MONTHLY FINANCIAL UPDATE

For the period ending 4.30.2026

ABSTRACT
Monthly reports including E&G and All Funds budget updates including future year projections, Institutional Cash Flow, Key Assumptions and other relevant information regarding Southern Oregon University's current financial status.

Dr. Carson Howell
Vice President of Finance and Administration

Josh Lovern
Director of Budget and Planning

Krista Darrah
Director of Business Services and Controller

Table of Contents

Statement on Institutional Contingency Planning

If enrollment falls materially below budget, and planned cost savings are insufficient, the university will implement contingency measures to preserve cash solvency, maintain essential academic and student services, and protect long-term institutional stability.

Actions may include further restrictions and additional spending controls, hiring and travel restrictions, requesting the use of available board-restricted reserves, contract renegotiations, and other cash-management measures. The university may also consider temporary furloughs, reduced schedules, additional separations, position reductions, or other personnel actions consistent with applicable law, board policy, labor agreements, and shared governance.

The university may also seek bridge funding or liquidity support through state treasury, philanthropic, grant-related, or other legally available sources. All actions will prioritize instructional continuity, student success, payroll and debt obligations, regulatory compliance, and the university's public mission.

E&G Budget Update

All Data as of 4.30.2026

Significant changes from last reported E&G projection:

1. Revenues
    a. Net Tuition & Fees slightly down (-0.2%) with principal factor being larger Spring remissions uptake than expected
    b. Remainder of revenue projections show no significant deviation from March update
2. Expenses
    a. Estimate to complete on Salary & Wages showing slight decline (-0.27%) from March and overall, under the post-resiliency budget
    b. Total Fringe estimate grew by 0.77% spread across all fringe categories
    c. Total S&S expenses showing dramatic (-12.53%) reduction from March estimates
        i. Estimate of prepaid invoices for FY2027 that should not be reflected in FY2026 removed from report with a net -1,933,510 impact to estimated expense
    d. Total Capital and Student Aid expense also showing decreases

NOTE: All forecast projections presented in this report are **pre-Vitality Plan** estimates and are subject to change upon adoption of the plan. The SOU Board of Trustees will be reviewing with option for adopting the Vitality Plan on June 18th, 2026

Current E&G Actuals & End-of-Year Projections

	Final Prior FY	CURRENT ACTUALS & END-OF-YEAR PROJECTIONS						
	FY2025	FY2026 BUDGET	FY2026 YTD Actuals (as of 4.30.2026)	YTD Actuals % of Budget	Last Reported Projection (as of 3.31.2026)	Current FY2026 Projection (as of 4.30.2026)	$ Changes from Last Projection	% Change from Last Projection
Revenues								
Gross tuition and fees	37,008,351	37,945,000	40,537,412	107%	38,567,083	38,708,017	140,935	0.4%
Less fee remissions	(5,294,416)	(5,162,000)	(5,370,183)	104%	(5,158,861)	(5,376,850)	(217,989)	-4.2%
Net Tuition & Fees	31,713,936	32,783,000	35,167,229	107%	33,408,222	33,331,167	(77,055)	-0.2%
State operating appropriations	28,625,062	29,301,951	28,929,606	99%	28,860,962	28,860,962	-	0.0%
State debt service appropriations	179,160	179,160	-	0%	179,160	179,160	-	0.0%
Indirect cost recovery	308,132	310,000	317,537	102%	310,000	310,000	-	0.0%
All other	2,003,312	3,690,000	1,312,432	36%	2,458,467	2,458,467	-	0.0%
Total revenues	**62,829,601**	**66,264,111**	**65,726,803**	**99%**	**65,216,811**	**65,139,757**	**(77,055)**	**-0.1%**
Expenses								
Salary & Wages	32,615,263	32,300,000	23,014,427	71%	32,327,704	32,240,615	(87,088)	-0.27%
Benefits: Health	7,979,990	7,483,379	5,771,180	77%	7,661,641	7,720,554	58,913	0.77%
Benefits: Retirement	8,444,131	7,918,635	6,106,849	77%	8,107,266	8,169,605	62,339	0.77%
Benefits: Other	3,248,898	3,046,712	2,349,623	77%	3,119,288	3,143,273	23,985	0.77%
Supplies & Services	14,378,648	14,313,497	13,901,563	97%	15,427,986	13,494,476	(1,933,510)	-12.53%
Capital Expenditures	-	12,681	11,532	91%	113,673	5,597	(108,076)	-95.08%
Institutional Student Aid	77,764	-	47,080	0%	66,321	49,672	(16,648)	-25.10%
Net Fund Transfers	3,118,725	2,496,260	448,013	18%	2,496,000	2,496,000	-	0.00%
Total expenses	**69,863,419**	**67,571,164**	**51,650,269**	**76%**	**69,319,877**	**67,319,792**	**(2,000,086)**	**-2.9%**
Net Income (Loss)	**(7,033,818)**	**(1,307,053)**			**(4,103,066)**	**(2,180,035)**	**1,923,031**	**46.87%**
Margin As a % of Revenue	-11.2%	-2.0%			-6%	-3%		
Fund Balance Information								
Beginning Fund Balance	3,471,769	(3,562,049)			(3,562,049)	(3,562,049)	-	0.0%
Additions/(Deductions)		1,500,000			8,840,778	8,840,778	-	0.0%
Ending Fund Balance	**(3,562,049)**	**(3,369,102)**			**1,175,663**	**3,098,694**	**1,923,031**	
Balance as a % of Revenue	-5.67%	-5.08%			1.80%	4.76%		2.95%
Months of Operating Balance	(0.7)	(0.6)			0.2	0.6	0.4	
Additional Information								
% of Revenue that is Tuition	50.5%	49.5%	53.5%		51.2%	51.2%		-0.11%
Remission Rate	14.3%	13.6%	13.2%		13.4%	13.9%		3.85%
Wages and Benefits as % of Total:	74.8%	75.1%	72.1%		73.9%	76.2%		3.09%

E&G Forecast Update through FY2028

		FUTURE FISCAL YEAR PROJECTIONS					
	Current FY2026 Projection (as of 4.30.2026)	FY2027	$ Change from 2026	% Change from 2026	FY2028	$ Change from 2027	% Change from 2027
Revenues	-						
Gross tuition and fees	38,708,017	39,152,494	444,477	1.15%	39,919,857	767,362	1.96%
Less fee remissions	(5,376,850)	(5,510,000)	(133,150)	-2.48%	(5,470,000)	40,000	-0.73%
Net Tuition & Fees	33,331,167	33,642,494	311,327	0.93%	34,449,857	807,362	2.40%
State operating appropriations	28,860,962	30,030,427	1,169,465	4.05%	31,310,397	1,279,970	4.26%
						-	
State debt service appropriations	179,160	179,160	-	0.00%	179,160	-	0.00%
Indirect cost recovery	310,000	323,490	13,490	4.35%	338,000	14,510	4.49%
All other	2,458,467	2,540,945	82,477	3.35%	2,626,189	85,244	3.35%
Total revenues	**65,139,757**	**66,716,516**	**1,576,759**	**2.42%**	**68,903,602**	**2,187,086**	**3.28%**
Expenses							
Salary & Wages	32,240,615	32,488,851	248,236	0.77%	33,640,096	1,151,245	3.54%
Benefits: Health	7,720,554	7,663,022	(57,531)	-0.75%	7,968,288	305,266	3.98%
Benefits: Retirement	8,169,605	8,108,727	(60,878)	-0.75%	8,431,749	323,021	3.98%
Benefits: Other	3,143,273	3,119,850	(23,423)	-0.75%	3,244,133	124,283	3.98%
Supplies & Services	13,494,476	13,968,132	473,656	3.51%	14,458,000	489,868	3.51%
Capital Expenditures	5,597	92,000	86,403	1543.86%	95,000	3,000	3.26%
Institutional Student Aid	49,672	-	(49,672)	-100.00%	-	-	
Net Fund Transfers	2,496,000	2,486,855	(9,145)	-0.37%	2,583,186	96,331	3.87%
Total expenses	**67,319,792**	**67,927,437**	**607,646**	**0.90%**	**70,420,452**	**2,493,014**	**3.67%**
Net Income (Loss)	**(2,180,035)**	**(1,210,921)**	**969,113**	**44.45%**	**(1,516,849)**	**(305,928)**	**-25.26%**
Margin As a % of Revenue	-3%	-2%			-2%		
Fund Balance Information							
Beginning Fund Balance	(3,562,049)	3,098,694	6,660,743	187%	1,887,773	(1,210,921)	-39%
Additions/(Deductions)	8,840,778		(8,840,778)	-100%		-	
Ending Fund Balance	**3,098,694**	**1,887,773**	**(1,210,921)**	**-39%**	**370,923**	**(1,516,849)**	**-80%**
Balance as a % of Revenue	4.76%	2.83%		-1.93%	0.54%		-2.29%
Months of Operating Balance	0.6	0.3	(0.2)		0.1	(0.3)	
Additional Information							
% of Revenue that is Tuition	51.2%	50.4%		-1.45%	50.0%		-0.85%
Remission Rate	13.9%	14.1%		1.31%	13.7%		-2.63%
Wages and Benefits as % of Total:	76.2%	75.6%		-0.69%	75.7%		0.03%

All Funds Budget Update

IMPORTANT NOTES TO THIS SECTION:

1. This is a **new** 'All Funds' report and a **work in progress**.
    a. As we continue to convert legacy data for 'All Funds', projection models are anticipated to change; current models only utilize two years of data for projections.
2. This initial report will not have 'Last Reported' Projections as there were none given this is a newly developed report.

Noteworthy items on this report:

1. The report excludes fund 91FD – Agency
    a. 91FD holds dollars to be sent to outside parties like PEBB, PERS, CHF – Ashland, LLC (North Campus Village housing), and others.
2. There are items which are **unbudgeted**:
    a. Institutional Student Aid (excluding E&G remissions)
        i. Annual funding/scholarship support from SOU Foundation given to students
        ii. Federal Title IV program allotments
    b. Certain items in non-E&G S&S categories
        i. Specifically, grant S&S lines are not budgeted annually, but at inception
        ii. Similarly, capital projects are budgeted at inception, not annually
        iii. Some depreciation and amortization lines are unbudgeted annually, but actuals will be present as they are accounted for during the year
    c. Institutional transfers must net to $0.00 in budget
        i. Actuals may vary depending on timing of transfer completion
3. Although the regular E&G report shows 'Additions/(Deductions)', the 'All Funds' report will show a $0.00 balance. This is due to self-balancing between funds where 'Additions' in one fund offsets the 'Deductions' in another.

Current All Funds Budget Update

	Final Prior FY	CURRENT ACTUALS & END-OF-YEAR PROJECTIONS						
	FY2025	FY2026 BUDGET	FY2026 YTD Actuals (as of 4.30.2026)	YTD Actuals % of Budget	Last Reported Projection (Hold for next report)	Current FY2026 Projection (as of 4.30.2026)	$ Changes from Last Projection (Hold for next report)	% Change from Last Projection (Hold for next report)
Revenues								
Gross tuition and fees	43,775,539	45,779,208	45,569,806	100%		47,057,901		
Less fee remissions	(5,452,611)	(4,135,200)	(5,539,783)	134%		(5,601,627)		
Net Tuition & Fees	38,322,928	41,644,008	40,030,023	96%		41,456,274		
State operating appropriations	30,211,442	30,737,797	30,104,390	98%		30,463,351		
State debt service appropriations	179,160	179,160	179,160	100%		179,160		
Indirect cost recovery	175	310,000	327,199	106%		29,158		
All other	51,951,453	53,000,000	51,084,492	96%		54,879,002		
Total revenues	**120,665,158**	**125,870,965**	**121,725,265**	**97%**		**127,006,945**		
Expenses								
Salary & Wages	42,718,076	41,705,397	34,025,357	82%		42,752,972		
Benefits: Health	9,688,635	10,418,335	8,208,669	79%		9,936,685		
Benefits: Retirement	10,252,156	11,024,298	8,686,111	79%		10,514,633		
Benefits: Other	3,944,539	4,241,622	3,342,000	79%		4,045,528		
Supplies & Services	42,760,544	27,839,003	37,135,631	133%		48,285,714		
Capital Expenditures	(708,937)	252,549	53,529	21%		5,597		
Institutional Student Aid	17,881,756	64,050	17,252,554	26936%		17,683,747		
Net Fund Transfers	49,031	-	127,288	0%		127,288		
Total expenses	**126,585,800**	**95,545,254**	**108,831,140**	**114%**		**133,352,162**		
Net Income (Loss)	**(5,920,642)**	**30,325,711**				**(6,345,217)**		
Margin As a % of Revenue	-4.9%	24.1%				-5%		
Fund Balance Information								
Beginning Fund Balance	84,656,483	78,735,841				78,735,841		
Additions/(Deductions)								
Ending Fund Balance	**78,735,841**	**109,061,552**				**72,390,624**		
Balance as a % of Revenue	65.25%	86.65%				57.00%		
Months of Operating Balance	7.8	10.4				6.8		
Additional Information								
% of Revenue that is Tuition	31.8%	33.1%	32.9%			32.6%		
Remission Rate	12.5%	9.0%	12.2%			11.9%		
Wages and Benefits as % of Total:	52.6%	70.5%	49.9%			50.4%		

All Funds Forecast Update through FY2028

		FUTURE FISCAL YEAR PROJECTIONS					
	Current FY2026 Projection (as of 4.30.2026)	FY2027	$ Change from 2026	% Change from 2026	FY2028	$ Change from 2027	% Change from 2027
Revenues	-						
Gross tuition and fees	47,057,901	43,296,519	(3,761,381)	-7.99%	44,696,300	1,399,780	3.23%
Less fee remissions	(5,601,627)	(5,400,000)	201,627	3.60%	(5,330,000)	70,000	-1.30%
Net Tuition & Fees	41,456,274	37,896,519	(3,559,754)	-8.59%	39,366,300	1,469,780	3.88%
State operating appropriations	30,463,351	30,030,427	(432,924)	-1.42%	31,310,397	1,279,970	4.26%
						-	
State debt service appropriations	179,160	179,160	-	0.00%	179,160	-	0.00%
Indirect cost recovery	29,158	29,158	-	0.00%	29,000	(158)	-0.54%
All other	54,879,002	56,404,072	1,525,070	2.78%	57,971,523	1,567,451	2.78%
Total revenues	**127,006,945**	**124,539,336**	**(2,467,609)**	**-1.94%**	**128,856,380**	**4,317,044**	**3.47%**
Expenses							
Salary & Wages	42,752,972	41,256,618	(1,496,354)	-3.50%	42,205,520	948,902	2.30%
Benefits: Health	9,936,685	9,588,901	(347,784)	-3.50%	9,809,445	220,545	2.30%
Benefits: Retirement	10,514,633	10,146,621	(368,012)	-3.50%	10,379,993	233,372	2.30%
Benefits: Other	4,045,528	3,903,934	(141,593)	-3.50%	3,993,725	89,790	2.30%
Supplies & Services	48,285,714	49,980,542	1,694,829	3.51%	51,735,000	1,754,458	3.51%
Capital Expenditures	5,597	92,000	86,403	1543.86%	95,000	3,000	3.26%
Institutional Student Aid	17,683,747	-	(17,683,747)	-100.00%	-	-	
Net Fund Transfers	127,288	122,833	(4,455)	-3.50%	125,658	2,825	2.30%
Total expenses	**133,352,162**	**115,091,448**	**(18,260,713)**	**-13.69%**	**118,344,341**	**3,252,893**	**2.83%**
Net Income (Loss)	**(6,345,217)**	**9,447,888**	**15,793,104**	**248.90%**	**10,512,039**	**1,064,151**	**-11.26%**
Margin As a % of Revenue	-5%	8%			8%		
Fund Balance Information							
Beginning Fund Balance	78,735,841	72,390,624	(6,345,217)	-8%	81,838,512	9,447,888	13%
Additions/(Deductions)	-						
Ending Fund Balance	**72,390,624**	**81,838,512**	**9,447,888**	**13%**	**92,350,551**	**10,512,039**	**13%**
Balance as a % of Revenue	57.00%	65.71%		8.72%	71.67%		5.96%
Months of Operating Balance	6.8	7.9	1.0		8.6	0.7	
Additional Information							
% of Revenue that is Tuition	32.6%	30.4%		-6.78%	30.6%		0.40%
Remission Rate	11.9%	12.5%		4.78%	11.9%		-4.39%
Wages and Benefits as % of Total:	50.4%	56.4%		11.81%	56.1%		-0.51%

Cashflow Projection

Forecast through June 30, 2027

Southern Oregon University continues to project a negative ending cash balance through June 30, 2027, with it growing larger in future fiscal years. The $15 million dollar allocation generously provided through the State of Oregon will allow SOU to navigate the needed changes to rectify the June 30 projected negative cash balance.

For fiscal year 2026, the university is being assisted by one-time funds from an Employee Retention Credit refund from the Internal Revenue Service and sale of various land parcels.

Noteworthy Items between February and April

- Added Revenue Sources: Interest income and other revenue have been added as line items to the cash flow projection. On average, this adds approximately $400,000 monthly in resources available for use.
- Updated Revenue Sources: The SOU Foundation reimbursement schedule was updated after further review by the SOU Foundation, which yielded an additional one million.
- Timing Differences on Expenditures: Several payments did not occur in the month projected. The payment to La Clinica for $329,399 occurred on May 1 instead of the anticipated April timeframe and Aladdin invoices of $918,091 were stalled as we worked to address some issues in the dining auxiliary. Lastly, notice of a double payment from 2024 has offset Ellucian costs by $110,000.
- Realization of Impactful Changes: Implementation of changes are providing results quickly. These include transferring credit card processing fees to the cardholder, service level changes in dining and other areas, and student account payment processes. The processing fees and service level changes have us on track to realize $300,000-$350,000 by June 30.
- Debt Service Payment Schedule: While the debt service schedule for the CHF project indicates one principal payment due annually in June, half is due in December while the other half is due in June. Therefore, the June payment has been reduced by half ($682,500) as the first half was paid in December. Future payments were updated with the twice a year principal payment.

Future Forecasting

The cashflow forecast is a continuously evolving document as the university is reconciling its cash activity each month back to the cash flow projection to gain further clarity around the uses of its money and the resources available to continue operations. For that reason, this forecast may look different than previous forecasts, and future forecasts will do the same. Areas at greatest risk for changes include enrollment for fall and future years, collective bargaining agreement compensation and benefit packages, funding, and inflation.

Key Assumptions Used Within the Cashflow Forecast

Admissions Tracking	Fiscal Year	Academic Year	Row Total	% Change Year-2-Year	SCH Minus ASC & Waived Tuition Categories
<<-OPEN ME		SCH TERM	FALL TERM		
	Category Adjustments -->>				
		SCH By Category			
Admissions Tracking	Fiscal Year	Academic Year	Row Total	% Change Year-2-Year	SCH Minus ASC & Waived Tuition Categories
	2022	2021	48,683	-5.39%	42,488
	2023	2022	47,785	-1.84%	41,357
	2024	2023	46,888	-1.88%	40,251
	2025	2024	45,622	-2.70%	38,735
96.35%	2026	2025	43,756	-4.09%	37,345
100.00%	2027	2026	42,706	-2.40%	36,201
100.00%	2028	2027	41,730	-2.29%	35,135
100.00%	2029	2028	40,808	-2.21%	34,193
100.00%	2030	2029	39,930	-2.15%	33,335
100.00%	2031	2030	39,262	-1.67%	32,603
100.00%	2032	2031	38,673	-1.50%	31,964

<<-OPEN ME		SCH TERM	WINTER TERM		
	Category Adjustments -->>				
		SCH By Category			
Admissions Tracking	Fiscal Year	Academic Year	Row Total	% Change Year-2-Year	SCH Minus ASC & Waived Tuition Categories
	2022	2021	50,267	-2.07%	40,550
	2023	2022	49,028	-2.46%	38,723
	2024	2023	48,845	-0.37%	38,286
	2025	2024	47,674	-2.40%	37,032
100.00%	2026	2025	46,441	-2.59%	35,840
100.00%	2027	2026	45,285	-2.49%	34,660
100.00%	2028	2027	44,434	-1.88%	33,679
100.00%	2029	2028	43,569	-1.95%	32,784
100.00%	2030	2029	42,760	-1.86%	31,978
100.00%	2031	2030	42,172	-1.37%	31,285
100.00%	2032	2031	41,656	-1.22%	30,686

<<-OPEN ME		SCH TERM	SPRING TERM		
	Category Adjustments -->>				
		SCH By Category			
Admissions Tracking	Fiscal Year	Academic Year	Row Total	% Change Year-2-Year	SCH Minus ASC & Waived Tuition Categories
	2022	2021	42,507	-2.10%	38,481
	2023	2022	41,984	-1.23%	37,274
	2024	2023	41,794	-0.45%	37,201
	2025	2024	40,654	-2.73%	36,022
100.00%	2026	2025	40,035	-1.52%	35,170
100.00%	2027	2026	38,598	-3.59%	33,857
100.00%	2028	2027	37,687	-2.36%	32,925
100.00%	2029	2028	36,833	-2.26%	32,068
100.00%	2030	2029	36,096	-2.00%	31,324
100.00%	2031	2030	35,464	-1.75%	30,654
100.00%	2032	2031	34,927	-1.52%	30,085

Enrollment Projections as of 5.15.2026

The tables to the left show summarized enrollment projections based on the current model, unadjusted for potential programmatic reductions relative to the recent announced SOU Vitality Plan.

1: Dark grey rows are actual student credit hours (SCH) as provided by IR
2: Green rows represent projections for Fall, Winter and Spring term for next Academic (and Fiscal) Year.
3: Yellow rows are subsequent years, where confidence is stronger based on current cohorts moving through their 180 SCH college careers
4: Light blue rows below the yellow represent future students; not currently enrolled cohorts.

Projections are based on rate specific categories assessed at the student level and multiplied against the rate codes adopted by the Board of Trustees.

The calculated *assessed* total dollar amount is represented on the Budget report (see page 10).

The cash flow report is manually updated monthly with the projected assessed values (both FY to close and future years) and has an annual **uncollected assumption for each year of 10%** that automatically reduces cash accordingly.

Key Enrollment Assumption:

Currently, the total academic year 2026-27 SCH (inclusive of summer) is projected to be **-3.2%** from the AY2025-26 year. This latest update will be retained in models until the completion of the SOU Vitality Plan wherein a full analysis of the plan and its impact on enrollment can be modeled.

First-year, and Overall, Student Retention Rates

Retention rates will be shown as a cross-tab table of ***Ethnicity*** by ***Residency Status*** to establish a baseline for this report. Overall retention rates will be disaggregated between undergraduate (UG) and graduate (GR) rates to clearly show the known difference in course taking and completion behaviors.

While other potential cross-tab categories exist, these are limited to the following list:

Academic Standing
Ethnicity
Gender
Geographic Admit Zone
HS GPA
Residency
SAT Composite
Student Rate Code
Athlete

1. Retention rate for the Fall 2024 cohort (the most recent first-year cohort tracked from Fall-to-Fall) shows a **68.9%** retention. The Fall 2025 cohort will be reported as Fall 2026 commences.

Cohort: Fall 2024 Freshman Cohort
Base Term: Fall 2024
Next Term: Fall 2025

Original Cohort Size: **533**
Returned Cohort Size: **367**
Overall Retention: **68.9%**

Submit

Attribute values are determined at the end of the base term.
A student is retained if graduated between the two terms or enrolled in the next term.

% Retained | Residency
Ethnicity

% Retained	*Non-Resident*	*Resident*
Asian	*75.0%*	*80.0%*
Black	*16.7%*	*50.0%*
Hispanic	*64.7%*	*60.9%*
Native American/Alaska Native	*0.0%*	*71.4%*
Pacific Islander	*0.0%*	
Unknown, Other, Multiple	*77.8%*	*66.3%*
White	*71.1%*	*73.0%*

Report: Retention Pivot
Institutional Research - I*Reports

UNDERGRADUATE RETENTION

1. Overall undergraduate retention from Fall 2024 to Fall 2025: **79.9%**.
2. Overall undergraduate retention from Fall 2025 to Spring 2026 (current Academic Year): **86.5%**.

Cohort: UG Students
Base Term: Fall 2024
Next Term: Fall 2025

Original Cohort Size: **2,643**
Returned Cohort Size: **2,112**
Overall Retention: **79.9%**

Submit

Attribute values are determined at the end of the base term.
A student is retained if graduated between the two terms or enrolled in the next term.

% Retained | Residency
Ethnicity

% Retained	Non-Resident	Resident
Asian	68.8%	80.8%
Black	55.6%	77.8%
Hispanic	82.1%	74.2%
Native American/Alaska Native	54.5%	75.0%
Pacific Islander	61.1%	66.7%
Unknown, Other, Multiple	85.0%	77.4%
White	82.9%	81.5%

Report: Retention Pivot
Institutional Research - I*Reports

Cohort: UG Students
Base Term: Fall 2025
Next Term: Spring 2026

Original Cohort Size: **2,570**
Returned Cohort Size: **2,222**
Overall Retention: **86.5%**

Submit

Attribute values are determined at the end of the base term.
A student is retained if graduated between the two terms or enrolled in the next term.

% Retained | Residency
Ethnicity

% Retained	Non-Resident	Resident
Asian	87.5%	82.8%
Black	63.6%	82.6%
Hispanic	88.9%	83.9%
Native American/Alaska Native	81.2%	88.2%
Pacific Islander	88.9%	66.7%
Unknown, Other, Multiple	85.4%	82.9%
White	89.3%	88.6%

Report: Retention Pivot
Institutional Research - I*Reports

GRADUATE RETENTION

1. Overall graduate retention from Fall 2024 to Fall 2025: **85.4%.**
2. Overall graduate retention from Fall 2025 to Spring 2026 (current Academic Year): **86.1%.**

Cohort: GR Students
Base Term: Fall 2024
Next Term: Fall 2025

Original Cohort Size: **478**
Returned Cohort Size: **408**
Overall Retention: **85.4%**

Submit

Attribute values are determined at the end of the base term.
A student is retained if graduated between the two terms or enrolled in the next term.

% Retained | Residency
Ethnicity

% Retained	Non-Resident	Resident
Asian	66.7%	70.0%
Black	85.7%	100.0%
Hispanic	87.0%	83.8%
Native American/Alaska Native	50.0%	100.0%
Pacific Islander	100.0%	100.0%
Unknown, Other, Multiple	96.0%	83.3%
White	90.9%	84.0%

Report: Retention Pivot
Institutional Research - I*Reports

Cohort: GR Students
Base Term: Fall 2025
Next Term: Spring 2026

Original Cohort Size: **502**
Returned Cohort Size: **432**
Overall Retention: **86.1%**

Submit

Attribute values are determined at the end of the base term.
A student is retained if graduated between the two terms or enrolled in the next term.

% Retained | Residency
Ethnicity

% Retained	Non-Resident	Resident
Asian	100.0%	85.7%
Black	100.0%	87.5%
Hispanic	73.7%	82.0%
Native American/Alaska Native	100.0%	71.4%
Pacific Islander		100.0%
Unknown, Other, Multiple	96.3%	87.7%
White	92.2%	84.0%

Report: Retention Pivot
Institutional Research - I*Reports

Retention for modeling purposes is more practical when considering attrition (the amount of loss) between terms, and academic years. The table below shows SCH attrition of fee-paying students (i.e., the bulk of SOU's student population). The data intentionally excludes Advanced Southern Credit (dual-enrollment), OLLI and any population who are not assessed mandatory enrollment or incidental fees (for example, Risepoint MBA or Staff rates)

SCH Totals				Attrition Rates		KPI's		
Row Labels	**FALL**	**WINTER**	**SPRING**	Fall To Winter	Winter to Spring	Fall to Fall	Fall to Spring	AY % Change
2021 AY21/22	25,042	23,487	21,936	-6.21%	-6.60%		-12.40%	
2022 AY22/23	22,964	22,051	21,153	-3.98%	-4.07%	-8.30%	-7.89%	-6.10%
2023 AY23/24	23,239	21,645	20,663	-6.86%	-4.54%	1.20%	-11.08%	-0.94%
2024 AY24/25	22,515	21,189	20,417	-5.89%	-3.64%	-3.11%	-9.32%	-2.17%
2025 AY25/26	21,921	20,229	19,238	-7.72%	-4.90%	-2.64%	-12.24%	-4.26%

Should the actual attrition rate exceed projections for either a term or the entire academic year, the enrollment model will be manually adjusted to represent the external factoring event(s) impacting enrollment. That resulting SCH output then used to recalculate the estimated tuition and fee assessment(s) and the updated figures are added back into the revenue model and recast across the entirety of the cash flow forecast.

To be clear, retention rates are not ***directly*** incorporated within the *cash flow mode.* They are used to influence enrollment levers within the *budget model* and modify predicted revenue which is then incorporated into the cash flow model monthly. See figure at right.

Levers to modify projection model are at both the full term level and the individual rate code

<<-OPEN ME

Admissions Tracking	Fiscal Year	Academic Year	Row Total	% Change Year-2-Year	SCH Minus ASC & Waived Tuition Categories
	2022	2021	48,683	-5.39%	42,488
	2023	2022	47,785	-1.84%	41,357
	2024	2023	46,888	-1.88%	40,251
	2025	2024	45,622	-2.70%	38,735
96.35%	2026	2025	43,756	-4.09%	37,345
100.00%	2027	2026	42,706	-2.40%	36,201
100.00%	2028	2027	41,730	-2.29%	35,135
100.00%	2029	2028	40,808	-2.21%	34,193
100.00%	2030	2029	39,930	-2.15%	33,335
100.00%	2031	2030	39,262	-1.67%	32,603
100.00%	2032	2031	38,673	-1.50%	31,964

<<-OPEN ME · SCH TERM · **WINTER TERM**

Category Adjustments -->>

Admissions Tracking	Fiscal Year	**SCH By Category** **Academic Year**	Row Total	% Change Year-2-Year	SCH Minus ASC & Waived Tuition Categories
	2022	2021	50,267	-2.07%	40,550
	2023	2022	49,028	-2.46%	38,723
	2024	2023	48,845	-0.37%	38,286
	2025	2024	47,674	-2.40%	37,032
100.00%	2026	2025	46,441	-2.59%	35,840
100.00%	2027	2026	45,285	-2.49%	34,660
100.00%	2028	2027	44,434	-1.88%	33,679
100.00%	2029	2028	43,569	-1.95%	32,784
100.00%	2030	2029	42,760	-1.86%	31,978
100.00%	2031	2030	42,172	-1.37%	31,285
100.00%	2032	2031	41,656	-1.22%	30,686

<<-OPEN ME · SCH TERM · **SPRING TERM**

Category Adjustments -->>

Admissions Tracking	Fiscal Year	**SCH By Category** **Academic Year**	Row Total	% Change Year-2-Year	SCH Minus ASC & Waived Tuition Categories
	2022	2021	42,507	-2.10%	38,481
	2023	2022	41,984	-1.23%	37,274
	2024	2023	41,794	-0.45%	37,201
	2025	2024	40,654	-2.73%	36,022
100.00%	2026	2025	40,035	-1.52%	35,170
100.00%	2027	2026	38,598	-3.59%	33,857
100.00%	2028	2027	37,687	-2.36%	32,925
100.00%	2029	2028	36,833	-2.26%	32,068
100.00%	2030	2029	36,096	-2.00%	31,324
100.00%	2031	2030	35,464	-1.75%	30,654
100.00%	2032	2031	34,927	-1.52%	30,085

Key Retention Assumption:

Currently, the retention assumption (UG 80% fall-to-fall) is maintained **<u>as modeled</u>** until the completion of the SOU Vitality Plan wherein a full analysis of the plan and its impact on enrollment can be modeled.

Housing Occupancy Rate

SOU has a Public Private Partnership (PPP) with bonded buildings that house the majority of on-campus resident students. Those bonds have *debt coverage ratios* (but **not** occupancy fill rate requirements) to ensure full funding is made available to honor debt covenants. Regardless, housing occupancy rates are reported to the debt holder College Housing Foundation (CHF) after the drop-add period in a term as a proxy for revenue estimates.

The table below shows room occupancy of the Spring 2026 term subsequent to the drop/add deadline. It is important to note, if a student leaves after the deadline, per their contract, they will be charged the full occupancy amount. Therefore, fill rates are not subject to change after the deadline expiration date.

2026 Spring Room Occupancy as of Monday, April 13th (post 14-day)

Location	Room Type	Total Beds	Occupied	Vacant	% Occupied
McLoughlin	Double	156	133	23	85.25
McLoughlin	Single	95	81	14	85.26
McLoughlin	Super Single	12	11	1	91.66
McLoughlin	Studio Single	5	4	1	80.00
McLoughlin	RA Single*	4*	4*	0*	100.0*
McLoughlin	AC Apartment*	1*	0*	1*	0.00*
Shasta	Double	344	237	107	68.89
Shasta **	Tour Room (Double) **	4**	0**	4**	0.00**
Shasta	Single	72	63	9	87.50
Shasta	RA Singles*	8*	8*	0*	100.0*
Shasta	AC Apartment*	1*	1*	0*	100.0*
Totals		**702**	**542**	**160**	**77.20**

Key Occupancy Assumptions:

Annual housing occupancy rates in the Cash flow model, along with rate increase projections:

Assumptions	2026	2027	2028	2029	2030
Housing rate increase	2.50%	2.50%	2.50%	2.50%	2.50%
Housing Occupancy	83%	85%	87%	90%	90%

The projected increase percentage in occupancy is an acknowledgement that maintaining a healthy fill rate is critical to meeting debt covenant obligations. Recent measures to restore on-campus housing occupancy to historical levels are underway and include updates to meal-plan requirements and analysis of housing specific remissions to address student financial stress relative to housing and dining.

Net Tuition and Other Revenue

Estimates for Net Tuition & Fees are conditional on two elements: Rate change projections and total SCH projections. Modeling for revenues (particularly E&G) assumes an annual increase of **5%** to Tuition and Fee income for the Budget Model. Those projections are then carried over to the Cash flow as described previously.

For E&G, current net tuition projections, resulting from enrollment modeling as described above, support the following Net Tuition projections:

- FY2026: $33,331,167 (+5.1% compared to FY2025)
- FY2027: $33,642,494 (+0.93% compared to FY2026)
- FY2028: $34,449,857 (+2.4% compared to FY2027)
- FY2029: $35,598,590 (+3.3% compared to FY2028)

For E&G, current 'All Other' revenue projections, inclusive of Indirect Cost Recovery, show the following:

- FY2026: $2,458,467 (+22.7% compared to FY2025)
  - Note: this is principally related to interest income adjustment in FY25
- FY2027: $2,540,945 (+3.3% compared to FY2026)
- FY2028: $2,626,189 (+3.4% compared to FY2027)
- FY2029: $2,714,292 (+3.3% compared to FY2028)

For All Funds (inclusive of E&G), current estimates for the period FY2026 – FY2029:

- FY2026: $41,456,274 (+8.2% compared to FY2025)
- FY2027: $37,843,537 (-8.71% compared to FY2026)
- FY2028: $39,293,967 (+3.83% compared to FY2027)
- FY2029: $40,129,435 (+2.13% compared to FY2028)

For All Funds (inclusive of E&G), current 'All Other' revenue projections, inclusive of Indirect Cost Recovery, show the following:

- FY2026: $54,879,002 (+5.6% compared to FY2025)
  - Note: this is almost entirely related to 1-time IRS credits received in FY2026 and the sale of university property.
- FY2027: $56,404,072 (+2.78% compared to FY2026)
- FY2028: $57,971,523 (+2.8% compared to FY2027)
- FY2029: $59,582,534 (+2.7% compared to FY2028)

Key Net Tuition and Other Revenue Assumptions:

The general increase seen across the analysis period for 'All Funds, All Other' is closely tied to projected increases in housing revenues. As discussed in the Occupancy Assumption section, there are active measures being finalized to restore occupancy and thus revenues seen in 'All Other'. Aggregate increase estimates trending towards **+2.8% year-over-year** and are part of the cash flow model across all other revenue accounts reported.

Savings Realized from the Board-adopted Resiliency Plan

The table below shows E&G resiliency plan execution. Discussion in this section will focus on the column with a red border as it shows the estimate to complete compared to the resiliency plan 'Revised' budget from Fall 2025. Presently, there is no feasible way to replicate this analysis for funds outside of E&G.

Key findings as of April 30, 2026:

1. Total Revenues down by $1,265,289 compared to Revised Budget.
    a. This is due to an adjustment in interest earnings calculations in the 'All Other' category.
    b. A correction was made and described to the SOU board in multiple meetings.
2. Total Expenses projected to be $251,373 less than the revised budget.
    a. An adjustment for FY27 prepaids expensed in FY26 improved the S&S category compared to earlier estimates.
3. Net Income losses have improved from -$1,307,053 to estimated -$872,982
4. Ending Fund Balance grows, but only due to a transfer of 1-time ERC funds from outside of E&G

	RESILIENCY PLAN ANALYSIS as of APRIL 30, 2026						
	JUNE Budget (Pre-resiliency Plan)	FY2026 Revised Budget (Resiliency Plan)	Revised Budget Minus JUNE Budget	Current FY2026 Projection (as of 4.30.2026)	2026 Projection compared to JUNE Budget	% Projection compared to JUNE Budget	2026 Projection compared to Revised Budget
Revenues							
Gross tuition and fees	40,034,000	37,945,000	(2,089,000)	38,708,017	(1,325,983)	-3.3%	763,017
Less fee remissions	(5,318,000)	(5,162,000)	156,000	(5,376,850)	(58,850)	1.1%	(214,850)
Net Tuition & Fees	34,716,000	32,783,000	(1,933,000)	33,331,167	(1,384,833)	-4.0%	548,167
					-		-
State operating appropriations	29,302,000	29,301,951	(49)	28,860,962	(441,038)	-1.5%	(440,989)
					-		-
State debt service appropriations	179,160	179,160	-	179,160	-	0.0%	-
Indirect cost recovery	310,000	310,000	-	310,000	-	0.0%	-
All other	3,885,000	3,690,000	(195,000)	2,458,467	(1,426,533)	-36.7%	(1,231,533)
Total revenues	**68,392,160**	**66,264,111**	**(2,128,049)**	**65,139,757**	**(3,252,403)**	**-4.8%**	**(1,124,354)**
Expenses							
Salary & Wages	33,957,000	32,300,000	(1,657,000)	32,240,615	(1,716,385)	-5.1%	(59,385)
Benefits: Health	8,213,000	7,483,379	(729,621)	7,720,554	(492,446)	-6.0%	237,175
Benefits: Retirement	8,303,000	7,918,635	(384,365)	8,169,605	(133,395)	-1.6%	250,970
Benefits: Other	3,266,000	3,046,712	(219,288)	3,143,273	(122,727)	-3.8%	96,561
Supplies & Services	15,006,000	14,313,497	(692,503)	13,494,476	(1,511,524)	-10.1%	(819,021)
Capital Expenditures	92,000	12,681	(79,319)	5,597	(86,403)	-93.9%	(7,084)
Institutional Student Aid	-	-	-	49,672	49,672	0.0%	49,672
Net Fund Transfers	2,831,000	2,496,260	(334,740)	2,496,000	(335,000)	-11.8%	(260)
Total expenses	**71,668,000**	**67,571,164**	**(4,096,836)**	**67,319,792**	**(4,348,208)**	**-6.1%**	**(251,373)**
Net Income (Loss)	**(3,275,840)**	**(1,307,053)**		**(2,180,035)**	**1,095,805**	**-33.5%**	**(872,982)**
Margin As a % of Revenue	-4.8%	-2.0%		-3.3%	1.4%		-1.4%
Fund Balance Information							
Beginning Fund Balance	(3,562,049)	(3,562,049)		(3,562,049)	-	-100.0%	-
Additions/(Deductions)	3,241,000	1,500,000		8,840,778	5,599,778	172.8%	7,340,778
Ending Fund Balance	**(3,596,889)**	**(3,369,102)**		**3,098,694**	**6,695,583**		**6,467,796**
Balance as a % of Revenue	-5.26%	-5.08%		4.76%			
Months of Operating Balance	(0.6)	(0.6)		0.6			

Key Resiliency Assumptions:

The SOU Resiliency Plan had two tranches of cuts. The key assumption for FY2027 is that all remaining cuts (**totaling: $1,426,534)** will manifest in the Cash Flow as modeled.

Operating Expense Inflation Including Wages, Benefits, S&S

SALARY & WAGE PROJECTIONS

SOU has four key labor groups: Faculty, Classified Staff, Unclassified Staff, Students (including federal work study). Two of these (Faculty and Classified) have collective bargaining agreements (CBAs) containing salary tables and other provisions impacting pay.

Currently, Classified staff, represented by SEIU, are in negotiations (as of 5.15.2026) for updates to their CBA. The current Faculty contract ends February 28, 2027. A generalized increase assumption has been added to labor groups as seen in the table below for the Academic Year 2026-27 (FY27) period to 2030.

Key Salary & Wage Assumptions:

Assumptions	2026	2027	2028	2029	2030
Unclassified	1%	3%	3%	1%	1%
Classified	2.50%	4.38%	4.00%	4.00%	4.00%
Faculty (& Adjunct)	3%	3%	3%	3%	3%
Students (Regular & Grad assumed)	3.25%	3.25%	3.25%	3.25%	3.25%

FRINGE BENEFIT PROJECTIONS

Estimates for retirement (PERS, ORP) in both the budget and cash flow models rely on population dynamics and retirement tier of employees. This is to say, that as labor resources shrink due to the SOU Vitality Plan cuts, associated reductions will naturally be incorporated into the models on top of already existing plans associated to the Resiliency Plan from the 2026 fiscal year.

Relative to budgets and associated reports, SOU uses a composite rate for charges to departments. Cash flow however is reliant on actual charges to the university that are paid to PERS for retirement or PEBB for healthcare.

As the second year of the biennium, FY2027 is not expected to see an increase in retirement rates. During implementation of the SOU Vitality Plan, total budget projections for retirement will likely go down due to employee eliminations and separations; the magnitude of that decrease, however, remains to be seen as of this submission.

Retirement Table 1 shows the rates currently in effect for the 2025-27 biennium.

RATES IN EFFECT
7/1/25-6/30/27

	Tier 1/Tier 2 Default	Tier 1/Tier 2 General Service	Tier 1/Tier 2 Police & Fire	OPSRP General Service
Normal Cost Rate	16.26%	15.10%	22.09%	10.47%
Tier 1/Tier 2 UAL Rate	12.46%	12.46%	12.46%	12.46%
Mulnomah Fire District	0.06%	0.06%	0.06%	0.06%
OPSRP UAL Rate	2.69%	2.69%	2.69%	2.69%
Pre-SLGRP Liability	0.53%	0.53%	0.53%	0.53%
SLGRP Side account relief	-3.62%	-3.62%	-3.62%	-3.62%
Member Redirect Offset	-2.40%	-2.40%	-2.40%	-0.65%
Net ER Contribution Rate	**25.98%**	**24.82%**	**31.81%**	**21.94%**
EE Pickup	6.00%	6.00%	6.00%	6.00%
POB Debt Service ***	4.00%	4.00%	4.00%	4.00%
Total SOU Contribution Rate	**35.98%**	**34.82%**	**41.81%**	**31.94%**

* Effective 10/1/2025
** Effective 11/1/2025
*** Effective 11/1/2025 - Was 4.80% through 10/31/2025

Retirement Table 2 shows the advisory rates for the 2027-29 biennium and the overall % change.

Advisory - 2024 Valuation
7/1/27-6/30/29

	Tier 1/Tier 2 Default	Tier 1/Tier 2 General Service	Tier 1/Tier 2 Police & Fire	OPSRP General Service
Normal Cost Rate	15.86%	14.73%	21.86%	10.35%
Tier 1/Tier 2 UAL Rate	12.46%	12.46%	12.46%	12.46%
Mulnomah Fire District	0.06%	0.06%	0.06%	0.06%
OPSRP UAL Rate	2.92%	2.92%	2.92%	2.92%
Pre-SLGRP Liability	0.57%	0.57%	0.57%	0.57%
SLGRP Side account relief **	0.00%	0.00%	0.00%	0.00%
Member Redirect Offset	-2.40%	-2.40%	-2.40%	-0.65%
Net ER Contribution Rate	**29.47%**	**28.34%**	**35.47%**	**25.71%**
EE Pickup	6.00%	6.00%	6.00%	6.00%
POB Debt Service **	0.00%	0.00%	0.00%	0.00%
Total SOU Contribution Rate	**35.47%**	**34.34%**	**41.47%**	**31.71%**
% Change From 25-27 Biennium	-0.51%	-0.48%	-0.34%	-0.23%

** Expired with 25-27 Biennium

Cash flow projections for retirement, when coupled with tranche 2 of the SOU Resiliency Plan, are maintained at **0.00%** change for the period. This is a direct reflection of the cash flow modeling which assumes that actuals for retirement mirror the ratio of salary & wages to retirement historically. In other words, as salary and wages change (either through cuts, CBA changes, etc), the ratio remains intact and cash reflects those changes into the future.

Estimates for healthcare (PEBB) follow similar logic. The model currently reflects a **0.00%** change for the period in the cash flow model as the ratio of medical expense to salary & wages is not expected to change.

Likewise, for budget modeling, the ratio is kept intact and overall expense change is nominal for FY2027. As CBA and COLA agreements impact future years, expenses are expected to grow, but will be tempered due to anticipated cuts.

Finally, the same logic applies to 'Benefits, Other', the catch all category for all other benefit expenses paid for by the university.

Key Fringe Benefit Assumptions:

All Fringe Benefit calculations in the Cash Flow reflect the ratio of their respective category to the total of salary and wages unless an extreme and unanticipated change to healthcare premiums or retirement contributions occurs. Budgeted rates will also follow similar logic in modeling.

Given the known table of retirement rates for FY2027 (and advisory rates showing a slight decline starting 7/1/2027) coupled with plans for significant cuts, it could be assumed this is one area that is over-projecting expense slightly but within bounds for modeling confidence.

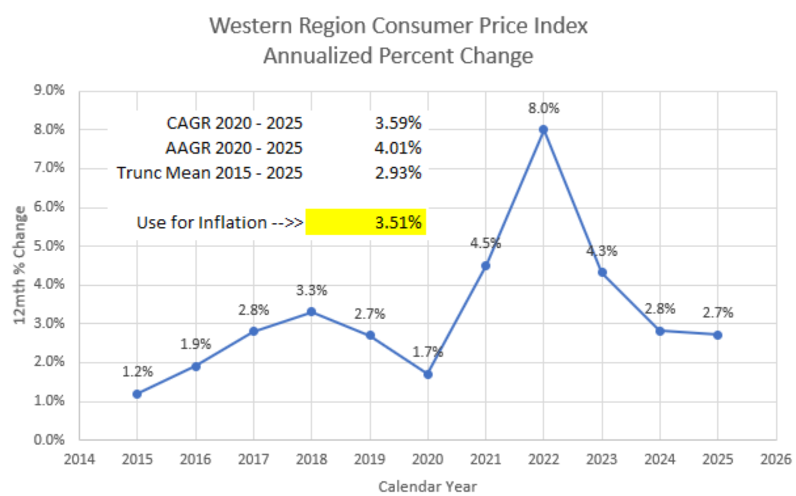
Key Vendor Payments

Key vendor payments (where projected aggregate payments are greater than $500,000) are directly modeled on the cash flow on a month-to-month basis. Models are inclusive of seasonality for vendors who experience operational changes during summer months such as food services. Vendors who have large payments at specific intervals for services (e.g. Workday, Risepoint, etc) are also shown with their significant payments showing when due.

Similarly, debt service schedules are directly modeled per the respective source and timing relative to those schedules.

An inflation metric has been adopted for baseline inflation into FY2027 and beyond.

The graph to the right shows the Annualized Percent Change of the Western Region Consumer Price Index for the period 2015 – 2025. Three averages were used to generate a 'meta-average' of **3.51%** that was adopted as the target price inflation for S&S for the period starting July 1st, 2026 and compounding every July thereafter.



Key Vendor Payment Assumptions:

The following vendors are assumed to require individual modeling outside of aggregate S&S with inflation target of **3.51%** added to their baseline 2026 projected expenses for the FY2027:

1. Elior (Aladdin Food Services),
2. P-Card processing (US Bank),
3. Risepoint,
4. La Clinica,
5. Ellucian,
6. Workday,
7. Foundation sponsored projects.

The following debt service payments are also scheduled on the cash flow, but **do not** have inflation adjustments to their schedules:

1. State of Oregon (Capital bonds),
2. Oregon Dept of Energy (SELP),
3. CHF Ashland LLC (Student Housing),
4. Workday Financing (American 1st Financial)

Operating Deficit from Auxiliary Activities

The Deloitte delivered “SOU Option Path to Sustainability” provided a detailed examination of Auxiliary Considerations. As seen in the report, page 46:

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.

As of this writing, some measures to address all auxiliary losses have already been implemented or are in the early stages of implementation. A few key elements have been taking shape and include:

1. Dining Services has closed Elmo’s on Fridays in the Stevenson Union to address cost overruns.
    a. Immediate financial impact seen is >$50,000/mth
2. All catering services moving to the Hawk dining hall
3. New ‘To Go’ boxes will be introduced to assist with food planning and management
4. Elior (Aladdin) will be reducing staff and associated charges to SOU Housing & Dining auxiliary

Key Auxiliary Deficit Assumptions:

Auxiliary operations should target a higher degree of self-sufficiency. This takes time and deep restructuring of several areas as noted above. Currently, the university’s cash flow model **assumes regular activities** occurring throughout the auxiliary enterprise as more robust plans for cost containment are still in development and will be included in the Vitality Plan.