studies	Academic unit(s) and associated programs to be sunset	8
Creative Writing		50
International Studies		6
Music		61
Total number of majors impacted:		125

Teachout / Transition Support

For all majors impacted by closure of the above academic units, SOU will work with students to support teachout and/or transfer pathways

Methodology and Decision Criteria

- Academic units were assessed based on financial margins (total operational expenses compared to total operating revenues), student demand, program scale, and overlap with other offerings
- Based on precedent, this approach takes into account that as many as 50% – 75% of students in these impacted academic units may choose to leave the institution, rather than pursue an alternative path of study

Academic Units to be Reconfigured

In addition to the optimization and closure of some academic units, the following units will likely need to be reconfigured.

Academic Unit	Action Descriptions	AY2024 - 2025 Majors (# of students majoring in programs in the unit)
Outdoor Adventure Leadership	Academic unit to be closed; sufficient coursework retained and shifted to Business Administration for options as a minor/certificate	82
Economics	Academic unit to be closed and shifted to Business Administration to offer students options for a minor/concentration/certificate	20
Chemistry & Physics	Associated majors to be sunset and academic units to be reconfigured to include a focused range of courses	36
Mathematics		37
Native American Studies		0
Philosophy		0
Sociology & Anthropology		49
Spanish & American Sign Language		33
Undergraduate Studies/First Year Exp.		N/A
Total number of majors impacted:		257

Methodology and Decision Criteria

Academic units were assessed based on financial margins (total operational expenses compared to total operating revenues), student demand, program scale, and overlap with other offerings

Teachout / Transition Support

For all majors impacted by closure of these academic units, SOU must work with students to support teachout and/or transfer pathways









SOU Path Forward | Administrative Areas

Future SOU | *Administrative Staff*

Administrative Considerations

- Similar to peer institutions, SOU's administrative staff has grown over the past several years. **With a shrinking student body and smaller academic footprint, the administrative needs of the university will continue to change.**
- SOU's size and scale make it challenging to align administrative staff to the needs and requirements of the institution. **The closest alignment would require either part-time staffing or shared responsibilities**, both of which can be difficult to operationalize in a standalone environment.
- Over the past decade, **higher education has pioneered a range of models to solve this fractional staffing problem** **There is an opportunity to form partnerships with other Oregon higher education institutions and regional organizations to provide high levels of expertise**, while also providing part-time staffing that is aligned to an institution's needs.
- On average, **these models result in 10-30% reduction in costs for the institution**, enabling work to be done with fewer staff members.
- However, these models also take time and resources to execute and may necessitate **aligning on a common technology platform**, which requires both resources and time to accomplish.
- SOU has a **range of options and delivery models to consider** to better align administrative costs to student and faculty levels. SOU should determine whether and to what extent these options align to its future needs and the needs of the population it serves.

Future SOU | Administrative Operating Models

		Model Description	Higher Education Case Studies
01	 Outsourced Delivery Model	Administrative services can be outsourced and delivered by a third-party provider	
02	 Anchor University Delivery Model	A separate Oregon-based university provides administrative services for SOU	
03	 Regional Network Delivery Model	Similar universities are organized into a "network," and administrative functions are consolidated at one service unit within that network	
04	 Local Partnership Delivery Model	The university utilizes local partners, such as the local school district or community college, for services and student support	

Delivery Model Functions | Back Office

Transaction-heavy, rules-based functions represent the clearest opportunity for efficiency gains, improved services, and lower technology costs.

20-30% Savings in Back Office Functions, Including Technology Savings

Comp, Benefits, and Non-Comp Expense Total: \$14.0M
Savings Range: \$2.8 – 4.2M*

Shared Service Function Opportunities

- **VP, F&A:** Management of finance and administration
- **Business Services:** AP/AR processing, payroll administration, procurement operations, travel/expense processing, shared service support
- **IT:** Help desk, infrastructure hosting/cloud, network operations, cybersecurity monitoring, application maintenance, desktop support, ERP support
- **Human Resources:** Benefits administration, payroll, recruiting coordination/RPO, background checks, learning administration, HR shared services
- **General Counsel:** E-discovery, contract review support, litigation support, compliance monitoring, outside counsel for specialty matters
- **Budget Office:** Financial modeling support, budgeting tool administration, reporting/BI production, forecast analytics
- **Institutional Research:** Research and data collection

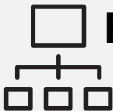


Anchor University Delivery Model

Timeline: 6-9 months

Options: Outsource functions to Oregon flagship universities

Time to gain savings: **Medium**
Role preservation for staff: **High**
Level of savings: **Medium**



Regional Network Model / Consortium Model**

Timeline: 12-18 months

Options: Create a shared service model across universities to provide services

Time to gain savings: **Slow**
Role preservation for staff: **Highest**
Level of savings: **Medium**



Outsourced Delivery Model

Timeline: 2-6 months

Options: Outsource services to a non-profit, third-party provider

Time to gain savings: **Fast**
Role preservation for staff: **Low**
Level of savings: **Highest**

**Identifying at least 2-3 University partners will allow SOU to find savings

*Estimated savings or revenue generation figures are offered as potential, indicative figures, as the full value of cost savings or revenue generation will be dependent on the timing and manner of implementation alongside any other shifts in external forces (socio-economic, market forces or geopolitical).

Delivery Model Functions | Campus Services

Select services may benefit from shared delivery where scale can be achieved without compromising responsiveness or campus experience.

10-20% Savings in Campus Services

Comp, Benefits, and Non-Comp Expense Total: \$6.5M
Savings Range: \$250K - \$700K

Shared Service Function Opportunities

- **Campus Public Safety:** Contracted security officers, communications center support, Clery Act security services, emergency communications platforms and operations, security technology managed services, training and preparedness support
- **Facilities Management & Planning:** Facilities planning, central heat plant operations and maintenance, HVAC preventive maintenance and controls support, housing maintenance overflow, academic-area custodial, campus mail/service center operations, maintenance planning
- **Sustainability:** Strategy, compliance, operations coordination, and engagement



Local Partnership Delivery Model

Timeline: 3-6 months

Options: Partner with local Ashland and Rogue Valley partners, including local municipality

Time to gain savings: **Medium**
Role preservation for staff: **Medium**
Level of savings: **Medium**



Outsourced Delivery Model

Timeline: 3-6 months

Options: Outsource services to a local third-party provider

Time to gain savings: **Fast**
Role preservation for staff: **Low**
Level of savings: **High**

If neither option is viable, SOU may need to look at reductions in services to balance the budget in the near term; however, staffing reductions may impact the level of facilities services on campus and create delays in custodial or maintenance services

**Estimated savings or revenue generation figures are offered as potential, indicative figures, as the full value of cost savings or revenue generation will be dependent on the timing and manner of implementation alongside any other shifts in external forces (socio-economic, market forces or geopolitical).*

Delivery Model Functions | Student Life

Opportunities are concentrated in administrative and transactional activities, while high-touch, campus-specific services are retained locally.


20-30% Savings in Student Life

Comp, Benefits, and Non-Comp Expense Total: \$8.2M
Savings Range: \$1.6M - \$2.4M

Shared Service Function Opportunities

- **Enrollment Management:** Admissions operations and application processing, prospective student contacts, financial aid processing support, registrar transaction services, transcript evaluation and credential services, CRM administration, enrollment analytics and forecasting
- **Admissions & Recruitment:** Marketing and lead generation, CRM support, application processing, recruitment operations, analytics support
- **Student Success**
 - **Career Development Services:** Career advising
 - **Success at Southern:** Academic advising, academic tutoring, student success planning, career guidance, financial literacy
 - **Office Dean of Students:** Care Coordination, career connections

- Enrollment Management
- Admission & Recruiting
- Financial Aid
- Career Development
- Career Planning/Guidance
- Workforce Partnership Development




Regional Network Model

Timeline: 6-12 months

Options: Partner with local Rogue Community College

*Time to gain savings: **Long***
*Role preservation for staff: **Medium***
*Level of savings: **Medium***



Outsourced Delivery Model

Timeline: 3-6 months

Options: Partner with outsourced provider

*Time to gain savings: **Fast***
*Role preservation for staff: **Low***
*Level of savings: **Highest***

- Enrollment Management
- Admission
- Financial Aid

If neither option is viable, SOU may need to look at reductions in student services to balance the budget; however, this may impact enrollment and student success

*Estimated savings or revenue generation figures are offered as potential, indicative figures, as the full value of cost savings or revenue generation will be dependent on the timing and manner of implementation alongside any other shifts in external forces (socio-economic, market forces or geopolitical).

Rethinking Student Advising | *Shared Model*

Shared advising between SOU and Rogue Community College offers an opportunity for local high school students to understand the benefits of programs across the two higher education entities supporting the Rogue Valley, offering a model that can leverage shared technology and staffing to increase the impact of SOU's recruitment team.

High School Recruitment Team

Shared Core Team of High School Recruiters

- Each advisor is trained to support both RCC and SOU students through admissions, onboarding, advising, and career planning
- Cross-training replaces siloed roles, as every advisor is “dual-certified” across both institutions
- Admission and career advisors work as a seamless ecosystem with each other, helping students to make the connection between their course of study and their career path
- Able to enroll students in real time

Workforce Development Team

Shared Core Team for Workforce Alignment

RCC and SOU can serve as a key link between employers and students, designing programs aligned to each institution's strengths that focus on:

- Employer-designed curricula
- Experiential learning and internship opportunities
- Industry-recognized credentials
- Clear credit articulation
- Student career placement

A partnership offers local employers ‘one front door’ to initiate conversations about emerging labor market needs, gaining the best of both institutions.

KEY CONSIDERATIONS

- Partnership will depend on the interest of all parties in engaging in conversations to develop a model that is mutually beneficial.
- In addition to Admission & Recruiting, Career Development, Career Planning/Guidance and Workforce Partnership Development, such a partnership might extend to Enrollment Management and Financial Aid.
- Technology and ability to maintain data privacy are key considerations for an effective partnership.

Rethinking Student Advising | *Student Success*

Improving student retention is a significant opportunity to improve student outcomes and increase revenue to the institution.

Supporting functions are integrated, working in tandem to enable students to stay in school and graduate.

- **Enrollment Management**
- **Admissions & Recruitment**
- **Student Success**

Increasing student retention will require reconfiguration of student support services, building an ecosystem of faculty and staff support. This will give SOU an opportunity to bring retention numbers at least in line with peers, increasing tuition and state funding to SOU.



Predictive analytics tools are used by all faculty and staff to identify students who are at risk (beginning with their application), and target interventions to help them; faculty and staff are held accountable for universally providing inputs to the data tracking and acting on outcomes



Students have simple, clear degree pathways, with course timing and location designed around the needs of the full population of SOU learners



Stackable credentials enable students to succeed in shorter time frames by providing shorter paths to milestones of value



Degree paths are connected to careers, building in experiential learning and paid internships for credit



Continued focus on activities that promote belonging and engagement, tailored to evolving student populations

SOU Path Forward | Auxiliaries

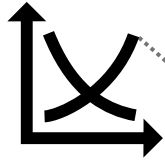
Future SOU | *Auxiliary Units*

Auxiliary Considerations

- Auxiliary units are generally expected to operate with a high degree of self-sufficiency, **but almost all of SOU's auxiliary units currently require ongoing institutional support**. Going forward, the University can develop a clearer point of view through KPIs to assess the contribution of auxiliary functions to the institution through enrollment growth. With budget stabilization, there may be a discretionary opportunity to further support auxiliary functions.
- Across higher education, athletics departments are generally not fully self-supporting. **Athletics can play an outsized role in alumni connection, institutional visibility, and fundraising**. Changes to athletics should consider not only the direct impact to the athletics program, but also the influence on enrollment, donor engagement, and the broader advancement strategy.
- Dining and housing facilities are typically self supporting, with consideration given to the cost burden to students. Given **affordability pressures and market sensitivity around pricing**, significant rate increases may not be the most practical near-term lever; instead, operational efficiencies, service model changes, and cost management may offer a more viable path.
- **Additional auxiliary activities warrant review, particularly where they are generating recurring losses without a clear connection to the core academic or student mission**. For units such as parking, the radio station, or other non-core enterprises, the University should assess the impact to the institution; connection to the institution's mission; and whether they can realistically reach break-even performance and, if not, whether divestiture, outsourcing, or spin-off models may be more appropriate.
- In the immediate near term, **balancing revenues and expenses across auxiliaries** is necessary to create a sustainable path.

Revitalize Auxiliaries | *From Cost Centers to Growth Engines*

A self-sustaining auxiliary model could **unlock \$3.0M in annual savings** while reducing recurring losses and protecting the core academic mission.



Financial Sustainability

Auxiliaries are financially self-sustaining, **covering operating costs through sales, services, and philanthropy**, not E&G subsidies.



Margin Mindset

Auxiliary offerings should be **priced for both sustainability and affordability**, with intentional decisions on where discounts or access subsidies are warranted.



Synergy & Collaboration

Auxiliaries actively **collaborate to generate diversified revenue** (e.g., athletic camps stay in student housing, coaches staff the Rec Center, shared events utilize the Arts and Rec Centers).



Community Engagement

Auxiliaries host fundraising, recruiting, and summer camp **events that strengthen campus, alumni, and community ties.**

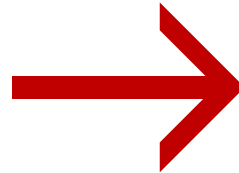
Designed to operate as a self-supporting portfolio of services, programs, and assets.

Building a More Sustainable Dining Experience

SOU's Housing auxiliary, comprised of Housing and Dining, operates in a deficit that is primarily driven by Dining Services costs. SOU can capture approximately **\$1.1M in savings across Housing and Dining**, a substantial portion of its \$3M total auxiliary opportunity, by discontinuing GPA incentive housing remissions, filling unused housing capacity, and closing the gap between dining pricing and cost-to-serve.

WHAT WILL STAY THE SAME

- The focus will remain on **access, convenience, and food quality**
- **Meal plans, campus dining, and catering** will continue to be core parts of student life



WHAT MAY FEEL DIFFERENT

- Some **hours, menus, and service approaches** may evolve over time to better match student usage
- **Meal plan structure and pricing** may be reviewed periodically to keep pace with operating realities and peer practices

Potential Pathways to Support Athletics Sustainability

Reducing Athletics' structural deficit could **unlock a \$1.5M savings opportunity before E&G subsidy.**

Substantial feedback gathered through the 'Always-On' feedback loop suggests that fundraising could be a viable way to support athletics sustainability.

OPTION #1 FUNDRAISING-LED PATHWAY

- Increase philanthropic and community support for athletics
- Use targeted fundraising to help reduce ongoing financial pressure

OPTION #2 PROGRAM-ADJUSTMENT PATHWAY

- Reducing the number of assistant coaches or even cutting certain team(s) may be necessary to align revenues to expenses.
- Decisions around athletics teams should consider the number of student-athletes impacted
- Any path would need to consider athletics association and conference requirements, as well as Title IX implications

The University is balancing two realistic paths: Securing additional support through fundraising or considering targeted program changes if the current operating gap cannot be closed in other ways.

SOU Path Forward | Near-Term Revenue Opportunities

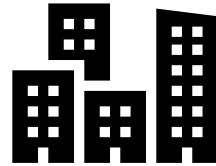
Future SOU | *Revenue Opportunities*

Revenue Considerations

- The University has several plausible revenue levers, including **better use of campus assets, stronger enrollment and aid strategy, improved retention, and more focused fundraising**. Together, these could strengthen and diversify revenue over time.
- The most important consideration is timing. **Most revenue initiatives take longer to design and realize than cost actions**, and many require investment or execution capacity the University may not currently have.
- As a result, these opportunities **may not contribute immediately as the primary answer to near-term financial pressure** and may better serve as medium-term supports to a broader stabilization plan.

Revenue Opportunities | *Monetize Underutilized Space*

With enrollment and financial pressures continuing, SOU can unlock revenue through new revenue streams from underutilized campus space.



Leverage Campus Assets

- Lease select campus assets for community use, external events, rentals, camps, and conferences
- Consider selling underutilized assets to generate one-time revenue and reduce upkeep costs

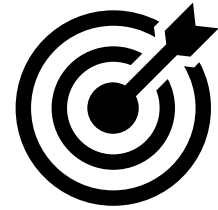
Estimated Potential Impact

~\$1.9M*

Annual Revenue Opportunity

Revenue Opportunities | *Net Tuition Optimization*

With enrollment and financial pressures continuing, SOU can unlock revenue through net tuition improvements.



Improve Net Tuition

- Centralize financial awards by aligning the financial aid, packaging, and discounting strategy to improve overall enrollment numbers while maintaining and growing net tuition revenue
- Evaluate scholarship guidelines, exception-based awards, and targeting to provide individual students the aid package that will bring them to SOU and retain them for their full course of study
- Streamline student success teams to so that more students remain at SOU through graduation

..... ***Estimated Annual Potential Impact***

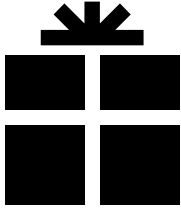
~\$1.4M – 1.8M*

Tuition Revenue Improvement

*Assumes 2-4% improvement in yield (+\$400K-800K revenue impact) and 2% improvement in discount rate (+\$1M in revenue impact)

Revenue Opportunities | *Increase Unrestricted Giving*

With enrollment and financial pressures continuing, SOU can expand flexible fundraising by increasing the share of gifts that support highest-priority institutional needs.



Grow Flexible Philanthropy

- Reframe annual giving so unrestricted support is the default ask and pair unrestricted asks with a sharper case for support around student success, retention, and greatest institutional need
- Prioritize conversion of higher-capacity donors to flexible-use gifts

..... ***Estimated Potential Impact***

~\$370K – 740K*

Annual Unrestricted Funding Opportunity

*Assumes 10-20% conversion of FY25 scholarship gifts are redirected to broader institutional support through revised donor ask strategy

SOU Path Forward | Structural Cost Reduction Measures

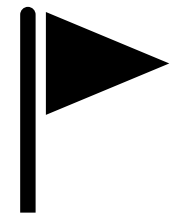
Future SOU | *Structural Operating Expenses*

Structural Operating Expense Considerations

- Near-term controls such as a hiring freeze, purchasing freeze, merit freeze, and COLA freeze have been used by other institutions over the past year to reduce projected growth in salaries, wages, and benefits in the short term. These actions are typically among the **fastest ways to create immediate budget relief, but they slow growth and do not fundamentally reset the cost base.**
- Healthcare is a particularly important consideration given the size of current benefit expense. **Alternative healthcare models used by other institutions may offer meaningful recurring savings** if the University is able to pursue them.
- At the same time, benefit changes are more constrained than many other expense levers. **State requirements, employee expectations and needs, and implementation complexity will shape what is feasible** and how quickly savings can be realized.

Operational Savings | *Temporarily Freeze Salaries, Wages, & Benefits*

While freezing salaries, benefits, and wages in the short term may reduce operational expenses, this is not sustainable over time.



Salaries, Wages, and Benefits

- Introduce a hiring freeze, purchasing freeze, merit freeze, and COLA freeze to reduce projected increases to salaries, wages, and benefits in FY27

..... ***Estimated Potential Impact***

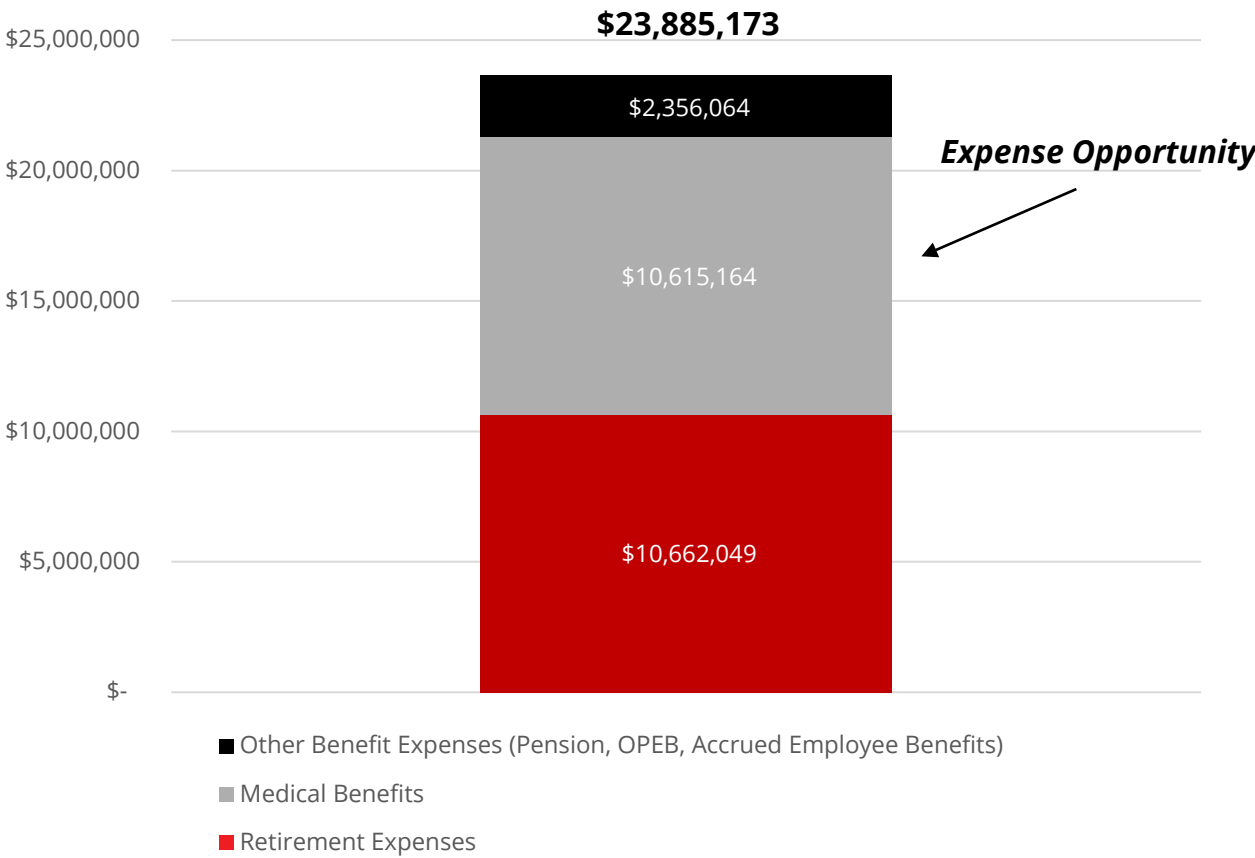
\$845K (salary/wages only) – \$1.3M*
 One-Time Savings Opportunity

*Source: SOU Budget Master Model. Savings calculated by removing the projected 2-3% annual increase in FY27 and holding expenses flat. Note these savings do not include the estimated \$1M in salaries savings from the Resiliency Plan.

Operational Savings | *Increased Healthcare Cost Sharing by Employees*

With a total benefits expense of \$23M, the **effective fringe rate in FY25 was 56%**, comparatively high based on industry standards. There exist significant opportunities to operate sustainably if SOU can identify strategies and pathways to reduce benefits expenses.

Benefits Expenses Comprising 56% Fringe in FY25



Pathway to Reducing Benefits Expense

Current benefit expenses at SOU contribute significantly to operating expenses, costing SOU an average of \$42,232 annually per employee. Per State of Oregon law, a public university must provide group insurance to employees. However, there may exist opportunities for SOU to provide group health and wellness insurance outside of the Public Employee Benefits Board (PEBB), per Oregon Statute 352.237.

Economics - Healthcare Expense

Reducing healthcare expenses by 10-20% by utilizing alternative healthcare models (e.g., Oregon Educators Benefit Board (OEBB) utilized by community colleges could save SOU \$1.1M to \$2.1M* annually; however, impacts to employees should be considered.

This savings would be realized by reducing the cost sharing shouldered by the University and moving to more industry standard benefits.

*Source: FY25 Income Statement Transaction 2026-02-28.xlsx / Trial_Balance (4).xlsx. Assumes 10-20% reduction in medical expenses

SOU Path Forward | Setting the Foundation for Success

What it Will Take for SOU to Succeed

Achieving financial stability is possible, and will require disciplined execution, protected liquidity, credible external support, sustained alumni and philanthropic confidence, and careful sequencing around academic and operational realities.



LEADERSHIP ALIGNMENT

Change management suggests 'starting with the end in mind.' There is an opportunity for the Board and SOU campus leaders to articulate a clear vision for the future and offer a path forward to SOU's evolution.



DISCIPLINED EXECUTION AT PACE

To succeed, SOU will need to deliver a complex implementation plan against critical milestones, with limited staff capacity and little room for delay. In addition to attending to key milestones, SOU will need to evolve the plan as the context changes.



A COMPELLING PARTNERSHIP CASE

To attract partners in a difficult higher education market, SOU will need a clear value proposition and incentives that make engagement worth the investment.



COMMUNITY SUPPORT

Staff and faculty will need to work together to achieve a future vision, supported by alumni, donors, the Rogue Valley community, and the Oregon Legislature.



CAREFUL SEQUENCING OF DEPENDENCIES

Program changes and cost actions will need to align with the academic calendar and other dependencies to reduce disruption and avoid undermining the student experience. Within these constraints, optimizing outcomes for students is an effective guiding principle.

Success will depend not just on having a plan, but on executing it quickly, credibly, and consistently, reevaluating as the environment and context evolves.

Path Forward



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PATH TO FISCAL SUSTAINABILITY

Collaborative process for SOU to sustain its presence and impact for students and the region

[SOU President](#) [Messages](#) [Government Relations](#) [Org Chart](#) [Pres List](#) [Leadership](#) [TAC](#) [The Plan](#) [Sustainability](#)



Appendix and Supplementary Analysis

Mounting Financial Pressures Are Straining Operations

SOU faces increasing financial pressure, driven primarily by declining operating revenues and growing operating expenses that have put pressure on liquidity and the balance sheet.

Composite Financial Index (FY25)

	Ratio Calculation	CFI Score	Industry Benchmark**
Primary Reserve	$\frac{\text{unrestricted net assets}}{\text{total unrestricted expenses}}$	0.33	0.86
Net Operating Revenue	$\frac{\text{total net surplus / deficit}}{\text{total unrestricted revenues}}$	(0.06)	(0.55)
Return on Net Assets	$\frac{\text{change in net assets w/o restrictions}}{\text{total net assets (beginning of FY)}}$	(0.04)	(0.39)
Viability	$\frac{\text{expendable net assets}}{\text{long-term debt*}}$	0.77	0.65
Composite Financial Index (FY25)		0.57	

Insights & Observations

The Composite Financial Index is combination of four financial ratios that gauge the fundamental elements of the financial health of a public institution. The composite score reflects the overall relative financial health of institutions along a scale from negative 4.0 to positive 10.0. **A composite score greater than or equal to 1.1 indicates the institution is considered financially healthy.**

An analysis of SOU's financial statements and CFI indicates that **the institution has been under financial strain for several years.** Operating margins have declined as **operating expenses have outpaced operating revenues over the last five years.**

Additionally, the **net position of the institution is shrinking**, and SOU does not have significant cash reserves or a large endowment that can provide financial relief during periods of distress.

*Includes liabilities for Workday

**Compare to Ratio Calculation

Source: 2021-2025 SOU Annual Financial Statements

The Financial Projections Tie Back to the Financial Statements

The analysis of the FY25 ledger data has resulted in a match to the audited financial statements. To assist the financial analysis, the financial data has been restated into “natural” classifications and E&G funds have been identified separately to better understand operating performance.

1 Map the FY25 general ledger data to the financial statements to confirm accuracy

2 Categorize financials into “natural” categories to better understand the nature of revenues and expenses

3 Separate “E&G” funds from other revenues and expenses to better understand operating performance

	FY25 Operating Expenses (Financial Statement in \$K)
(08)-Instruction	\$ 33,538
(09)-Research	1,634
(10)-Public Service	4,801
(11)-Academic Support	7,307
(12)-Student Services	5,978
(13)-Auxiliary Programs	15,152
(14)-Institutional Support	19,864
(15)-Operation and Maintenance	7,426
(16)-Student Aid	8,089
(17)-Other Operating Expenses	6,122
Total Operating Expenses	\$ 109,911

	FY25 Operating Expenses (GL Categorization in \$K)
<i>Salaries and Wages</i>	\$ 42,718
<i>Benefits</i>	23,885
<i>Supplies and Services</i>	24,761
<i>Student Aid</i>	7,843
<i>Rent Expense</i>	89
<i>Lease Expense</i>	948
<i>Utilities Expense</i>	2,573
<i>Maintenance and Repair</i>	6,242
<i>Investment Expense</i>	3
<i>Auxiliary Expense</i>	848
Total Operating Expenses	\$ 109,911

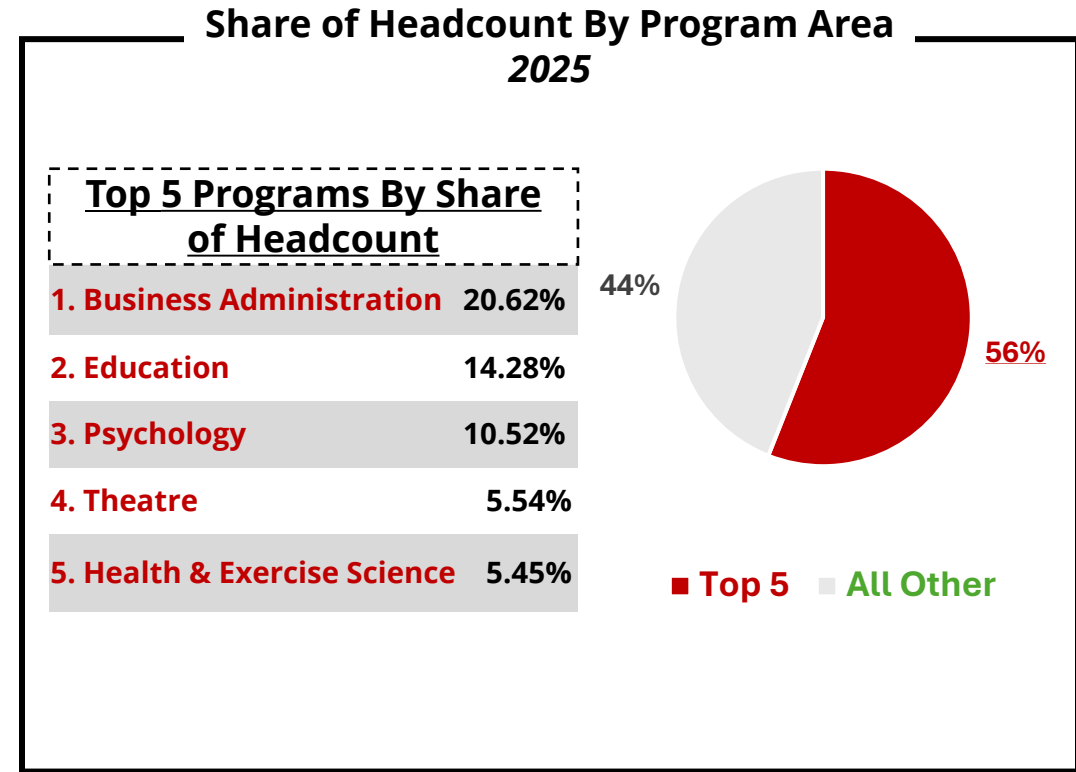
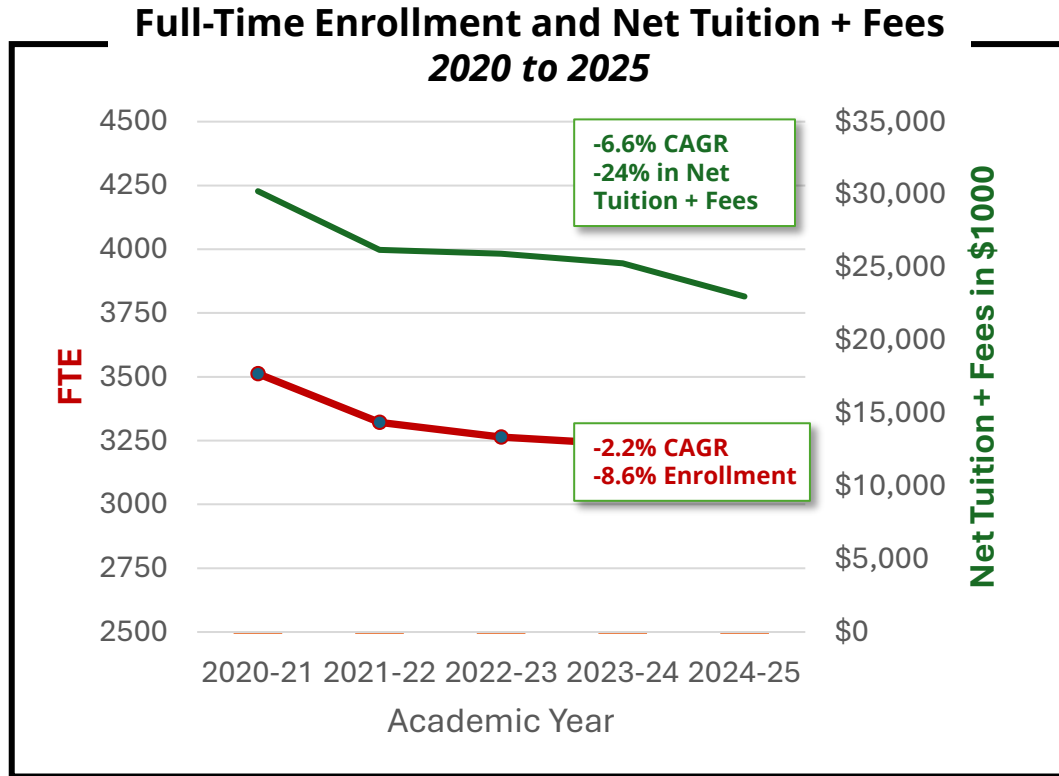
	FY25 Operating Expenses (GL Categorization in \$K)
<i>Salaries and Wages</i>	\$ 32,615
<i>Benefits</i>	19,673
<i>Supplies and Services</i>	8,556
<i>Student Aid</i>	-
<i>Rent Expense</i>	5
<i>Lease Expense</i>	849
<i>Utilities Expense</i>	1,494
<i>Maintenance and Repair</i>	3,612
<i>Investment Expense</i>	-
<i>Auxiliary Expense</i>	-
Total Operating Expenses	\$ 66,804

Source: FY25 Income Statement Transactions 2026-02-28.xlsx

*Note: \$109.9M in FY25 does not include \$1.5M in interest expense that was included in the FY25 expense analysis on the financial forecast, which was stated at \$111.4M (\$109.9M + \$1.5M = \$111.4M)

Shrinking Student Base & Higher Discounts Erode Tuition Revenue

SOU's full-time enrollment is down 8.6% since 2020 and net tuition revenue is down 24% between FY21 and FY25. This decline in enrollment and tuition is compounded by discount rate growth from 12.0% (AY23) to 16.7% (AY25).



SOU has seen a **consistent decline in student headcount over the last five years**. SOU's **top five programs account for roughly 56% of student headcount**. Even as enrollment has declined and programs have been reduced, SOU still offers a significant number of academic programs that serve a very small numbers of students.

Candidate360™ | SOU Undergraduate Recruiting Opportunity

In their local recruiting area, SOU has the opportunity to expand their reach to households that share the financial characteristics of their historical undergraduate applicants (2022-2024).

Key Takeaways

- Based on their historic performance, SOU may have challenges attracting households with the lowest income levels. However, most of the households within their core recruiting area have income levels common among their undergrad applicants.
- Slightly higher debt levels among undergrad applying households likely reflect greater access to credit related to increased income levels.
- The median household likely to have a college-age student in SOU’s local recruiting area (see breakdown below **totaling around 13,000 households**) has a median estimated household income of \$60,000 - \$75,000 and median household debt of \$1,500 - \$3,499.
- For households with an undergraduate applying to SOU, **around 5,300** of which had available survey data, the median estimated household income is \$75,000 - \$99,000 and household debt median household debt is \$3,500 - \$7,499.

Estimated Household Income		
	SOU Undergraduate Applicants	Identified Households with College-Aged Person*
Minimum	Less than \$15,000	Less than \$15,000
25th Percentile	\$60,000-\$74,999	\$30,000-\$39,999
Median	\$75,000-\$99,999	\$60,000-\$74,999
75th Percentile	\$125,000-\$149,999	\$75,000-\$99,999
Maximum	\$500,000+	\$500,000+

Estimated Household Debt Level		
	SOU Undergraduate Applicants	Identified Households with College-Aged Person*
Minimum	\$0	\$0
25th Percentile	\$1 - \$1,499	\$1 - \$1,499
Median	\$3,500 - \$7,499	\$1,500 - \$3,499
75th Percentile	\$25,000 - \$39,999	\$15,000 - \$24,999
Maximum	\$75,000+	\$75,000+

Zip Code^	2020 Census Population	2024 ACS Households	Identified Households with College-Aged Person*
97501	47,519	18,090	2,738
97502	29,558	11,434	2,157
97504	49,942	20,571	3,197
97526	36,561	16,037	2,300
97527	36,358	14,968	2,386
97535	5,015	2,051	255
Total	204,953	83,151	13,033

^selected SOU core recruitment area zip codes

*based on reported children's ages between 15 - 19 years old

* Based on Deloitte’s proprietary Candidate360 data set.

Candidate360™ | *SOU Adult Learner Market Size*

The adult learner population is based on unique individuals, rather than households.

Key Takeaways

- Potential adult learners are likely aged 25-45, have estimated household income between \$75,000 - \$249,999, and younger children (< 10 years old) are likely not present in household.

Zip Code	2020 Census Population	2024 ACS Households	Unique Identified Potential Adult Learners*
97501	47,519	18,090	2,089
97502	29,558	11,434	2,052
97504	49,942	20,571	3,493
97526	36,561	16,037	1,756
97527	36,358	14,968	1,773
97535	5,015	2,051	207
Total	204,953	83,151	11,370

* Based on Deloitte's proprietary Candidate360 data set.

SOU Faces Decline in Program Headcount

Multi-year declines in headcount (unduplicated declared undergraduate and graduate students) across SOU's programs are driving contraction.

Rank	Academic Program Area	Headcount ('20-21)	Headcount ('24-25)	Headcount CAGR ('20-25)
45%	1 Business Administration*	863	696	-4%
	2 Education	536	482	-2%
	3 Psychology	418	355	-3%
78%	4 Theatre*	237	187	-5%
	5 Health & Exercise Science	151	184	4%
	6 Biology	211	168	-4%
	7 Communication, Media & Cinema	211	164	-5%
	8 Criminology & Criminal Justice	184	160	-3%
	9 Emerging Media + Design	163	132	-4%
	10 Environmental Science, Policy & Sustainability*	133	91	-7%
22%	11 Art & Art History	68	83	4%
	12 Outdoor Adventure Leadership*	109	82	-6%
	13 Computer Science	96	76	-5%
	14 English Studies	74	66	-2%
	15 Music*	60	61	1>%
	16 Creative Writing	65	50	-5%
	17 Sociology & Anthropology	57	49	-3%
	18 History	44	48	-9%
	19 Clinical Mental Health Counseling	76	48	2%
	20 Mathematics	53	37	-7%
	21 Chemistry & Physics*	62	36	-10%
	22 Spanish & American Sign Language*	71	33	-14%
	23 Healthcare Administration	59	28	-14%
	24 Power & Politics*	55	26	-14%
	25 Economics	21	20	-1%
	26 Gender, Sexuality & Women's Studies*	10	8	-4%
	27 International Studies*	31	6	-28%
Total		4,118	3,376	

Insights & Observations

- **Most SOU programs are shrinking:** Only four programs increased headcount between 2020 and 2025.
- **Headcount is concentrated in large programs.** In '24-'25, the three largest programs, Business, Education and Psychology, made up 45% of student headcount.
- The top 10 programs account for 78% of headcount.
- **While the largest percentage declines are occurring in SOU's smaller programs (e.g., Healthcare Administration), the largest absolute declines are in large legacy programs like Business, Psychology, and Education.**

Declines in Degrees Conferred Across Program Areas 2020-2025

Degree conferrals are down sharply, and SOU's largest programs produce the overwhelming majority of BA and MA degrees.

	BA Rank	Academic Program Area	BA Degrees Conferred ('24-25)	MA Degrees Conferred ('24-25)	CAGR BA ('20-25)	CAGR MA ('20-25)
77% BAs	1	Business Administration*	93	47	-6%	-16%
	2	Psychology	85		-2%	
	3	Education	52	53	-10%	-7%
	4	Communication, Media & Cinema	39		-4%	
	5	Theatre*	35	0	-9%	-100%
	6	Criminology & Criminal Justice	34		1%	
	7	Health & Exercise Science	34		6%	
	8	Emerging Media + Design	29		-10%	
	9	Biology	26		-4%	
	10	Outdoor Adventure Leadership*	22	8	1%	3%
23% BAs	11	Environmental Science, Policy & Sustainability*	20		-7%	
	12	Creative Writing	15		0%	
	13	Computer Science	13		-11%	
	14	Art & Art History	11		-14%	
	15	English Studies	11		0%	
	16	History	11		-10%	
	17	Music*	11		-9%	
	18	Sociology & Anthropology	10		-2%	
	19	Healthcare Administration	8		-13%	
	20	Chemistry & Physics*	7		-15%	
	21	Power & Politics*	7		0%	
	22	Mathematics	6		-13%	
	23	Gender, Sexuality & Women's Studies*	3		25%	
	24	Economics	2		-17%	
	25	Clinical Mental Health Counseling		16		-4%
	26	International Studies*	0		-100%	
	27	Spanish & American Sign Language*	0	0	-100%	-100%

Insights & Observations

- **Decline in degrees conferred:** BA conferrals fell 26.1% and MA conferrals fell 48.5%.
- **SOU relies on its largest programs to award most of its degrees:** Ten largest undergraduate programs were responsible for 77% of BAs; Education and Business Administration were responsible for 81% of MAs.
- **All undergrad programs declined from 2020-2025 except:** Criminology & Criminal Justice; Health & Exercise Science; and Outdoor Adventure Leadership.

Source: Program Data Tables.xlsx (unduplicated degrees)
 (*Program Area contains a major that is being taught out or consolidating)

Academic Trends Suggest Limited Near-Term Growth

Eight of SOU's programs outpace statewide benchmarks while all others were either flat or experienced noteworthy contraction.

CIP Percent Change 2018 to 2024

CIP Name	SOU % Change	State of Oregon % Change	Nationwide % Change
Multi-/Interdisc. Studies, Other	67.2%	-9.7%	-2.2%
Education, General	15.5%	3.9%	-2.2%
Native American Studies	15.2%	0.0%	1.4%
Music Performance, General	12.2%	3.8%	-1.4%
Accounting	3.4%	-5.6%	-5.5%
Creative Writing	1.8%	-3.0%	2.2%
Drama/Theatre Arts, General	0.6%	-4.4%	-0.8%
Kinesiology/PE/Fitness, General	0.4%	-9.8%	-2.2%
Parks/Recreation/Leisure	0.0%	0.0%	-7.9%
Art Studies, General	0.0%	0.5%	-1.3%
E-Commerce	0.0%	0.0%	3.5%
Business Admin/Mgmt, General	-0.9%	-0.9%	-0.3%
English Lit, General	-1.5%	-1.3%	-3.9%
Mental Health Counseling	-2.4%	78.2%	9.7%
Psychology, General	-3.2%	-40.7%	1.9%
Music, General	-3.9%	6.7%	-1.2%
Speech Comm/Rhetoric	-3.9%	-10.9%	-4.2%
Sociology/Anthropology	-4.7%	0.0%	-0.1%

CIP Percent Change 2018 to 2024 Cont.

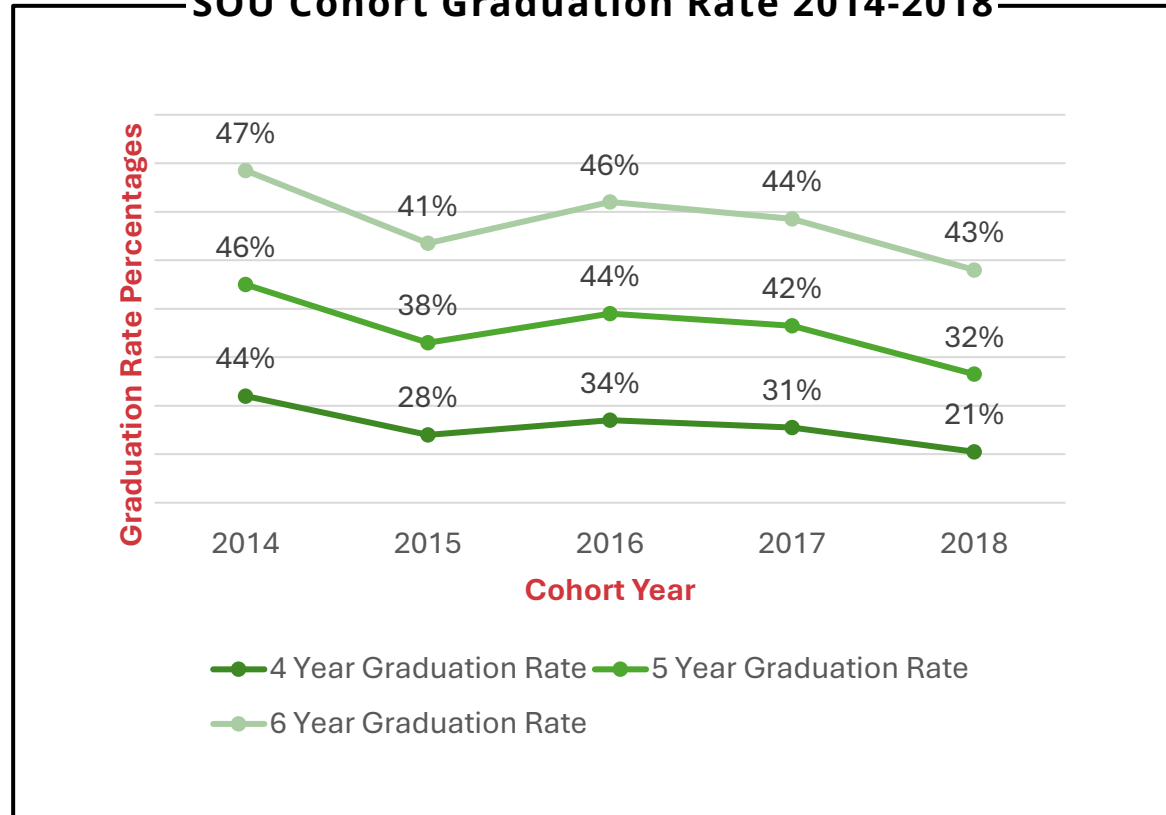
CIP Name	SOU % Change	State of Oregon % Change	Nationwide % Change
Biology, General	-4.9%	-3.3%	0.4%
Teacher Ed/Prof Dev. [...]	-5.0%	0.0%	4.2%
History, General	-5.9%	0.2%	-1.3%
Computer/Info Sciences, Gen.	-7.3%	-3.9%	6.5%
Math, General	-7.5%	-11.2%	-2.6%
Environmental Studies	-8.6%	-1.9%	1.3%
Chemistry, General	-9.1%	-3.9%	-2.5%
HR Mgmt/Personnel Adm., Gen.	-9.8%	0.0%	0.5%
Social Sciences, General	-10.9%	-6.4%	-3.3%
Nonprofit/Public Org Mgmt	-10.9%	-4.3%	-2.9%
Teacher Ed, Multiple Levels	-11.2%	-3.0%	1.3%
Criminal Justice/Safety	-13.1%	12.2%	-2.3%
Poli Sci/Govt, General	-13.7%	1.7%	0.2%
Economics, General	-15.5%	-100.0%	-8.9%
Finance, General	-16.7%	0.0%	-0.2%
Math/Computer Science	-16.7%	-4.7%	11.5%
French Lang/Lit	-22.2%	-21.7%	-6.8%
Spanish Lang/Lit	-22.9%	-3.9%	-4.8%
Elementary Education	-44.4%	-3.0%	1.3%

LEGEND: Indicates the relevant comparison point (OR or nationwide) under-performed compared to SOU Indicates the relevant comparison point (OR or nationwide) was on par with SOU's performance Indicates the relevant comparison point (OR or nationwide) outperformed SOU

Declining Graduation Rate & Retention Impact SOU's Tuition and State Funding

Challenges in retaining students impacts both the university's ability to generate revenue from its student population and the state: given the state's funding formula includes funding based on graduation numbers, retention challenges impact the university's overall funding package.

SOU Cohort Graduation Rate 2014-2018

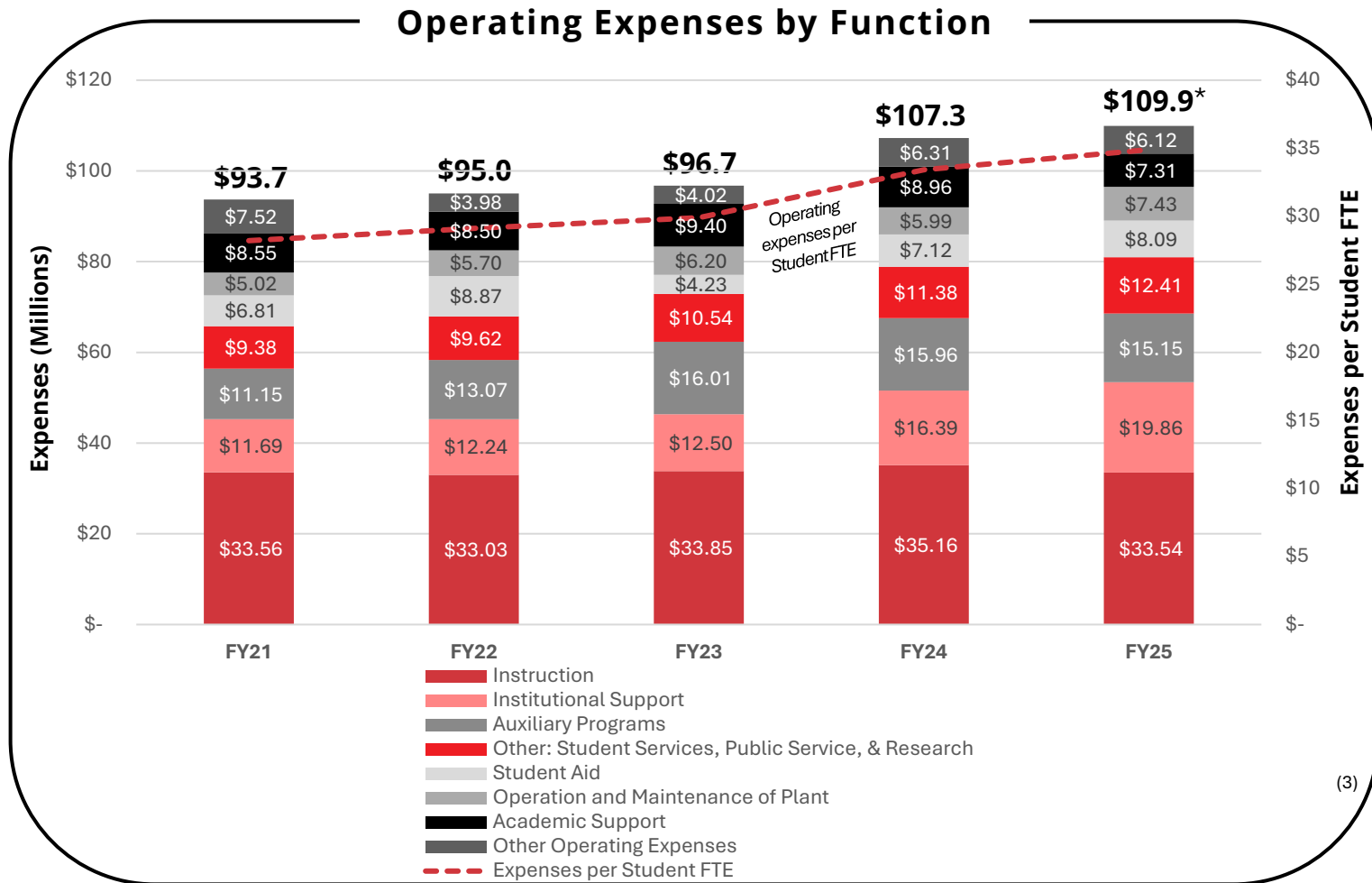


Insights & Observations

- The Student Success and Completion Model (SSCM) is the funding distribution model used to allocate funding appropriated in the Public University Support Fund to the public universities. Of the three funding components – mission support, activities-based funding, and outcomes-based funding – **outcomes-based funding distributes funding for degree and certificate completions by Oregon residents, averaged over a three-year period.**
- Given this funding model, for each student SOU does not graduate, SOU does not receive outcomes-based funding.
- **SOU's cohort graduation rate has decreased since the 2016 cohort (2020 anticipated graduating class) entered and has not exceeded 50% for any of the last five cohorts. The national graduation rate for first-time full-time freshmen was 64% for the 2014 cohort (the last year IPEDS published results) completing a degree with six years.**
- Declining retention negatively impacts revenues from both incoming student tuition and the state funding model.

Despite Enrollment Decline, Operating Expenses Have Grown

Operating expenses per student FTE increased from **\$28K in FY21** to **\$35K in FY25**, indicating a higher cost to serve each student as enrollment declined.



Insights & Observations

- As shown by the dotted trend line, **expenses per student FTE have increased from \$28K to \$35K** from FY21-25, meaning the cost of operations has grown on a per student basis by 25%.
- Despite enrollment declines, **total operating expenses rose \$16.2M (17%)** from FY21-25, with the largest jumps occurring in FY24 (+\$10.6M) and FY25 (+\$2.6M).
- Highest growth categories from FY21-25 were **Institutional Support** (+\$8.2M) and **Auxiliary Programs** (+\$4.0M).
- **Student Aid** increased sharply from FY23-25 (+\$3.9M).

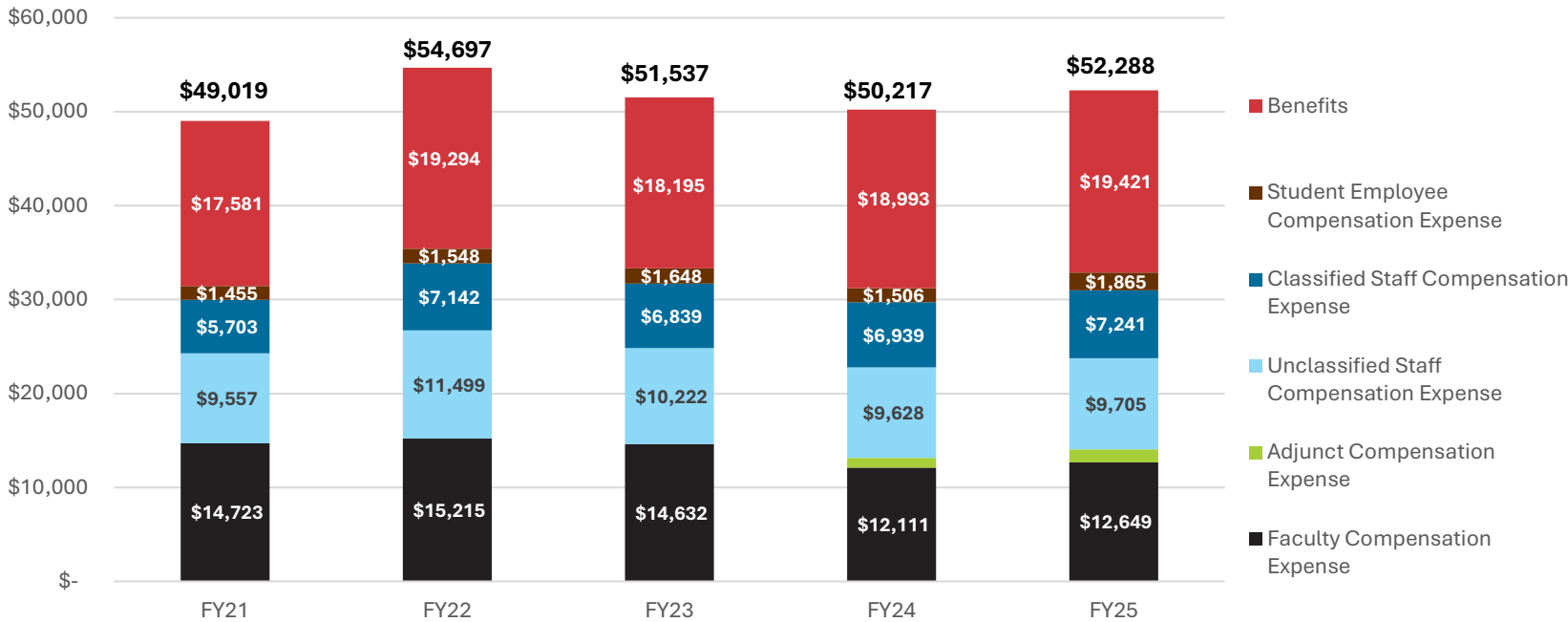
*Note: \$109.9M in FY25 does not include \$1.5M in interest expense that was included in the FY25 expense analysis on the financial forecast, which was stated at \$111.4M (\$109.9M + \$1.5M = \$111.4M)

Benefits Expense Relative to Salaries Are High Compared to Industry

Salaries, wages, and benefits are consistently the largest portion of SOU's operating expense. Over the last 5 fiscal years, benefits expense consistently represents at least 55% of total compensation, which is high compared to industry standards.

Compensation & Benefits Expense (FY21 – FY25) in \$K

E&G Funds (FD10) Only



Benefits as a % of Compensation Expense

FY21	FY22	FY23	FY24	FY25
55.9%	54.5%	54.6%	60.8%	59.1%

Insights & Observations

- **Faculty expense represents the largest compensation expense category, making up 38% of total compensation expense in FY25.**
- **Since FY21, total faculty and staff salaries have decreased by 14%, while other compensation expenses have increased.**
- Benefits expenses have been consistently high relative to total compensation and have been increasing particularly in recent years.
- **In FY24, total compensation decreased by 6% as the result of financial resiliency plan. However, benefit expenses increased by 4% over the same time period, with an effective fringe rate of over 60%.**

Auxiliary & Institute Support Are Contributing to Expense Growth

Operating expenses between FY21 and FY25 have grown 17% overall, with most of the growth (\$12M) occurring within “Auxiliary Programs” and “Institutional Support.” A closer review of these expenses reveals increasing costs in the three major areas below.

Housing and Dining Services



\$10M Total Expense
(In FY25)

- Most of the operating and non-operating expenses occurred within “Supplies and Services,” which accounted for \$6M in FY25
- **Dining services alone was responsible for \$5.5M in FY25 expenses**, which may suggest opportunities to review contracts with dining suppliers

Athletics



\$3.8M Total Expense
(In FY25)

- Athletics appears to have grown significantly from both revenues and expenses, **most significantly in travel expenses, which accounted for \$1.5M in FY25**
- Athletics also receives significant transfers in E&G funds and Foundation funds, which help support athletic expense expansion

Business Services

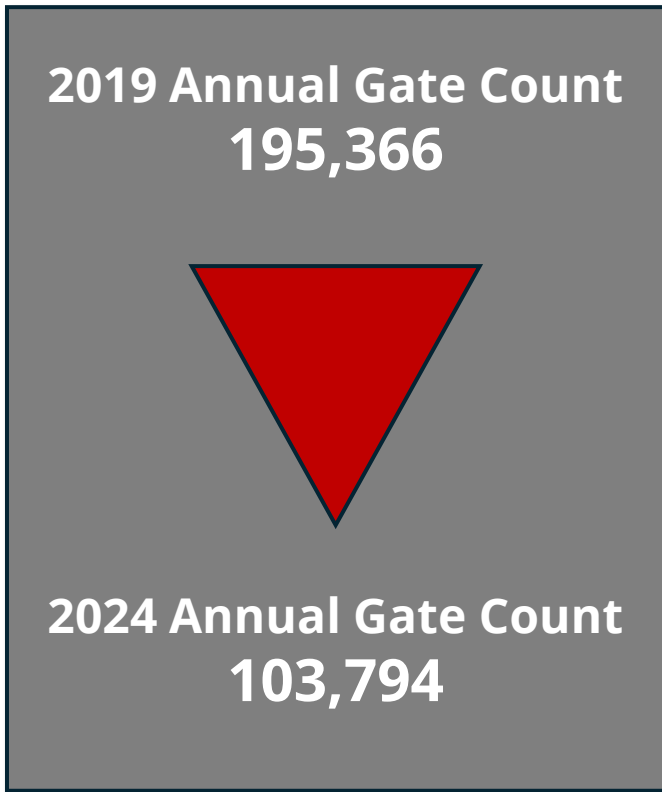


\$7.5M Total Expense
(In FY25)

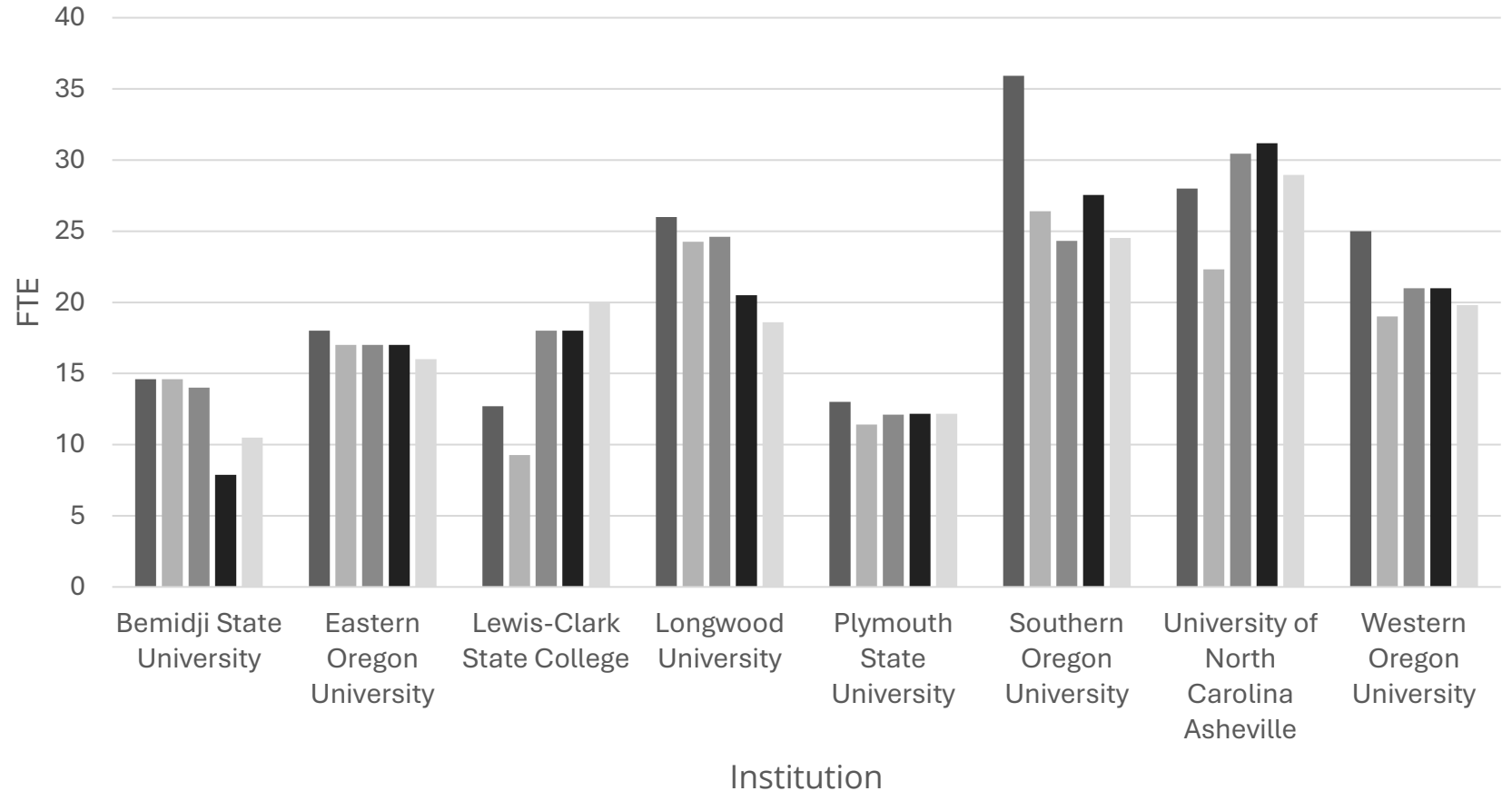
- Business Services also appear to have significant expense increases, particularly within **depreciation and amortization expenses**
- **Of the \$7.5M in FY25 expenses, \$7.3M of these expenses were aligned to depreciation and amortization**, suggesting increasing costs to support aging buildings and infrastructure

Library Services

The change in student population has not been reflected in the Library staffing, which is in the high end of the peer set. However, annual visits have fallen to nearly half since 2019.



Library FTEs, FY20-24

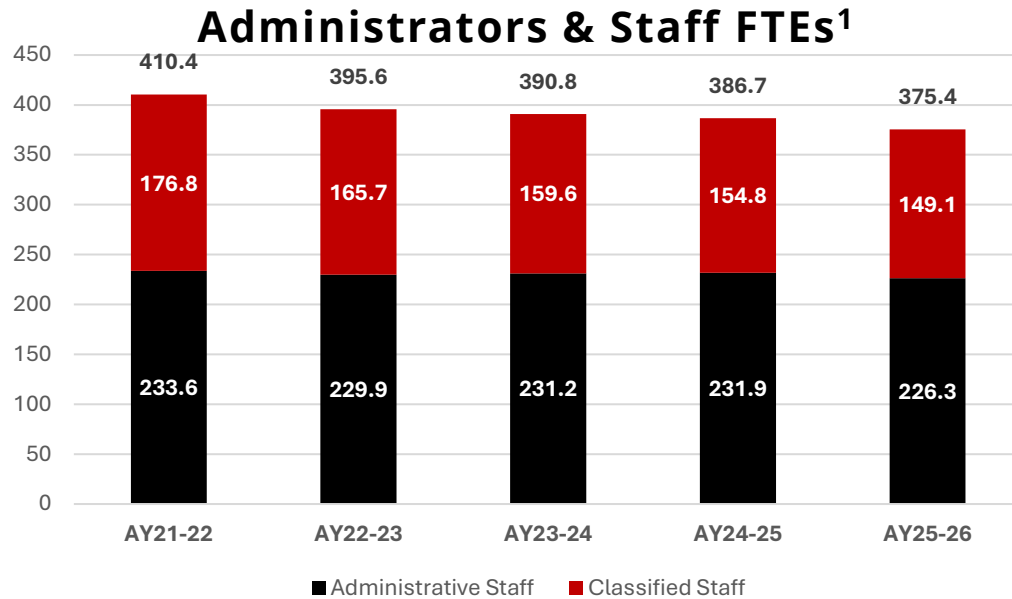


- Total Library FTE Staff, 2020
- Total Library FTE Staff, 2021
- Total Library FTE Staff, 2022
- Total Library FTE Staff, 2023
- Total Library FTE Staff, 2024

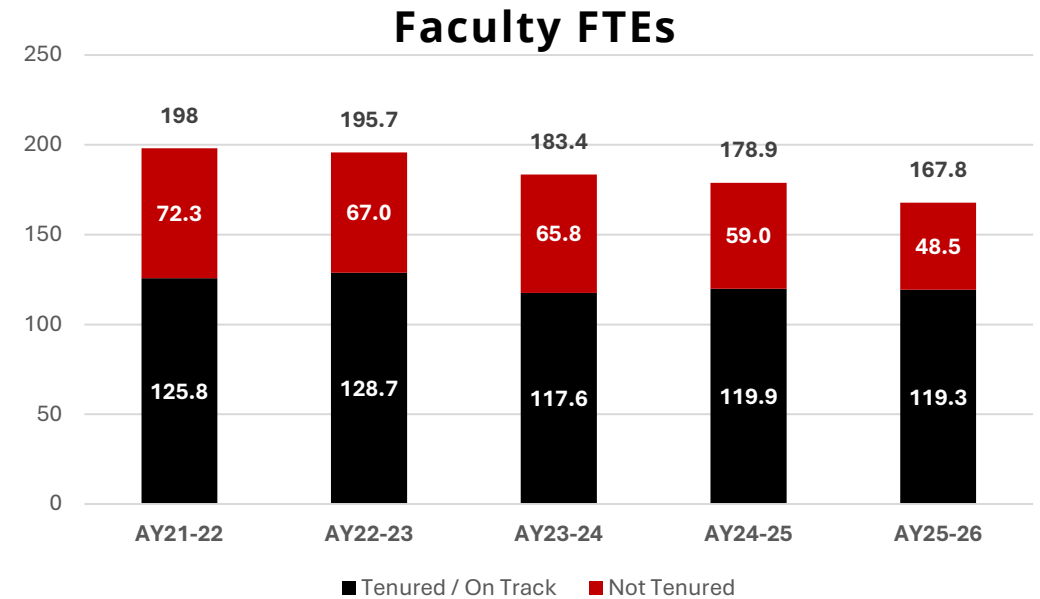
Sources: IPeds. Number includes Librarians FTE staff, Other professional FTE staff, All other paid FTE staff (Except Student Assistants), Student assistants FTE. 2019_ACRLStatistics_Workbook_xlsx, 2024 ACRL Survey

Staffing Reductions Concentrated in More Flexible Roles

From AY21–22 to AY25–26, **total FTE decreased almost 11%**, driven by a steeper reduction in faculty FTE (~15%) than non-faculty (~9%), and with declines concentrated in non-tenured and classified staff.



- From AY21-22 to AY25-26, **total administrators & staff FTE declined ~8.5%**, with most of the reduction in classified staff (15.7% reduction) versus administrative staff (~3.1% reduction).



- From AY21-22 to AY25-26, **total faculty FTE declined ~15.3%**, a steeper reduction than admin/staff.
- Faculty declines are **primarily in not tenured FTE** (~33.0% reduction), while tenured/on track FTE is comparatively steady (~5.4% reduction).

Reductions skew toward more flexible segments (i.e., not tenured, classified), aiming to reset near-term costs, but leaving a relatively fixed tenured and administrative core that limits alignment of costs to revenues without service and academic tradeoffs.

¹ Excludes student FTEs and FTEs from other wage agreements
Source: SOU FTE Snapshot