



**Western Oregon University Board of Trustees:
Finance & Administration Committee (FAC)**

Meeting No. 39

April 15, 2025 | 1:00-5:00 pm

To Observe This Meeting [Click Here](#) | By Phone: 1-253-215-8782

AGENDA

I. CALL-TO-MEETING AND ROLL CALL

II. COMMITTEE CHAIR'S WELCOME

III. CONSENT AGENDA (1:05-1:10pm)

- 1) [Approval of the February 11, 2025 Meeting Minutes](#) (pg.3)

IV. ACTION ITEMS:

- 1) [Accept FY2025 Management Report \(as of February 28, 2025\)](#) (1:10-1:30pm)
Camarie Moreno, Director of Budget & Planning (pg. 10)

- 2) Quasi-Endowment | Penny Burgess, CFA, Executive Director Treasury Management Services Director

- a. [Updates to Board Statement on the Investment of Quasi-Endowment Funds & Addendum to the Board Statement on the Investment of Quasi-Endowment Funds](#) (1:30-1:45pm)
(pg.21)

- b. [Investment Portfolio Change for Quasi-Endowment](#) (1:45-2:00pm)
(pg. 38)

- 3) [Creation of the Board Statement on Investment of Operating Assets](#) (2:00-2:20pm)
(pg. 47)

- 4) [Tuition & Fees for 2025-26 Academic Year & Summer 2025](#) (2:20-3:20pm)
(pg.53)

V. BREAK (3:20-3:35pm)

VI. REPORT & DISCUSSION ITEMS



[University Budget Advisory Committee \(UBAC\)](#) | tri-chairs (3:35-3:50pm)
Dr. Melanie Landon-Hays, Zach Hammerle (pg. 80)

[University Technology Advisory Committee \(UTAC\)](#) | tri-chairs (3:50-4:05pm)
Chelle Batchelor, Amy Clark, Thomas Litterer (pg.83)

- 1) [Finance & Administration Report](#) | (4:05-4:35pm)
Kwabena Boakye, Vice President for Finance & Administration and (pg.84)
Camarie Moreno, Director Budget & Planning
 - a. [Cash flow projections](#) (4:05-4:15pm)
(pg.89)
 - b. [Facilities and Capital Projects Update](#) (4:15-4:25pm)
(pg.93)
 - c. [Budget Dashboard Update](#) (4:25-4:35pm)
- 2) [Committee Charter Review](#) | (4:35-5:00pm)
Evan Sorce, Secretary to the Board of Trustees (pg.95)

VII. APRIL 22-23, 2025 BOARD MEETING PREPERATION

VIII. UPDATES AND AROUND-THE-TABLE

IX. ADJOURNMENT



**Western Oregon University Board of Trustees:
Finance & Administration Committee (FAC)
Meeting No. 38
February 11, 2025 | 01:00 – 5:00 pm**

Draft Meeting Minutes

I. CALL-TO- MEETING AND ROLL CALL

Chair Evans calls the meeting to order at 1:04pm and asks Secretary Sorce to do a roll call:

The following Trustees are present: Trustee Rey Perez, Trustee Kate Schwarzler , Trustee Zook, Chair Gayle Evans

The following Trustees were excused: Trustee Mark Zook

Other Staff Present: President Jesse Peters, Board Secretary Sorce, Camarie Moreno, Chelle Batchelor, Noah Carrillo, Rebecca Chiles, Zachary Hammerle, Thomas Litterer, Amy Clark, Heather Brophy, Ashley Schaumburg, Kella Helyer, Penny Burgess

II. CHAIR’S WELCOME AND ANNOUCEMENTS

Chair Evans thanked everyone for attending the meeting and notified the committee that Trustee Komp decided to resign from the board a few months early so that means that the committee is thin. Chair Evans emphasized that most of this committee is new, so it is very important for the committee members to ask questions before the meeting or during the meeting and go through the packet. Chair Evans also welcomed Western Oregon Universities new Vice President for Student Affairs Kwabena Boakye who will be starting at the beginning of March. Kwabena is a CPA and Certified Auditor and Chair Evans looks forward to working with him.

III. CONSENT AGENDA

- 1) Approval of the meeting minutes from November 5, 2024:

Trustee Schwarzler moves and Trustee Perez seconds the approval of the November 5, 2024 FAC meeting minutes. No additional discussion.

| | |
|--------------------|-----|
| Chair Evans: | Aye |
| Trustee Perez | Aye |
| Trustee Schwarzler | Aye |
| Trustee Zook | Aye |

IV. ACTION ITEMS

- 1) FY 2024 Financial Statements Audit and Single Audit



Chair Evans asked Mr. Shadron Lehman, Controller in Accounting and Business Services, to present the financial statement highlights, which are on page 8 of the docket, for review.

After Mr. Lehman's presentation, he introduced Kristen Diggs, a Partner at Eide Bailly and the independent auditor for this audit. Ms. Diggs explained the audit process and walked through the audit results. Their presentation can be found on page 22 of the docket. Ms. Diggs highlighted a material weakness in internal control related to borrower data and reconciliation, a significant deficiency in internal control on enrollment reporting, and a significant deficiency in internal control related to eligibility. Ms. Diggs also noted no significant transitions in the current year, and the audit of the financial statements resulted in an unmodified, clean opinion.

After Ms. Diggs's presentation, Trustee Schwarzler asked about the status of the software update in financial aid, which caused some delays and challenges in the audit. Western Oregon University Director of Financial Aid, Kella Helyer, answered Trustee Schwarzler's question by explaining at the same time as the software upgrade, the Financial Aid team had eight positions turnover, which caused a unique challenge because of the need to retrain people as a significant software upgrade was underway. The software update has been fully implemented, and the team is ready and confident to go into the 25-26 year that is just starting.

Trustee Schwarzler moved and Trustee Zook seconded that the Western Oregon University Finance and Administration Committee recommend to the Western Oregon University Board of Trustees to accept the University's fiscal year 2024 audit of financial statements. There was no additional discussion.

Roll Call Vote:

| | |
|--------------------|-----|
| Chair Evans | Aye |
| Trustee Perez | Aye |
| Trustee Schwarzler | Aye |
| Trustee Zook | Aye |

Motion Passes 4-0-0

Trustee Zook moves and Trustee Schwarzler seconds that the Western Oregon University Finance and Administration Committee recommend to the Board of Trustees to accept the University's fiscal year 2024 Single Audit and Management's proposed Corrective Action Plan. There was no additional discussion.

Roll Call Vote



| | |
|--------------------|-----|
| Chair Evans | Aye |
| Trustee Perez | Aye |
| Trustee Schwarzler | Aye |
| Trustee Zook | Aye |

Motion Passes 4-0-0

2) Accept the FY 2024 Management Report as of December 31, 2024):

Chair Evans asked Director of Budget & Planning Camarie Moreno to walk through the management report, which can be found on page 27 of the docket for review. Director Moreno noted a significant timing difference in tuition assessment, which affected the year-to-year comparisons. The university saw a tuition increase of about \$1.1 million, primarily due to a 5% tuition increase across the board and the addition of roughly \$300,000 from the first cohort of occupational therapy students. Enrollment fees were down by about \$100,000 primarily due to enrollment decreases. The university received a \$770,000 increase in state appropriations due to being in the second year of the biennium. Personnel costs increased by \$1.7 million, primarily due to salary and benefits adjustments across all employee classes. Services and supplies were down by \$650,000, but Director Moreno expressed concern about the sustainability of this trend. The university is projecting an actual deficit of \$3.3 million. However, Director Moreno believes they will end the fiscal year with a 14% fund balance, which is still within the target of Board guidance for fund balance. The auxiliaries are projected to break even at the end of the year. Chair Evans and Interim Vice President of Finance and Administration Mike Green discussed the need to better track consulting engagements and their lengths and outcomes.

Trustee Zook moved, and Trustee Perez seconded that the Western Oregon University Finance and Administration Committee accept the FY 25 Projected Year-End Report and the overall Management Report as of December 31, 2024.

Vote on the Motion:

| | |
|--------------------|-----|
| Chair Evans | Aye |
| Trustee Perez | Aye |
| Trustee Schwarzler | Aye |
| Trustee Zook | Aye |

Chair Evans gavelled the committee into Recess at 1:47pm.

Chair Evans gavelled the committee back into order at 2:00pm



Roll Call Vote to confirm Quorum:

| | |
|--------------------|---------|
| Chair Evans | Present |
| Trustee Perez | Present |
| Trustee Schwarzler | Present |
| Trustee Zook | Present |

Quorum Present

V. REPORTS & DISCUSSION ITEMS:

1) University Budget Advisory Committee (UBAC):

Chair Evans introduced Dr. Landon Hays and Zach Hammerle, two of the Tri-Chairs of the UBAC. They read their report, which can be found on page 37 of the docket. The committee has been working on aligning its activities with Western Oregon University's core values and mission. They participated in the VPFA search process and were impressed with the candidates, especially incoming Vice President of Finance and Administration Kwebena Boakye background in auditing. The committee is focusing on institutional sustainability and trying to understand budget decision criteria across campus. They are working to improve transparency and collaboration, particularly around academic program budgeting. The committee aims to be an information source and advisory body for the new VPFA going forward.

2) University Technology Advisory Committee (UTAC):

Chair Evans introduced Tom Litterer and Chelle Batchelor, two of the Tri-Chairs of the University Technology Advisory Committee, who presented on behalf of UTAC. They read the UTAC report, which can be found on page 39 of the docket. Tri-Chair Litterer discussed the ongoing work in the strategic plan areas of institutional sustainability and transformational diversity, focusing on banner optimization. He mentioned the team's decision to use Okra as their new identity and access management system, which will simplify the login process and employee onboarding. Tri-Chair Litterer also highlighted the successful business process analysis (BPA) sessions for banner's financial aid and student areas and the upcoming BPA with Banner HR in May. He mentioned using the KASE tool to manage software inventory better and potentially reduce unnecessary software purchases. Chair Evans and Trustee Perez expressed interest in updates on the software utilization and potential cost savings.

Chair Evans asked about transferring payroll responsibilities from USSE to in-house and how banner is part of that solution. Executive Director of Human Resources and Payroll Desiree Noah discussed the reorganization of Banner payroll and the shift towards a more streamlined process. She mentioned



hiring a new director of payroll services with the aim of reducing modifications in the process. Chair Evans asked about the impact on employee benefits, to which Executive Director Noah confirmed that they are working on reconciling and updating these.

Tri-Chair Clark then discussed the work with Strata Information Group consultants on student configurations and the faculty load and compensation function in banner. She also mentioned ongoing work on security and access management. Tri-Chair Litterer updated the team on the digital accessibility policy, the progress of the current data center, and the proposed new data center project.

3) Finance & Administration Report

Mike Green, the Interim Vice President for Finance and Administration, mentioned this is his last report, as Kwabena Boakye will be developing it at the next meeting in April. Interim VPFA Green shared his thoughts on the differences between regional and research universities. He then delivered his report, which can be found on page 41 of the docket for review.

Interim VPFA Green also delivered the Cash Flow Projections, which are in the docket for review on page 45 of the docket. Interim VPFA Green discussed the importance of managing cash position and liquidity, noting a projected decline in cash balances from \$37 million to \$24 million, with \$8.1 million attributed to the spending down on the steam line project funding. He also highlighted a potential \$5 million cash balance decline, which he attributed to possible inaccuracies in their forecasting model. Interim VPFA Green emphasized the need to improve forecasting to manage liquidity better and ensure adequate cash reserves. He also mentioned the need to manage their working capital position and the potential for reclassifying some of their investments as current. Interim VPFA Green also discussed the need for a new line of credit, which is currently being sought through Public Financial Management LLC. Lastly, he mentioned the need to update their 5-year financial plan, which would involve rebalancing their budget and projecting to achieve a balanced budget within the next two years. This is important because it's hard to project accurately over two years. After all, things happen and state allocation changes.

Interim VPFA Green discussed the ongoing Banner optimization project, emphasizing its focus on streamlining processes, improving customer experiences, and removing paper from processes. He mentioned that the project is expected to yield cost savings, allowing the budget to stay static or be reduced. However, he also acknowledged the possibility of additional expenses and the need to plan for them. Chair Evans raised concerns about the maintenance of the system after the sustainability funds have been spent, and Director Litterer clarified that the long-term plan involves moving to an



SAS product with automated updates. Director Litterer said that the team will make sure to have conversations with departments of the need to make sure that updates are implemented and used. Trustee Perez suggested using a scorecard to quantify cost savings, and Director Litterer confirmed that a report detailing the current state and gaps would be presented in four weeks.

Lastly, Interim VPFA Green walked through developing the unit's strategic plans and aligning them with the university's strategic plan. The alignment chart is available on the board website under the February 11, 2025, Finance and Administration Committee information. During his presentation, Interim VPFA Green highlighted common themes across units, including the Banner Optimization program, reinforcing community importance, and engaging stakeholders in policy development. He emphasized the need to listen to feedback and improve processes. He then briefly outlines specific goals for different departments, such as computing services focusing on data security and accessibility, campus safety prioritizing emergency preparedness, and accounting and business services streamlining operations. Interim VPFA Green concluded by explaining that the next steps involve aligning unit goals with the strategic plan, the five-year budget plan, and budget priorities to allocate resources effectively. Assistant Vice President for Safety & Operations Rebecca Chiles praised the process and its alignment with the larger strategic plan. Gayle expressed her appreciation for the robust division strategic plan and its link to the larger strategic plan. Chair Evans was very impressed with the divisional and strategic plan alignment and thanked everyone for their hard work. Secretary Sorce provided context for the larger board meeting, where each division's alignment would be presented.

Interim VPFA Green then shifted the discussion and gave an update on the Quasi Endowment Performance. The information can be found on page 45 of the docket. In his presentation, Interim VPFA Green outlined the Board's fiduciary responsibility and the need for a risk-return analysis. He also mentioned the importance of a monitoring program to test outcomes against established metrics regularly. He then handed it off to Penny Burgess, the Executive Director and Director of Treasury Management Services at USSE. USSE guides and provides administrative duties for Western Oregon University's operating and quasi-endowment assets. The operating assets are managed with a primary objective of capital preservation and a secondary objective of total return and income. The quasi-endowment assets are invested to provide portfolio guidelines for the investment of the assets, including the investment objective of moderate capital appreciation over an intermediate-term period. The Oregon State Treasury provides banking and investment services to Western Oregon, including the Oregon Short-term Fund and the Core Bond Fund. The committee was then informed that the Western Asset Core Plus Bond Fund sale proceeds had been deposited in the Oregon Short-term Fund.



Interim VPFA Green emphasized the need for a clear investment policy for operating assets. The quasi-endowment already has an investment policy. He suggested drafting policies around risk-return and delegations and bringing a recommended fixed-income manager to the next meeting. Ms. Burgess agreed to work on these drafts and review the current policy for the quasi-endowment. Interim VPFA Green also highlighted the importance of considering the university's financial sustainability plan when discussing risk-return appetite. The committee also discussed the need for a more robust investment oversight structure and the potential for adding capital markets people in the future to the Board and the finance committee.

VI. Finance & Administration Committee Goals

Chair Evans outlined the committee's goals, including reviewing the committee charter and preparing for the upcoming board meeting.

VII. February 25-26, 2025 BOARD MEETING PREPARATION

Chair Evans mentioned the two big agenda items are the Management Report

VIII. ADJOURNMENT

Chair Evans adjourned the meeting at 3:53pm.

Finance & Administration Committee (FAC), March 31, 2025, FY2025 Management Report

Period 9 YTD Actual to Actual Variance:

This report provides nine months of actual revenue and expense activity (as of March 31, 2025) as compared to the same period in prior fiscal year.

Education & General Fund:

Revenues:

Tuition revenues are an ~\$1.397M increase. The increase is due to a combination of tuition increases (5% across all categories), the first cohort of 17 Occupational Therapy students (which totals \$436K for Fall, Winter, and Spring term tuition), and changes in enrollment. Fall 2024 was a decrease of 3.0% UG FTE and 3.1% GR FTE (excluding OTD) from Fall 2023, Winter 2025 was a decrease of 3.6% UG FTE and an increase of 8.5% GR FTE (excluding OTD) from Winter 2024, and Spring 2025 is an approximate decrease of 4.7% UG FTE and an increase of 6.3% GR FTE (excluding OTD) from Spring 2024 (based on March 31, 2025 M-Report).

Online course fees are a decrease of \$309K, as a result of the enrollment decrease as well as online course fee offerings decreasing. Other fees have effectively decreased by \$60K, as FY25 includes \$496K of non-refundable tuition/fees, which were not allocated to general fund until the end of FY24. Fee remissions have increased \$191K. Altogether, this results in net tuition and fees for FY25 Period 9 being \$1.334M more than FY24 Period 9, or \$838K more adjusting for the timing difference in non-refundable tuition/fees.

Government resources & allocations have decreased by \$73K from the prior year, however FY24 includes \$1.022M of sustainability funds. Accounting for this, state appropriations have increased by \$949K. The Public University Support Fund (PUSF) for the 2023-25 biennium was funded at \$1B. 49% of PUSF is distributed in year 1 (FY24) and the remaining 51% is distributed in year 2 (FY25) and allocated among the public universities according to the Student Success and Completion Model (SSCM). Within each fiscal year, 36% is distributed for Q1, 24% for Q2 and Q3, and 16% for Q4. Our current revenue reflects quarters 1-3 of FY25 distributions.

Gift grants and contracts revenue has increased by \$126K from prior year. Other revenues have increased by \$26K from the prior year.

Overall, total revenues are \$65.721M, \$1.412M more, or adjusting for the difference in non-refundable tuition and fees and Sustainability funds, that is ~\$1.938M more than the prior year.

Expenses:

Personnel expenses are \$2.390M more than the prior period and reflect variations in faculty/staff from the prior year. Faculty received an ~4.09% COLA (varies by individual). Unclassified staff received a 3.25% COLA effective November 1, 2024. Classified staff received a 6.5% COLA effective April 1, 2024, a 2% COLA effective November 1, 2024, and are set to receive a 3.5% COLA effective June 1, 2025, as well as individual step increases. Additionally, the health OPE rate charge increased from \$1,417 to \$1,600 per month per individual (a 12.9% increase), effective November 2024 payroll.

Services and supplies expenses are \$1.075M less than the prior year. FY24 P9's actuals include many large expenditures we do not anticipate in FY25 (such as \$204K in anatomage tables for Occupational Therapy, \$50K of student meals for Destination Western, \$72K of USSE payroll services, and a \$380K contract to EAB).

Overall, total expenses are \$48.979M, \$1.315M more than the prior year.

Net Revenues less Expenses:

Net revenues less expenses have increased by \$97K compared to prior year, when adjusting for the difference in non-refundable tuition/fees and Sustainability funds, that is an effective ~\$627K increase.

Auxiliary Enterprises:

Auxiliary Enterprises is comprised of Athletics, University Housing, Campus Dining, Parking, Bookstore, Student Health & Counseling Center (SHCC), Child Development Center (CDC), Incidental Fee, and other minor operations.

Revenues:

Enrollment Fees have increased by \$79K. Although enrollment has declined ~2.5% from Fall 2023 to Fall 2024, and ~1.8% from Winter 2024 to Winter 2025, and ~2.7% from Spring 2024 to Spring 2025, the decrease is offset by an increase in the health service fee from \$162 to \$175 per term (or for students not enrolled on the Monmouth campus, \$120 to \$130). The incidental fee remained flat (\$415 or \$210 for students not enrolled on the Monmouth campus). Health Service Fee revenue is up \$117K and incidental fee revenue is down \$22K from the prior year.

Sales and Services are up \$2.467M from the prior year, however ~\$2.2M of this is due to a change in Banner. Historically, when room and board were assessed the revenue went to an unearned income (liability) account, and then on a monthly basis was distributed to housing/dining. Effective Spring 2025, room and board revenues immediately deposit to the respective housing/dining revenue account. While this causes a timing discrepancy when comparing this year to last, going forward it will make

the accounting process more efficient (and align with how tuition/fees work for the education & general fund). The resulting effective \$267K sales and services increase is due primarily to the rate increases for this year (3.5% for residence hall rates, and 5% for dining rates).

Other Revenue remains fairly consistent across all auxiliaries, with an increase from prior year of \$126K. Altogether, auxiliary revenue totals \$19.661M, a \$2.672M increase from prior year. Accounting for the change in accounting for housing/dining, this is effectively a \$472K increase.

Expenses:

Personnel expenses are \$577K more than the prior year, with increases seen in Housing/Dining (\$239K), IFC-areas (\$81K), Athletics (\$242K), and Health Services (\$152K). Bookstore's personnel has decreased by \$65K.

Service & Supplies are \$437K more than the prior year, a decrease in Housing/Dining (\$213K) are offset by increases in IFC-areas (\$372K) and Athletics (\$376K). Altogether, auxiliary expenses total \$18.828M, an increase of \$1.014M from the prior year.

Net Revenues less Expenses:

Net revenues less expenses total \$833K and have increased by \$1.659M compared to prior year. However, accounting for the \$2.2M change in revenue for housing/dining, net revenues less expenses have effectively decreased by \$541K.

Designated Operations, Service Departments, Clearing Funds:

Designated Operations, Service Departments, and Clearing Funds is comprised primarily of Telecommunications and Oregon Council of Presidents.

In FY24 P9, the Clearing fund reflected a balance of \$892K of revenue, causing a misleading comparison for enrollment fees. Accounting for this, revenues are comparable to prior year. Expenses are down \$228K from the prior year, primarily in the Oregon Council of Presidents.

FY25 Projected Year-End:

This report provides year-end projections. The projected year-end methodology is a combination of actual revenues and expenses for the first nine months of operations and projections for the remaining three months of FY25. Projections for periods ten through twelve are based on the actual FY24 realization/burn rates for period nine, which are applied to FY25 revenues and expenses.

Education & General Fund:

Revenues:

Total revenues are projected to be \$74.375M, \$1.227M more than the FY25 adjusted budget. Altogether, net student fees & tuition are projected to be \$33.199M, \$512K more than the adjusted budget. This is primarily due to graduate tuition coming in over budget. The adjusted budget assumes 6% attrition between terms. Actual attrition for UG between fall and winter was 7.8%, and between winter and spring was 7.5% (based on March 31, 2025 M-Report). However for graduate students, enrollment increased by 0.4% FTE from fall to winter, and 7.8% from winter to spring (based on March 31, 2025 M-Report).

Government resources and allocation are projected at \$34.877M, \$84K less than the adjusted budget as a result of the true-up. Gifts, grants, and contracts are projected at \$2.931M, \$331K more than the adjusted budget. Other revenues are projected to be \$3.368M, \$468K more than the adjusted budgeted amount.

Expenses:

Total expenses are projected to be \$69.458M, \$2.700M less than the FY25 adjusted budget. Personnel is projected to be \$60.105M, \$354K less than the budget; \$2.442M of faculty and staff salvage savings were incorporated into the FY25 adjusted budget.

Service and supplies are projected to be \$9.353M, \$2.345M less than the adjusted budget, however service and supply spending patterns continue to be volatile and hard to predict. Some known factors contributing to the savings:

- The FY25 Adjusted Budget included a placeholder one-time S&S budget of \$500K for Sustainability Funds rollover, but only \$202K of the \$1.028M of Sustainability funds received in FY24 had gone unspent and needed rolled over. All the remaining \$202K has been spent in FY25, ~\$120K of S&S, and ~\$82K of personnel (a savings in S&S of \$380K)
- The FY25 Adjusted Budget incorporated several S&S additions that the President did not release to be spent: \$100K of one-time S&S for the Advancement campaign, \$47K of DEI S&S for Title IX/HSI, \$10K for Dean of Students S&S, \$25K of S&S to expand Willamette Promise, and \$150K of S&S for longevity for Canvas and other LMS tools. This totals \$332K of S&S savings.
- Occupational Therapy anticipates ~\$200K of S&S savings (FY25 Adjusted Budget totaled \$395K) due to utilizing other funding sources and savings on equipment needed.
- The FY25 Adjusted Budget incorporates \$400K of S&S for course fee expenditures, but to date only ~\$115K has been spent (with an additional ~\$60K being spent on personnel).

- The FY25 Adjusted Budget incorporates \$780K of S&S for indirect expenditures, but to date only ~\$193K has been spent (with an additional \$105K being spent on personnel)

Transfer Schedule:

A projected transfer schedule is attached to provide details for the projected transfers in and out. This includes a transfer out of \$5.775M to Athletics, compared to the budgeted \$5.2M.

Net Revenues less Expenses and Transfers:

Net revenues less expenses and transfers are projected to be a loss of \$1.278M versus the FY25 adjusted budget of a loss of \$4.608M, an improvement of \$3.330M. Projected year-end fund balance is \$12.476M, or 16.77% of projected revenues.

Auxiliary Enterprises:

Revenues:

Total revenues are projected to be \$22.094M, \$1.615M more than the adjusted budget. Enrollment fees are projected to be \$6.030M, \$115K more than the budget. Sales and services are projected to be \$13.092M, \$861K more than budgeted. Other revenues are projected to be \$2.972M, \$638K more than the adjusted budget.

Expenses:

Total expenses are projected to be \$26.065M, \$1.664M more than the budget. Personnel is projected to be \$11.735M, \$261K more than the adjusted budget. Service and supplies are projected to be \$14.330M, \$1.402M more than the adjusted budget.

Net Revenues less Expenses and Transfers:

Net revenues less expenses and transfers are projected to be a gain of \$354K compared to the FY25 adjusted budget loss of \$800K. This results in a projected year end fund balance of \$5.567M.

Designated Operations, Service Departments, Clearing Funds:

Revenues:

Total revenues are projected to be \$2.323M, \$57K more than the budget.

Expenses:

Total expenses are projected to be \$1.727M, \$539K less than the budget.

Net Revenues less Expenses and Transfers:

Net revenues less expenses and transfers are projected to be a gain of \$596K compared to the FY25 net zero budget.

STAFF RECOMMENDATION:

It is recommended that the Western Oregon University Finance and Administration Committee accept the FY25 Projected Year-End Report and the overall Management Report as of March 31, 2025.

Western Oregon University
P9 YTD Actual to Actual Variance

(Unaudited, non-GAAP, for management purposes only)
(in thousands)

As of March 31, 2025
For the Fiscal Year Ended June 30, 2025

| | P9 FY24 Actuals | P9 FY24 Realization/ Burn Rate % | P9 FY25 Actuals | P9 FY25 % of Budget | Variance Actuals % | | Note |
|-------------------------------------|--------------------|--|--------------------|------------------------|----------------------------|---------------|---|
| Education & General Fund | | | | | | | |
| Revenues | | | | | | | |
| Tuition | 31,645 | | 33,042 | | 1,397 | | |
| Online Course Fees | 3,292 | | 2,983 | | (309) | | |
| Other Fees | 1,169 | | 1,605 | | 436 | | FY25 includes \$496K of non-refundable tuition fees |
| Less: Fee Remissions | (4,718) | | (4,909) | | (191) | | |
| Net Student Fees & Tuition | 31,388 | 96.09% | 32,722 | 100.11% | 1,334 | 4.02% | |
| Government Resources & Allocations | 29,336 | 84.37% | 29,263 | 83.70% | (73) | -0.67% | FY24 includes \$1.022M of Sustainability funds |
| Gift Grants and Contracts | 1,260 | 47.30% | 1,386 | 53.31% | 126 | 6.02% | |
| Other Revenue | 2,325 | 69.79% | 2,351 | 81.06% | 26 | 11.27% | |
| Total Revenues | 64,309 | 87.58% | 65,721 | 89.85% | 1,412 | 2.27% | |
| Expenses | | | | | | | |
| Personnel | 40,446 | 71.67% | 42,836 | 70.85% | (2,390) | -0.82% | |
| Service & Supplies | 7,217 | 73.53% | 6,142 | 52.51% | 1,075 | -21.03% | |
| Total Expenses | 47,663 | 71.94% | 48,979 | 67.88% | (1,315) | -4.07% | |
| Net Revenues less Expenses | 16,646 | | 16,743 | | 97 | | |

Western Oregon University
P9 YTD Actual to Actual Variance

(Unaudited, non-GAAP, for management purposes only)
(in thousands)

As of March 31, 2025
For the Fiscal Year Ended June 30, 2025

| | P9 FY24 Actuals | P9 FY24 Realization/ Burn Rate % | P9 FY25 Actuals | P9 FY25 % of Budget | Variance Actuals % | | Note |
|---|--------------------|--|--------------------|------------------------|----------------------------|----------------|--|
| Auxiliary Enterprises Funds | | | | | | | |
| Revenues | | | | | | | |
| Enrollment Fees | 5,797 | 97.45% | 5,876 | 99.35% | 79 | 1.90% | FY25 includes ~\$2.2M of spring term housing/dining revenues |
| Sales and Services | 9,328 | 73.28% | 11,795 | 96.43% | 2,467 | 23.15% | |
| Other Revenue | 1,864 | 66.96% | 1,990 | 85.27% | 126 | 18.31% | |
| Total Revenues | 16,989 | 79.16% | 19,661 | 96.00% | 2,672 | 16.84% | |
| Expenses | | | | | | | |
| Personnel | 7,997 | 73.06% | 8,574 | 74.73% | (577) | 1.67% | |
| Service & Supplies | 9,817 | 71.56% | 10,254 | 79.32% | (437) | 7.76% | |
| Total Expenses | 17,814 | 72.22% | 18,828 | 77.16% | (1,014) | 4.94% | |
| Net Revenues less Expenses | (825) | | 833 | | 1,659 | | |
| Designated Operations, Service Departments, Clearing Funds | | | | | | | |
| Revenues | | | | | | | |
| Enrollment Fees | 920 | 2399.83% | 36 | 74.59% | (884) | -2325.25% | |
| Sales and Services | 92 | 64.65% | 97 | 76.71% | 5 | 12.06% | |
| Other Revenue | 1,340 | 68.44% | 1,486 | 71.05% | 146 | 2.61% | |
| Total Revenues | 2,351 | 109.97% | 1,619 | 71.44% | (732) | -38.53% | |
| Expenses | | | | | | | |
| Personnel | 792 | 82.67% | 525 | 51.03% | 266 | -31.63% | |
| Service & Supplies | 736 | 70.91% | 774 | 62.58% | (38) | -8.33% | |
| Total Expenses | 1,528 | 76.55% | 1,299 | 57.34% | 228 | -19.22% | |
| Net Revenues less Expenses | 823 | | 320 | | (504) | | |

Western Oregon University
FY25 Projected Year-End
(Unaudited, non-GAAP, for management purposes only)
(in thousands)

As of March 31, 2025
For the Fiscal Year Ended June 30, 2025

| | FY24 Year-End Actuals | FY25 Projected Year-End | FY25 Adjusted Budget | Variance FY25 Projected Year-End to Budget | Note |
|--|----------------------------------|------------------------------------|---------------------------------|---|--|
| Education & General Fund | | | | | |
| Student Fees & Tuition (net of remissions) | 32,666 | 33,199 | 32,686 | 512 | |
| Government Resources & Allocations | 34,770 | 34,877 | 34,961 | (84) | |
| Gift Grants and Contracts | 2,664 | 2,931 | 2,600 | 331 | |
| Other Revenue | 3,331 | 3,368 | 2,900 | 468 | |
| Total Revenues | <u>73,431</u> | <u>74,375</u> | <u>73,148</u> | <u>1,227</u> | |
| Personnel | 56,436 | 60,105 | 60,459 | 354 | |
| Service & Supplies | 9,815 | 9,353 | 11,699 | 2,345 | |
| Total Expenses | <u>66,250</u> | <u>69,458</u> | <u>72,158</u> | <u>2,700</u> | |
| Net Transfers | 7,447 | 6,195 | 5,598 | (597) | Projection based on transfer schedule. |
| Total Expenses and Transfers | <u>73,697</u> | <u>75,653</u> | <u>77,756</u> | <u>2,103</u> | |
| Net Revenues less Expenses | (266) | (1,278) | (4,608) | 3,330 | |
| Fund Balance at the Beginning of the Year | 14,025 | 13,754 | | | |
| Additions/Deductions to Fund Balance | <u>(5)</u> | <u>-</u> | | | |
| Fund Balance at the End of the Year | <u><u>13,754</u></u> | <u><u>12,476</u></u> | | | |
| Fund Balance as a Percentage of Revenues | 18.73% | 16.77% | | | |

Western Oregon University
FY25 Projected Year-End
(Unaudited, non-GAAP, for management purposes only)
(in thousands)

As of March 31, 2025
For the Fiscal Year Ended June 30, 2025

| | FY24 Year-End Actuals | FY25 Projected Year-End | FY25 Adjusted Budget | Variance FY25 Projected Year-End to Budget | Note |
|---|----------------------------------|------------------------------------|---------------------------------|---|--|
| Auxiliary Enterprises Funds | | | | | |
| Enrollment Fees | 5,949 | 6,030 | 5,915 | 115 | |
| Sales and Services | 12,728 | 13,092 | 12,231 | 861 | |
| Other Revenue | 2,784 | 2,972 | 2,334 | 638 | |
| Total Revenues | 21,460 | 22,094 | 20,479 | 1,615 | |
| Personnel | 10,946 | 11,735 | 11,474 | (261) | |
| Service & Supplies | 13,719 | 14,330 | 12,927 | (1,402) | |
| Total Expenses | 24,665 | 26,065 | 24,401 | (1,664) | |
| Net Transfers | (6,801) | (4,325) | (3,122) | 1,203 | Projection based on transfer schedule. |
| Total Expenses and Transfers | 17,863 | 21,740 | 21,279 | (461) | |
| Net Revenues less Expenses | 3,597 | 354 | (800) | 1,154 | |
| Additions/Deductions to Fund Balance | (1,898) | (1,869) | | | |
| Fund Balance at the Beginning of the Year | 5,383 | 7,082 | | | |
| Fund Balance at the End of the Year | 7,082 | 5,567 | | | |
| Fund Balance as a Percentage of Revenues | 33.00% | 25.20% | | | |
| Designated Operations, Service Departments, Clearing Funds | | | | | |
| Enrollment Fees | 38 | 1 | 48 | (47) | |
| Sales and Services | 142 | 150 | 127 | 24 | |
| Other Revenue | 1,958 | 2,172 | 2,092 | 80 | |
| Total Revenues | 2,138 | 2,323 | 2,266 | 57 | |
| Personnel | 958 | 636 | 1,030 | 394 | |
| Service & Supplies | 1,038 | 1,092 | 1,237 | 145 | |
| Total Expenses | 1,996 | 1,727 | 2,266 | 539 | |
| Net Transfers | (149) | - | - | - | Projection based on transfer schedule. |
| Total Expenses and Transfers | 1,847 | 1,727 | 2,266 | 539 | |
| Net Revenues less Expenses | 291 | 596 | - | 596 | |
| Additions/Deductions to Fund Balance | (219) | (239) | | | |
| Fund Balance at the Beginning of the Year | 2,621 | 2,692 | | | |
| Fund Balance at the End of the Year | 2,692 | 3,049 | | | |
| Fund Balance as a Percentage of Revenues | 125.93% | 131.24% | | | |

Western Oregon University
Transfers Schedule - Projected FY25
(Unaudited, non-GAAP, for management purposes only)

| | E&G | | | Auxiliary | Des Ops - Serv Dept. | Plant fund | Other | Total |
|------------------------------|-----------|---------|--------|-----------|-------------------------|------------|-----------|-----------|
| Transfers In E&G | | | | (a) | | | | |
| Actual | | | | 45,180 | | | | 45,180 |
| Upcoming | | | | 15,060 | | | | 15,060 |
| Transfers Out E&G | | | | (b) | (c) | (d) | (e) | (f) |
| Actual | | | | - | - | 22,000 | - | 3,955 |
| Upcoming | | | | 5,775,000 | 150,000 | - | 294,000 | 10,283 |
| Transfers In AUX | (b) | (c) | (d) | | | (g) | (h) | |
| Actual | - | - | 22,000 | | | 516,000 | - | 538,000 |
| Upcoming | 5,775,000 | 150,000 | - | | | - | - | 5,925,000 |
| Transfers Out AUX | (a) | | | | | | (h) | |
| Actual | 45,180 | | | | | | - | 45,180 |
| Upcoming | 15,060 | | | | | | 2,077,972 | 2,093,032 |
| Transfers In DO, SD | | | | | | | | |
| Actual | | | | | | | | - |
| Upcoming | | | | | | | | - |
| Transfers Out DO, SD | | | | | | | | |
| Actual | | | | | | | | - |
| Upcoming | | | | | | | | - |

| Type | Description |
|------|---|
| (a) | Parking support of public safety |
| (b) | Athletic operations support |
| (c) | Child Development Center support |
| (d) | Smith Fine Arts support |
| (e) | Small-Scale Energy Loan Program debt service |
| (f) | Miscellaneous (endowment matches, cost shares, etc.) |
| (g) | Auxiliary transfers to/from building/equipment reserves |
| (h) | Misc. auxiliary transfers, including debt payments for Housing and Recreation Center Building Fee |
| (i) | Misc. designated operations and service departments transfers |

Review of the Board Statement on the Investment of Quasi-Endowment Funds and Amendments

BACKGROUND

Investment policies provide general investment goals and objectives and provide guidelines for the selected investment managers to employ to meet the policy objectives. Investment policies typically describe asset allocation, risk tolerance, and liquidity requirements. In the case of endowments, policies may also define the spending policy and cadence for distribution.

The current portfolio objective is for moderate growth over an intermediate-term time horizon. The performance goals target a five percent rate of return over five year periods, while covering inflation and fees. The asset allocation targets established align with a balanced portfolio approach, allocating 55% to global equity, 40% to fixed income, and 5% to cash.

As of December 31, 2024, the portfolio performance met the target performance goals over a five year period, returning 5.1% and maintaining purchasing power (CPI 3.0%), resulting in an excess return of 2.1%.

The vice president for finance and administration in consultation with the university's investment consultant, USSE, have reviewed WOU's Board Statement on Investment of the Quasi-Endowment and determined that changes to the established guidelines should be considered.

PROPOSED CHANGES

Several changes to the Board Statement are recommended to provide clarity for the investment portfolio guidelines, fiduciary duties, and investment advisor responsibilities. The proposed amendments are shown in red text and strikethrough in Attachment 1. Additionally, staff propose adding statements from the Addendum to the Board Statement on Investment of Quasi-Endowment Funds to the Board Statement and eliminating the Addendum. A copy of the Addendum is included as Attachment 2.

Purpose of the Investment Portfolio: Section 1.0 is updated to include guiding investment principles.

Fiduciary Responsibility: Section 2 is renamed and updated to define the Trustee's fiduciary responsibilities for these assets.

Investment Objective and Time Horizon: Section 3 and 4 are updated to clarify the anticipated investment time horizon for these assets. Any potential changes to the purpose and uses of the funds and associated timing may require changes to the investment objective, time horizon, and asset allocation recommendations.

Strategic Asset Allocation: The asset allocation table in Section 6 is updated to simplify the asset classes and narrow the asset allocation ranges. The recommended asset allocation is based upon an intermediate time horizon for investment of five to seven years. The current balanced allocation of 55% to global equities, 40% to fixed income and 5% to cash has performed well over 5 years and met the investment objective of 5% average annual returns, net of fees.

Three asset allocation options will be discussed with the Finance and Administration Committee in the event the future uses of these funds and time horizon are expected to change. The asset allocation options are available in Attachment 2. The scenarios are as follows:

Scenario A: The current investment objective and time horizon are maintained, anticipating use of funds during the next 5-7 years. Given this scenario, no changes are recommended to the asset allocation. Long term average annual return assumption of approximately 5.9%.

Scenario B: If a portion or all of the assets are anticipated to be expended in the next 3-5 years, staff recommend a conservative investment strategy, allocating 30% to equities and 70% to fixed income and cash. Long term average annual return assumption of approximately 5.2%

Scenario C: If all of the assets are anticipated to be expended in 2 years or less, staff recommend assets be invested conservatively to preserve capital with 100% allocated to a cash management program. Long term average annual return assumption of approximately 4%.

The return assumptions have been computed from long-term capital market assumptions provided by Blackrock Asset Management. While capital market assumptions are useful guides, rarely are they good predictors of market returns over long periods of time as there are many variables that can detract from the accuracy of the model. The assumptions, however, can be useful as a general guide for analysis.

Investment Restrictions: Section 7 is renamed, and important portfolio guidelines and restrictions are added to support portfolio risk management. Portfolio guidelines from the Addendum to the Board Statement on the Investment of the Quasi-Endowment Funds have been incorporated into the revisions in section 7.

Portfolio Rebalancing: Section 8 includes housekeeping changes.

Investment Manager Performance Review and Evaluation and Roles and Responsibilities: Sections 9 and 10 include housekeeping items to clarify the role of the Investment Advisor. In section 10.3, the board may consider delegating the discretion of investment manager selection to the VPFA or the Investment Advisor.

Prudence and Ethical Standards: Section 11 has been added to define expectations for prudence and ethics by all participants involved in the investment process.

Asset Custody: Section 12 has been added to guide decisions for the custody of assets.

Conclusion: Section 13 is added to outline responsibilities for implementation and review of the Board Statement.



Board Statement on the Investment of Quasi-Endowment Funds

1.0 Purpose of the Investment Portfolio

The Board Statement on Investments provides the guiding principles for Western Oregon University to effectively supervise, monitor, and evaluate the investment of the Western Oregon University Quasi-Endowment "Quasi-Endowment" assets. The primary purpose of the Quasi-Endowment investment portfolio is to maintain the purchasing power of the Western Oregon University Quasi-Endowment assets over the mid-but unspecified term an intermediate period, to support **scholarships** and other University programs.

2.0 ~~Organization~~ Fiduciary Responsibility

WOU Board of Trustees will be referred to as "The Board" throughout this Board Statement. The Board has fiduciary responsibility for the university's invested assets, including the Quasi-Endowment. The Board is responsible for establishing and maintaining the Quasi-Endowment's investment policy and to recommend broad investment goals to the Investment Advisor and/or investment managers, including input into the asset allocation. The Board may delegate will engage an investment management consultant to manage the day-to-day investment decisions on the investment portfolio.

3.0 Investment Objective

The Board desires that its quasi-endowment portfolio will grow, over time, at a rate exceeding the consumer price index and will achieve that growth at a steady rate over time at increments less volatile than the ~~stock-respective~~ market indices. The Board believes that a diversified equity and fixed income portfolio has the best chance to achieve this objective. Because of the ~~mid~~intermediate-term nature of the expected uses of this fund, the assets should be invested into a balanced portfolio of equities and fixed income.

4.0 Investment Time Horizon

The expected investment horizon for this ~~Plan-Quasi-Endowment~~ is ~~mid-but unspecified~~intermediate-term with the Board having ~~an the~~ authority to spend down the funds.

Commented [PB1]: Does the investment objective aligns with the expectations of the Trustees.

Commented [PB2]: Does an intermediate-term time horizon align with the intended use of the assets? Typically 5-7 years for intermediate-term investments.

Adopted: 101718



5.0 Targeted Rate of Return

Over a five year market cycle, it is the goal of the Aggregate Plan Assets to achieve an average annual return, net of fees, of **5.0%**

The investment goals above are the objectives of the Aggregate Investment Plan, and are not meant to be imposed on each individual investment account.

Commented [PB3]: Reasonable return expectations if a balanced approach. Revisit if the objective, asset allocation, or time horizon change.

Adopted: 101718



6.0 Strategic Asset Allocation

| Asset Class | Minimum | TARGET | Maximum | Benchmark |
|--|-------------------|---------------|-------------------|-------------------|
| Cash & Equivalents | 0% | 5% | 25 10% | 91-day T-Bill |
| Fixed Income | 15 35% | 40% | 60 45% | Bloomberg Agg |
| US-Global Equities | 25 50% | 35 55% | 65 60% | MSCI EAFE IMI Net |
| International Equities — Developed | 5% | 15% | 30% | |
| Emerging Markets | 0% | 5% | 10% | |
| *Alternative Investments | -0 % | -0% | -0 % | |

| | | | |
|----------------------|--------------------------|-------------------------|-----------------|
| Equities: 55% | Fixed Income: 40% | Alternatives: 0% | Cash: 5% |
|----------------------|--------------------------|-------------------------|-----------------|

*Alternative investments ~~would~~ include REIT's (Real Estate Investment Trusts), Commodities, Private Equity, Foreign Currency, Structured Products, and any other non-traditional asset class that the Board deems appropriate.

The Board, at its discretion, may elect to invest some or all the funds in accordance with socially responsible investing.

Commented [PB4]: Recommend a definition of socially responsible investing and how that would be implemented into investment portfolios.

7.0 **Fiscally and Socially Responsible Investing** Investment Restrictions

1) **Cash:** Cash to be invested in a bank account, money market fund or reasonable cash alternative.

2) **Fixed Income:** This component of the Quasi-Endowment shall adhere to the following criteria:

- Limit fixed income portfolio risk, as measured by tracking error, to an annualized target of 1.5% relative to the established fixed income benchmark.
- Average credit quality should not be lower than one grade below the approved fixed income benchmark index.
- The fixed income allocation should be sufficiently diversified. Not more than 5% of the market value of any investment fund will be invested in any single issuer or issue.
- Below investment grade bonds shall not exceed 20% of the fixed income portfolio.
- Non-U.S. dollar bonds shall not exceed 20% of the fixed income portfolio.

The Board will not allow more than 10% of the total portfolio value to be invested in fixed income securities with a Standard and Poor's credit rating below "A" (or equivalent). The

Commented [PB5]: Adding components of the Addendum to the Board Statement.

Adopted: 101718



~~Board will not allow more than 5% of the total portfolio value to be invested in fixed income securities with a Standard and Poor's credit rating below "BBB" (or equivalent). The Board, at its discretion, may elect to invest some or all the funds in accordance with socially responsible investing.~~

3) **Equities:** This component of the Quasi-Endowment shall adhere to the following criteria:

- **Permitted Holdings:** publicly traded domestic, international and emerging market common stock, and other equity instruments.
- **Diversification:** Not more than 5% of the market value of any investment fund will be invested in any single security, unless it is part of an index fund.

8.0 Portfolio Rebalancing

The Portfolio will be reviewed at least semi-annually by the Investment ~~Management Consultant~~Advisor to rebalance the portfolio ~~back~~ to the Board's preferred target asset allocation. ~~The Board will review this Board Statement annually or more often as needed to ensure its continued appropriateness.~~

Commented [PB6]: Added to section 13 below.

9.0 Investment Manager Performance Review and Evaluation

Performance reports generated by the Investment ~~Management Consultant~~Advisor shall be reviewed by the Board, the Board's Finance and Administration Committee, ~~or and~~ the University's Vice President for Finance and Administration "VPFA" or designee at least quarterly. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Board intends to evaluate the portfolio(s) over a 3-5 year period, but reserves the right to terminate an investment manager for any reason including the following:

1. Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
2. Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding Performance, Personnel, Strategy, Research Capabilities, Organizational and Business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

10.0 Roles and Responsibilities

Adopted: 101718



10.1 ROLE OF THE BOARD

- Approve the selection of the ~~investment managers and investment consultants~~Investment Advisor and provide adequate oversight during their engagements.
- Review the performance of the Investment Managers to ensure the assets are invested within the guidelines of this Board Statement.
- Review this Board Statement for accuracy and completeness.
- Provide accurate, complete financial information to the Investment ~~Managers~~Advisor and alert the Investment ~~Managers~~Advisor to any significant changes to this information, including changes to the Board's financial objectives.
- Participate in periodic portfolio reviews with the Investment ~~Managers~~Advisor, and/or designee.

10.2 ROLE OF THE INVESTMENT ADVISOR/MANAGERS

- The Investment Advisor, and/or designee, serves as consultant to the Board and VPFA.
- Prudently invest the portfolio assets within the guidelines of this Board Statement.
- Develop portfolio guidelines based on University's financial status, investment objectives, liquidity needs, tolerance for risk and investment time horizon.
- Monitor investment manager performance, on an ongoing basis.
- Provide the Board with portfolio reporting upon request.
- Recommend changes in asset allocation guidelines for this portfolio.
- Respond promptly to the Board's concerns and inquiries.

10.3 ROLE OF THE UNIVERSITY PRESIDENT, VPFA, AND THEIR DESIGNEES

- Exercise due diligence in checking the investment managers' and investment consultants' credentials and backgrounds prior to the board's selection.
- Contact the Investment ~~Managers and the Investment Consultants~~Advisor, and/or designee with any questions or concerns regarding the investments.
- Monitor Investment performance on an on-going basis.
- Provide the Board with the attribution analysis based on Investment Managers' performance versus ~~the~~ benchmarks.
- ~~Participate in monthly portfolio reviews with the Investment Management.~~

Commented [PB7]: Board may consider delegating the discretion of investment manager selection to the VPFA and/or Investment Advisor. If Board retains responsibility, consider language that gives VPFA ability to make investment decisions under an emergency situation.

10.4. ~~ROLE OF THE INVESTMENT CONSULTANT~~

Adopted: 101718



- Provide the VPFA and FAC with customized performance reports versus the benchmarks.
- Assist the VPFA with attribution analysis
- Contact the Investment Managers with any questions or concerns regarding the investments on the VPFA's behalf.

11.0 Prudence and Ethical Standards

11.1 PRUDENCE

All participants in the investment process shall act responsibly. The standard of prudence to be applied by the Board, the Investment Advisor, selected designees, WOU staff and external service providers shall be the "prudent investor" rule, which states: "Investments shall be invested and the investments managed as a prudent investor would do, under the circumstances then prevailing and in light of the purposes, terms, distributions requirements, and laws governing each investment fund."

11.2 ETHICS AND CONFLICTS OF INTEREST

Board members, Investment Advisory staff, selected designees, WOU staff and external service providers involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. These parties are required to reveal all relationships that could create or appear to create a conflict of interest in their unbiased involvement in the investment process.

12.0 Asset Custody

Custodial responsibility for all securities is to be determined by the Board or its designee(s).

13.0 Conclusion

Implementation of the Board Statement, including investment manager selection, shall be the responsibility of the VPFA and Investment Advisor, subject to the necessary approvals from the Board.

This Board Statement shall be reviewed by the Board at least every two years, or more frequently as needed to ensure its continued appropriateness.

Commented [PB8]: Current statement says annually. Every two years is best practice.

Adopted: 101718



Addendum to the Board Statement on the Investment of Quasi-Endowment Funds

1.0 Purpose of the addendum

This is addendum to the Board Statement on the Investment of Quasi-Endowment Funds (the Fund) adopted by the Board of Trustees (The Board) on October 17, 2018. On October 17, 2018, the Board has selected the Oregon State Treasury (OST) to serve as the Fund Investment Managers. OST is governed by the Oregon Investment Council (OIC) that has a prerogative of approving Western Oregon University Endowment Fund Guidelines for the OST. The purpose of this addendum is to establish investment benchmarks and to define investment restrictions in line with the OIC established guidelines.

Commented [PB1]: Add investment restrictions and asset allocation table to the Board Statement and recommend eliminating the Addendum.

2.0 Investment Restrictions

~~a. Cash: Cash will be invested into the Oregon Short Term Fund~~

~~b. Fixed Income: This component of the Fund shall adhere to the following criteria:~~

- ~~1. Limit fixed income portfolio risk, as measured by tracking error, to an annualized target of 1.5 percent relative to the established fixed income benchmark;~~
- ~~2. Average credit quality should not be lower than one grade below the approved fixed income benchmark index;~~
- ~~3. The fixed income allocation should be sufficiently diversified;~~
- ~~4. Below investment grade bonds shall not exceed 20 percent of the bond portfolio; and~~
- ~~5. Non US dollar bonds shall not exceed 20 percent of the bond portfolio.~~

~~c. Equities: This component of the Fund shall adhere to the following criteria:~~

- ~~1. Permitted Holdings: Publicly traded domestic, international and emerging market common stock, and other equity financial instruments.~~
- ~~2. Diversification: Not more than five percent of the market value of any investment fund will be invested in any single issuer or security, unless part of an index fund.~~

~~d. Alternatives: This component of the Fund should adhere to the following criteria:~~

- ~~1. Alternative investments include private market investments, commodities, derivatives, and other non-traditional asset classes as defined by OST staff.~~

3.0 Asset Allocation and Benchmarks

| Asset Class | Min-Max | Target | Benchmark |
|--------------------------------------|---------|--------|-----------------------|
| Emerging Market Equity | 0-10% | 5% | |
| International Equity- (Developed) | 5-25% | 20% | |
| US Equity | 25-65% | 30% | |
| Total Equity | 30-100% | 55% | MSCI ACWI IMI |
| Fixed Income | 15-60% | 40% | Barclays US Aggregate |
| Cash & Equivalents | 0-25% | 5% | 91-Day T-Bill |
| Alternatives | 0% | 0% | |

WOU Quasi-Endowment Asset Allocation Considerations

| | Time Horizon | Investment Strategy | Asset Allocation Target | | Value | Return Assumptions | Fixed Income Manager Recommendation |
|--------------------|---------------------------|----------------------|-------------------------|------|--------------|--------------------|-------------------------------------|
| Current Allocation | Intermediate | Balanced | Global Equity | 56% | \$ 1,634,434 | | |
| | | | Fixed Income | 0% | - | | |
| | | | Cash | 44% | 1,303,487 | | |
| | | | Total | 100% | \$ 2,937,921 | | |
| Scenario A | Intermediate 5-7 years | Balanced | Global Equity | 55% | \$ 1,615,857 | 5.9% | Fidelity Total Bond ETF |
| | | | Fixed Income | 40% | 1,175,168 | | |
| | | | Cash | 5% | 146,896 | | |
| | | | Total | 100% | \$ 2,937,921 | | |
| Scenario B | Intermediate 3-5 years | Conservative | Global Equity | 30% | \$ 881,376 | 5.2% | JP Morgan Active Core Bond ETF |
| | | | Fixed Income | 35% | 1,028,272 | | |
| | | | Cash | 35% | 1,028,272 | | |
| | | | Total | 100% | \$ 2,937,921 | | |
| Scenario C | Short-Term < 2 years | Capital Preservation | Global Equity | 0% | \$ - | 4.0% | |
| | | | Fixed Income | 0% | - | | |
| | | | Cash | 100% | 2,937,921 | | |
| | | | Total | 100% | \$ 2,937,921 | | |



Board Statement on the Investment of Quasi-Endowment Funds

1.0 Purpose of the Investment Portfolio

The Board Statement on Investments provides the guiding principles for Western Oregon University to effectively supervise, monitor, and evaluate the investment of the Western Oregon University Quasi-Endowment “Quasi-Endowment” assets. The primary purpose of the Quasi-Endowment investment portfolio is to maintain the purchasing power of the assets over an intermediate period, to support **scholarships** and other University programs.

2.0 Fiduciary Responsibility

WOU Board of Trustees will be referred to as “The Board” throughout this Board Statement. The Board has fiduciary responsibility for the university’s invested assets, including the Quasi-Endowment. The Board is responsible for establishing and maintaining the Quasi-Endowment’s investment policy and to recommend broad investment goals to the Investment Advisor and/or investment managers, including input into the asset allocation. The Board may delegate the day-to-day investment decisions on the investment portfolio.

3.0 Investment Objective

The Board desires that its quasi-endowment portfolio will grow, over time, at a rate exceeding the consumer price index and will achieve that growth at a steady rate over time at increments less volatile than the respective market indices. The Board believes that a diversified equity and fixed income portfolio has the best chance to achieve this objective. Because of the intermediate-term nature of the expected uses of this fund, the assets should be invested into a balanced portfolio of equities and fixed income.

4.0 Investment Time Horizon

The expected investment horizon for this Quasi-Endowment is intermediate term with the Board having the authority to spend down the funds.

Commented [PB1]: Does the investment objective aligns with the expectations of the Trustees.

Commented [PB2]: Does an intermediate-term time horizon align with the intended use of the assets? Typically 5-7 years for intermediate-term investments.

Adopted: ~~101718~~



5.0 Targeted Rate of Return

Over a five year market cycle, it is the goal of the Aggregate Plan Assets to achieve an average annual return, net of fees, of **5.0%**.

The investment goals above are the objectives of the Aggregate Investment Plan, and are not meant to be imposed on each individual investment account.

Commented [PB3]: Reasonable return expectations if a balanced approach. Revisit if the objective, asset allocation, or time horizon change.

6.0 Strategic Asset Allocation

| <u>Asset Class</u> | <u>Minimum</u> | <u>TARGET</u> | <u>Maximum</u> | <u>Benchmark</u> |
|--------------------------|----------------|----------------------|----------------|-------------------|
| Cash & Equivalents | 0% | 5% | 10% | 91-day T-Bill |
| Fixed Income | 35% | 40% | 45% | Bloomberg Agg |
| Global Equities | 50% | 55% | 60% | MSCI EAFE IMI Net |
| *Alternative Investments | 0% | 0% | 0% | |

| | | | |
|----------------------|--------------------------|-------------------------|-----------------|
| Equities: 55% | Fixed Income: 40% | Alternatives: 0% | Cash: 5% |
|----------------------|--------------------------|-------------------------|-----------------|

*Alternative investments include REIT's (Real Estate Investment Trusts), Commodities, Private Equity, Foreign Currency, Structured Products, and any other non-traditional asset class that the Board deems appropriate.

The Board, at its discretion, may elect to invest some or all the funds in accordance with **socially responsible** investing.

Commented [PB4]: Recommend a definition of socially responsible investing and how that would be implemented into investment portfolios.

7.0 Investment Restrictions

Commented [PB5]: Adding components of the Addendum to the Board Statement.

- 1) **Cash:** Cash to be invested in a bank account, money market fund or reasonable cash alternative.
- 2) **Fixed Income:** This component of the Quasi-Endowment shall adhere to the following criteria:
 - Limit fixed income portfolio risk, as measured by tracking error, to an annualized target of 1.5% relative to the established fixed income benchmark.
 - Average credit quality should not be lower than one grade below the approved fixed income benchmark index.

Adopted: ~~101718~~



- The fixed income allocation should be sufficiently diversified. Not more than 5% of the market value of any investment fund will be invested in any single issuer or issue.
- Below investment grade bonds shall not exceed 20% of the fixed income portfolio.
- Non-U.S. dollar bonds shall not exceed 20% of the fixed income portfolio.

3) **Equities:** This component of the Quasi-Endowment shall adhere to the following criteria:

- Permitted Holdings: publicly traded domestic, international and emerging market common stock, and other equity instruments.
- Diversification: Not more than 5% of the market value of any investment fund will be invested in any single security, unless it is part of an index fund.

8.0 Portfolio Rebalancing

The Portfolio will be reviewed at least semi-annually by the Investment Advisor to rebalance the portfolio to the Board's target asset allocation.

Commented [PB6]: Added to section 13 below.

9.0 Investment Manager Performance Review and Evaluation

Performance reports generated by the Investment Advisor shall be reviewed by the Board, the Board's Finance and Administration Committee, and the University's Vice President for Finance and Administration "VPFA" or designee at least quarterly. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Board intends to evaluate the portfolio(s) over a 3-5 year period, but reserves the right to terminate an investment manager for any reason including the following:

1. Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
2. Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding Performance, Personnel, Strategy, Research Capabilities, Organizational and Business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

Adopted: ~~101718~~



10.0 Roles and Responsibilities

10.1 ROLE OF THE BOARD

- Approve the selection of the Investment Advisor and provide adequate oversight during their engagement.
- Review the performance of the Investment Managers to ensure the assets are invested within the guidelines of this Board Statement.
- Review this Board Statement for accuracy and completeness.
- Provide accurate, complete financial information to the Investment Advisor and alert the Investment Advisor to any significant changes to this information, including changes to the Board's financial objectives.
- Participate in periodic portfolio reviews with the Investment Advisor, and/or designee.

10.2 ROLE OF THE INVESTMENT ADVISOR/MANAGERS

- The Investment Advisor, and/or designee, serves as consultant to the Board and VPFA.
- Prudently invest the portfolio assets within the guidelines of this Board Statement.
- Develop portfolio guidelines based on University's financial status, investment objectives, liquidity needs, tolerance for risk and investment time horizon.
- Monitor investment manager performance, on an ongoing basis.
- Provide the Board with portfolio reporting upon request.
- Recommend changes in asset allocation guidelines for this portfolio.
- Respond promptly to the Board's concerns and inquiries.

10.3 ROLE OF THE UNIVERSITY PRESIDENT, VPFA, AND THEIR DESIGNEES

- Exercise due diligence in checking the investment managers' and investment consultants' credentials and backgrounds prior to the board's selection.
- Contact the Investment Advisor, and/or designee with any questions or concerns regarding the investments.
- Monitor Investment performance on an on-going basis.
- Provide the Board with the attribution analysis based on Investment Managers' performance versus benchmarks.

Commented [PB7]: Board may consider delegating the discretion of investment manager selection to the VPFA and/or Investment Advisor. If Board retains responsibility, consider language that gives VPFA ability to make investment decisions under an emergency situation.

11.0 Prudence and Ethical Standards

11.1 PRUDENCE

Adopted: ~~101718~~



All participants in the investment process shall act responsibly. The standard of prudence to be applied by the Board, the Investment Advisor, selected designees, WOU staff and external service providers shall be the “prudent investor” rule, which states: “Investments shall be invested and the investments managed as a prudent investor would do, under the circumstances then prevailing and in light of the purposes, terms, distributions requirements, and laws governing each investment fund.”

11.2 ETHICS AND CONFLICTS OF INTEREST

Board members, Investment Advisory staff, selected designees, WOU staff and external service providers involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. These parties are required to reveal all relationships that could create or appear to create a conflict of interest in their unbiased involvement in the investment process.

12.0 Asset Custody

Custodial responsibility for all securities is to be determined by the Board or its designee(s).

13.0 Conclusion

Implementation of the Board Statement, including investment manager selection, shall be the responsibility of the VPFA and Investment Advisor, subject to the necessary approvals from the Board.

This Board Statement shall be reviewed by the Board at least every two years, or more frequently as needed to ensure its continued appropriateness.

Commented [PB8]: Current statement says annually. Every two years is best practice.

Adopted: ~~101718~~

Quasi-Endowment Fund Fixed Income Manager Review

BACKGROUND

In December 2024, the Western Asset Core Plus Bond Fund was sold due to concerns about lack of internal controls at Western Asset and poor relative long-term performance.

WOU's investment advisor, Oregon State Treasury, has provided a variety of passive and active core and core-plus intermediate term bond fund manager options. WOU staff in consultation with USSE staff have reviewed the investment options on the basis of product, people, process, performance, and fees and narrowed the options to two fixed income managers.

DUE DILIGENCE

Oregon State Treasury (OST) has recently expanded the number of fixed income manager options available to WOU for the Quasi-Endowment Fund, as shown in Attachment 1. The options include one passive fixed income manager that mirrors the Bloomberg Barclay's U.S. Aggregate Bond Index, three active core bond fund managers, and five active core-plus bond fund managers. The former fixed income fund, Western Asset Core Plus Bond, was a core-plus bond fund manager. Managers in the core-plus bond segment allow up to 20% investment into non-investment grade bonds, typically BBB's, and a minimal allocation to non-dollar denominated bonds for additional yield, differentiating this strategy from the traditional core bond funds. Historical long-term returns for the core-plus bond segment have exceeded standard core bond options and are reasonable options for longer-term investment horizons.

OST has recently introduced a brokerage account option to WOU for trading exchange traded funds (ETFs). ETF's provide real-time trading opportunities and simplify back office administration. The fixed income manager options provided by OST are ETF's. While several of the fixed income manager options have limited performance track records in the ETF option, the equivalent strategy in the mutual fund option has been used to perform due diligence and assess longer term performance for each strategy.

RECOMMENDATION

Because the time horizon for the Quasi-Endowment is currently under review, two fixed income investment options have been identified, pending the outcome of the investment time horizon review.

JP Morgan Active Core Bond Fund

If the investment time horizon for the Quasi-Endowment assets is determined to be less than five years, the JP Morgan Active Core Bond Fund is the recommended manager for core fixed income exposure.

This traditional core bond manager has a deep bench of talented portfolio managers and credit analysts with a performance track record that has held up well over short and long time periods. As of December 31, 2024, the Fund's 5-year relative performance was 0.55% and 10-year relative performance was 0.26%. The strategy focuses on owning high quality bonds, often with 60% of the portfolio allocated to AAA rated bonds. The ETF option provides a competitive management fee of 0.25%, compared to the active peer group fees of 0.25% to 0.40%.

Fidelity Total Bond Fund

If the investment time horizon for the Quasi-Endowment assets is determined to be five years or more, the Fidelity Total Bond fund is the recommended manager for core-plus fixed income exposure.

This core-plus fixed income manager has a strong focus on quality bonds, investing at least 80% in investment-grade bonds and can allocate up to 20% of assets to below-investment grade bonds, typically BBB's, to enhance total returns. The Fidelity team strives to balance return potential against risk, constructing a portfolio with a standard deviation (7.79) less than the category peers (7.86). Several of the fund managers have long-term track records and the analyst bench is deep with considerable experience. The long-term relative performance returns are strong, with the 5-year relative performance 1.15% and 10-year relative performance 0.86%. The ETF option provides a moderately compelling management fee of 0.36%.

Additional details for both the Fidelity Total Bond Fund and JP Morgan Active Core Bond Fund are available in Attachments 2 and 3. The performance returns in attachments 2 and 3 are as of December 31, 2024. To review performance as of March 31, 2025, please see attachment 1.

Oregon State Treasury - University Endowment Investment Options

| Data as of 3/31/2025 (Morningstar) | | | | | | | | | | | | | | |
|------------------------------------|---|--------------------------------|---------------------------|--------------|----------|-----------|-----------------|-----------------|------------------|--------------|---------------------|------------|---------------------|---------------|
| Ticker | Fund | Category | Passive/Active Management | Total Assets | Holdings | SEC Yield | 3 yr return (%) | 5 yr return (%) | 10 yr return (%) | 3 yr Std Dev | 5 yr Tracking Error | 5 yr Alpha | Avg. Credit Quality | Expense Ratio |
| Fixed Income | | | | | | | | | | | | | | |
| AGG | iShares US Agg | Intermediate Core Bond | Passive | \$121.5B | 12,123 | 4.41% | 0.5 | 0.0 | 1.4 | 7.76 | 0.16 | -0.02 | AA- | 0.03% |
| JBND | JPMorgan Active Core Bond ETF | US Intermediate Core Bond | Active | \$1.4B | 1,006 | 4.49% | x | x | x | x | x | x | AA | 0.25% |
| FIGB | Fidelity Investment Grade Bond ETF | US Intermediate Core Bond | Active | \$176M | 440 | 4.55% | 0.7 | x | x | x | x | x | A | 0.36% |
| HCRB | Hartford Core Bond ETF (Wellington sub advised) | US Intermediate Core Bond | Active | \$284.4M | 836 | 4.35% | 1.0 | 0.2 | x | 8.13 | x | x | A | 0.29% |
| Category | | Intermediate Core Bond | | | | | 0.5 | -0.4 | 1.4 | 7.68 | 0.00 | 0.00 | AA- | N/A |
| AGGS | Harbor Disciplined Bond ETF (IR&M sub advised) | US Intermediate Core-Plus Bond | Active | | | | | | | | | | | 0.35% |
| FBND | Fidelity Total Bond ETF | Intermediate Core-Plus Bond | Active | \$16.8B | 4,255 | 4.80% | 1.3 | 1.2 | 2.3 | 7.79 | 0.85 | 1.37 | AA- | 0.36% |
| HTRB | Hartford Total Return Bond ETF (Wellington sub advised) | Intermediate Core-Plus Bond | Active | \$2.0B | 1,562 | 4.50% | 1.1 | 0.9 | x | 8.29 | 1.29 | 0.47 | AA- | 0.29% |
| JCPB | JPM Core Plus Bond ETF | Intermediate Core-Plus Bond | Active | \$4.9B | 2,509 | 4.94% | 1.6 | 0.8 | x | 7.74 | 0.7 | 0.81 | A+ | 0.38% |
| PTRB | PGIM Total Return Bond ETF | US Intermediate Core-Plus Bond | Active | \$385.5M | 925 | 5.76% | 1.0 | x | x | 8.34 | x | x | BBB | 0.49% |
| Category | | Intermediate Core-Plus Bond | | | | | -0.4 | -0.5 | 1.5 | 7.86 | 0.00 | 0.00 | A+ | N/A |
| For Review Purposes Only | | | | | | | | | | | | | | |
| HABDX | Harbor Disciplined Bond - IR&M Mutual Fund Strategy | | Active | \$2.5B | 678 | 4.82% | 1.1 | 0.7 | 2.0 | 7.73 | | 0.82 | A+ | 0.38% |
| FBNDX | Fidelity Investment Grade Bond - Mutual Fund Strategy | | Active | \$10.5B | 4559 | 4.45% | 0.8 | 0.6 | 2.0 | 7.94 | | | AA | 0.44% |
| WOBDX | JPMorgan Core Bond Fund - Mutual Fund Strategy | | Active | \$48.6B | 3,725 | 4.35% | 0.9 | 0.3 | 1.8 | 7.27 | | | AA | 0.32% |
| Global Equity | | | | | | | | | | | | | | |
| Instit Fund | MSCI ACWI IMI (OST relationship- Collective Fund(s)) | Global Large Stock Blend Index | Passive | \$19.8B | 2297 | 1.38% | 7.4 | 15.7 | 9.4 | 16.69 | | | N/A | 2.5bps |
| Category | | | | | | | | | | 16.60 | 0.00 | 0.00 | | |

INVESTMENT FUND DUE DILIGENCE (Attachment 2)

AND RECOMMENDATION

Overview: Western Oregon University is seeking to add a core fixed income manager. WOU's investment advisor and consultants have reviewed passive and active core fixed income funds for WOU's endowment fund and considered the endowment fund's investment policy rules and portfolio guidelines.

Recommendation: JP Morgan Active Core Bond (JBND)

100% Fixed Income Allocation

Benefits of JP Morgan Active Core Bond

- A focus on high quality – Invests approximately 60% in AAA rated bonds
- Consistent long-term relative performance
- Managed by a well-seasoned team with deep resources

Designed to deliver total return from an actively managed portfolio of U.S. investment grade bonds.

Approach

- Invests primarily in a diversified portfolio of intermediate-term, high-quality bonds
- Leverages a team of dedicated credit analysts to employ a value-driven security selection process, with an emphasis on risk management
- Provides exposure across all sectors of the U.S. investment grade market including securities that are not available in the benchmark

Expertise

Portfolio manager(s) and years of experience

| | |
|--------------------------|------------------------------|
| Richard Figuly, 32 years | Andy Melchiorre, 17 years |
| Justin Rucker, 26 years | Edward Fitzpatrick, 26 years |

Ratings

| | |
|-------------------------------------|---------------------------|
| Morningstar Medalist Rating™ | SILVER - 3/15/2024 |
| Analyst-Driven % | 100 |
| Data Coverage % | 100 |

| | |
|--------------------------------|-----------------|
| Morningstar Star Rating | 12/31/24 |
|--------------------------------|-----------------|

| | |
|------------------------------------|-------------|
| Overall Morningstar Rating™ | ★★★★ |
|------------------------------------|-------------|

| | |
|------------------------------|-------------------------------|
| Morningstar Category™ | Intermediate Core Bond |
|------------------------------|-------------------------------|

Overall Morningstar ratings 4 stars; 431 funds. Three year rating 4 stars; 431 funds. Five year rating 4 stars; 387 funds. Ten year rating 4 stars; 274 funds. Ratings reflect risk-adjusted performance. Different share classes may have different ratings.

Why JP Morgan Active Core Bond Fund?

- 10-Year relative outperformance – 26 basis points
- High-quality blend of fixed income holdings
- Competitive management fees – 0.25%
- Offers exchange traded fund option (JBND) for efficient trading and administration

Return (%)

| | | Total Return | | Average Annual Return | | | |
|----------|--------|--------------|------|-----------------------|-------|-------|-------|
| | | 3mos | YTD | 1yr | 3yrs | 5yrs | 10yrs |
| F | at NAV | -3.03 | 1.98 | 1.98 | -1.85 | 0.22 | 1.61 |
| B | | -3.06 | 1.25 | 1.25 | -2.41 | -0.33 | 1.35 |

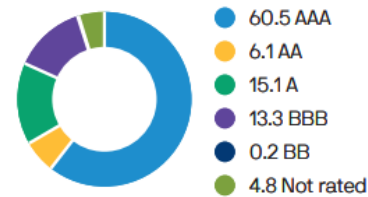
Returns as of December 31, 2024

Sector Allocation (%)

| | |
|---------------------|------|
| Asset Backed | 8.0 |
| Agency Mortgage | 29.7 |
| Money Market | 2.9 |
| CMBS | 4.8 |
| Credit | 26.3 |
| Non-Agency Mortgage | 4.2 |
| Agency | 0.4 |
| Treasury | 41.1 |

Holdings

Credit Quality (%)



Portfolio Analysis

| | |
|---|-------|
| Approximate number of holdings | 3760 |
| Turnover ratio (trailing 12 months) (2/29/24) (%) | 14.00 |
| Average duration (years) | 6.08 |
| Average life (years) | 6.30 |
| Reporting yield (%) | 5.53 |

J.P.Morgan ASSET MANAGEMENT

INVESTMENT FUND DUE DILIGENCE (Attachment 3)

AND RECOMMENDATION

Overview: Western Oregon University is seeking to add a core fixed income manager. WOU's investment advisor and consultants have reviewed passive and active core fixed income funds for WOU's endowment fund and considered the endowment fund's investment policy rules and portfolio guidelines.

Recommendation: Fidelity Total Bond Fund (FBND)

100% Fixed Income Allocation

Benefits of Fidelity Total Bond Fund

- A focus on high quality – Invests at least 80% of assets in investment-grade bonds
- Enhanced return potential – Invests up to 20% of assets in below-investment grade securities
- Balances return potential against risk – Co-managers seek to provide a conservative experience in line with an investor's expectation of a core bond fund

FUND DETAILS

Management Style: Actively Managed

Exchange: NYSE Arca

Fund Inception Date: 10/6/14

Portfolio Assets: \$16,876.5M

Total Holdings: 4,255

Benchmark: Bloomberg U.S. Aggregate Bond

Secondary Benchmark: Bloomberg U.S. Universal Bond

Morningstar Category: Intermediate Core-Plus Bond

Turnover Rate (8/24): 313%

CHARACTERISTICS

Weighted Average Maturity (Yrs): 8.60

Duration (Yrs): 5.83

30-Day SEC Yield: 4.97%



Analyst Driven %—100% | Data Coverage %—100%
**Morningstar Medalist Rating™ for Fidelity
Total Bond Fund (FTBFX) and ETF (FBND)**
Morningstar's highest level of commendation as of May
31, 2024.¹

FUND MANAGERS:

Franco Castagliuolo, CFA, Since 10/22
Brian Day, CFA, Since 10/24
Michael Foggin, Since 10/14
Benjamin Harrison, CFA, Since 6/23
Celso Muñoz, CFA, Since 10/16
Ford O'Neil, Since 10/14
Michael Plage, CFA, Since 7/15
Stacie Ware, PhD, Since 10/24



**Portfolio Manager Ford O'Neil nominated for
2024 U.S. Morningstar Outstanding Portfolio
Manager Award²**

Why Fidelity Total Bond Fund?

- 10-Year relative outperformance – 86 basis points
- Quality blend of fixed income holdings – AA- average credit rating
- Competitive management fees – 0.36%
- Offers exchange traded fund option (FBND) for efficient trading and administration

TOTAL RETURNS AND EXPENSE RATIO (%)

| | Cumulative | | 1-Year | Average Annual | | | Expense Ratio | |
|----------------------|------------|------|--------|----------------|--------|---------|---------------|------|
| | 3-Month | YTD | | 3-Year | 5-Year | 10-Year | Gross | Net |
| FBND—NAV | -2.76 | 2.36 | 2.36 | -1.54 | 0.82 | 2.21 | 0.36 | 0.36 |
| FBND—Market Price | -2.87 | 2.12 | 2.12 | -1.56 | 0.77 | 2.19 | | |
| Benchmark | -3.06 | 1.25 | 1.25 | -2.41 | -0.33 | 1.35 | – | – |
| Secondary Benchmark | -2.73 | 2.04 | 2.04 | -1.95 | 0.06 | 1.73 | – | – |
| Morningstar Category | -2.76 | 2.37 | 2.37 | -1.92 | 0.19 | 1.63 | – | – |

Returns as of December 31, 2024

PORTFOLIO DIVERSIFICATION (%)^{1,2}

| | |
|--|-------|
| U.S. Government | 39.83 |
| Non-U.S. Government | 1.29 |
| Other Government Related (U.S. & Non-U.S.) | 1.06 |
| Corporate | 32.18 |
| MBS Pass-Through | 16.98 |
| ABS | 5.73 |
| CMBS | 3.78 |
| CMOs | 0.89 |
| Covered | 0.00 |
| Cash | 3.73 |

CREDIT QUALITY DIVERSIFICATION (%)^{2,4}

| | |
|--------------------------------------|-------|
| U.S. Government | 57.82 |
| AAA | 6.16 |
| AA | 3.45 |
| A | 7.17 |
| BBB | 15.66 |
| BB | 5.02 |
| B | 4.45 |
| CCC & Below | 1.00 |
| Short-Term Rated | 0.00 |
| Not Rated/Not Available | -1.56 |
| Cash & Net Other Assets ³ | 0.83 |

TOP 5 ISSUERS¹

| |
|--|
| UST NOTES |
| UNITED STATES TREASURY BOND |
| FNMA GTD MTG PASS THRU CTF |
| GNMA II |
| FED HOME LOAN MTG CORP - GOLD |
| 54.99% of total net assets (Total Issuers 1,610) |



Board Statement on the Investment of Operating Assets

BACKGROUND

Western Oregon University's ability to fulfill its mission for the benefit of current and future students depends on sound fiscal management and the practical management of university assets. An investment policy statement identifies the strategies for prudent investment of university assets by providing parameters to be followed to maintain operating liquidity and investment of university funds. It also provides guiding principles to effectively supervise, monitor, and evaluate the investment of financial assets to optimize returns within appropriate risk parameters.

The vice president for finance and administration in consultation with the university's investment consultant, USSE, have drafted an investment policy for WOU's operating assets for consideration.

PROVISIONS

It is intended for the policy to cover WOU's operating funds under the direction of the board and excludes retirement funds, the university's quasi-endowment fund, and funds managed by the Western Oregon University Foundation. A copy of the Board Statement for Investment of Operating Assets is included as Attachment 1.

Definitions: Section 1.0 includes cash and liquidity management terms and definitions.

Roles and Responsibilities: Section 2 outlines the responsibilities of the board, and delegation authorities to the President.

Investment Objective: Section 3 defines the primary investment objectives as safety, liquidity, and return on investment and introduces the use of liquidity tiers (1-3) to align investments with anticipated liquidity needs and risk tolerances.

Liquidity: Section 4 establishes guidelines and assigns responsibilities for managing the university's liquidity needs and evaluating the appropriate level of liquidity.

Prudence: Section 5 outlines the roles charged with fiduciary duty and subject to the prudent investor standard.

Permitted Investments: Section 6 outlines the type of short and intermediate term fixed income investments that are allowed and defines the issuer diversification requirements.

Investment Restrictions: Section 7 provides for investment restrictions.

Diversification: Section 8 describes the portfolio diversification requirements by investment manager and maximum security position sizes are held to 3%, except for U.S. government securities and money market funds.

Asset Custody: Section 9 requires securities to be secured through a third-party custodian.

Reporting Requirements: Requests investment managers provide performance reporting no less frequently than quarterly.

Review: Defines the cadence of policy review by the board to every two years.



Board Statement on the Investment of Operating Assets

Purpose

Western Oregon University's ability to fulfill its mission for the benefit of current and future students depends on sound fiscal management and the practical management of university assets. This policy identifies the strategies for prudent investment of Western Oregon University ("University") funds by providing parameters to be followed to maintain operating liquidity and invest university funds.

The investment policies and practices of the University are based on federal and state law and prudent money management. All funds will be deposited and invested in accordance with the Policy and all statutes, ordinances and policies governing the University.

It is intended that this policy cover the University's operating funds under the direction of the Western Oregon University Board of Trustees ("Board"). This policy excludes retirement funds, the university's quasi-endowment fund, and funds managed by the Western Oregon University Foundation.

1.0 Definitions

- A. **"Liquid investments"** refers to cash and cash equivalent assets.
- B. **"Liquidity"** refers to how quickly and easily a financial asset or security can be converted into cash without losing significant value.
- C. **"Prudent money management"** refers to the use of financial assets that are suitable for an investor's goals and objectives considering the risk/return profile and the time horizon. A prudent investor is required to follow a reasonable process in reaching their investment decisions regardless of whether their investment decisions were successful.
- D. **"Return on Investment"** a key financial ratio that measures the profitability of an investment relative to its costs, expressed as a percentage.
- E. **"Tier 1"** includes liquid, short-term investments intended to be held less than one year.
- F. **"Tier 2"** includes intermediate-term investments intended to be held between one to ten years.

Commented [PB1]: Time horizon could be less than 10 years. Typical business cycles are 5 years.

G. “Tier 3” includes long-term investments intended to be held longer than ten years.

H. “”

I. “”

J. “”

2.0 Roles & Responsibilities

A. The Board fulfills its fiduciary responsibility for the management of all invested assets through the development of the university’s Investment Policy Statement, which strives to maximize investment return with a prudent level of risk.

The Board retains authority and responsibility for:

1. Reviewing this Board Policy for accuracy and completeness and alerting investment managers to any significant changes to this information, including changes to the Board’s financial objectives.
2. Reviewing investment performance of the investment managers to ensure the assets are invested within the guidelines of this Policy.
3. Providing oversight of investment managers and consultants during their engagements.
4. Approving this policy, amending this policy as necessary, and reviewing this policy at least every two years.

B. The Board delegates to the President, who may further delegate as appropriate to other University officials, authority and responsibility for:

1. Implementing this policy and overseeing management of daily activities related thereto.
2. Establishing relationships with financial institutions, investment managers, investment consultants, custodians, and other vendors directly related to the provision of investment management services, for the holding or management of the university’s invested assets.
3. Monitoring and reviewing all investments for consistency with this investment policy.
4. Recommending corrective action to the Board.

5. Developing, installing, and overseeing the operations of suitable business systems and staffing to accomplish this function.
6. Setting forth recommendations to the Board regarding the investment policy.
7. Reviewing asset allocation and portfolio and asset class performance on a quarterly basis.
8. Preparing and distributing investment reports to the Board on a quarterly basis or as requested.
9. Approving investment manager hiring and termination upon recommendation from the investment consultant and investment staff.
10. To ensure liquidity for operational purposes is achieved.
11. To ensure that the current spending requirements of the university are supported, and the university's daily cash flow demands are met.

3.0 Objectives

Operating funds are invested to preserve value and safety of the principal, maintain liquidity appropriate to the forecasted working capital requirements of the university, provide prudent diversification of investments and maximize the rate of return on investment.

The primary investment objective(s) by tier are:

1. Tier 1 – Safety and liquidity, includes cash, cash equivalents, and short-term fixed income instruments
2. Tier 2 – Safety, liquidity, and return on investment with an expectation of a higher return than Tier 1, includes intermediate-term fixed income securities
3. Tier 3 – Return on investment with the ability to assume more risk and volatility than Tier 1 or 2, includes long-term fixed income securities, equities, and alternative asset classes.

4.0 Liquidity

This provision serves as an important governance function by providing a framework to define liquidity, establishing and assigning responsibilities for managing the institution's liquidity needs, evaluating the appropriate level of liquidity for the institution, and outlining sources of liquidity when needed.

Commented [PB2]: Optional provision.

Within the context of this document, liquidity is defined as cash and cash equivalents, access to cash, and the convertibility of assets to cash in order to meet operating and financial needs during the operating cycle.

Liquidity risk is defined as an inability to meet payment obligations in a timely manner when they become due and the risk that assets may not be convertible into cash when needed.

Liquidity risk is categorized into three risk types:

- *Operating liquidity risk* occurs when the University cannot fund its operating expenses due to insufficient liquid cash holdings.
- *Financing liquidity risk* occurs as a result of external financing activities and the potential for those financings to come due before maturity (e.g. credit lines).
- *Market liquidity risk* occurs when the University is unable to convert assets into cash without significant losses.

A minimum liquidity balance will be determined based on ~~X~~, subject to future modification by the Board. Liquid funds that are unrestricted and unencumbered shall be used to satisfy the Minimum Liquidity Target. For the purposes of this policy, assets that are restricted in their use, or otherwise encumbered, shall not be available to satisfy the Minimum Liquidity Target. The objective of this provision is to ensure that the University operates with an adequate level of institutional liquidity to minimize risk associated with temporary, unforeseen liquidity needs.

Commented [PB3]: Based upon a liquidity ratio such as quick ratio or current ratio, or could be based upon days cash on hand target. Some universities define minimum liquidity based upon projected monthly expenditures and is the process currently employed.

The university's liquidity sources include the following:

- Operating and non-operating revenues,
- Cash and liquid investments,
- Operating Credit Lines, and
- Gifts, in the form of cash or pledges.

5.0 Prudence

The vice president for finance and administration, controller, and the Board are fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a fiduciary shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the University, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the University.

Commented [PB4]: optional

6.0 Permitted Investments

The University will limit investments in any one non-government issuer, except investment pools, to no more than 5% regardless of security type.

Investment Pools

- 1) The **Public University Fund** established by Oregon Revised Statutes 352.450.
- 2) The **Oregon Short-Term Fund (OSTF)** as managed by the Oregon State Treasury in accordance with the terms approved by the Oregon Investment Council.
- 3) Any investment pool managed by the Oregon State Treasury in accordance with terms approved by the Oregon Investment Council.
- 4) Any investment pool or exchange traded fund managed by a third-party manager.

Prior to investing in any investment pool, the University will review the pool's governing document, prospectus (if available), permitted investments, fees, and management for compliance with this policy and other due diligence purposes.

7.0 Investment Restrictions

(Add any restrictions)

Investment restrictions do not apply to indexed or pooled investment funds where the university does not have the ability to direct managers to exclude certain securities.

8.0 Diversification

The investments shall be broadly diversified across securities to reduce the impact of losses in individual investments in a manner that is consistent with fiduciary standards of diversification. This diversification shall be achieved by employing multiple investment managers and by imposing a 3% maximum position limit with the exception of U.S. Treasury securities, U.S. government agency securities, and money market funds.

9.0 Safekeeping and Custody

The assets of the University shall be secured through third-party custody and safekeeping procedures.

10.0 Reporting Requirements

Manager(s) Responsibilities:

The investment manager(s) is responsible for strict compliance with the provisions of their investment management agreement with the University. The investment manager(s) will report investment results to the University vice president for finance and administration, or his/her delegate, no less frequently than quarterly.

11.0 Review of Investment Policy

The university vice president for finance and administration, or his/her delegate, will present the Board Statement on the Investment of Operating Assets for review no less than every two years.

DOCUMENT HISTORY

Finance & Administration Committee (FAC), Tuition & Fees for 2025-26 Academic Year & Summer 2025

SUMMARY OF RECOMMENDED CHANGES IN TUITION AND FEES FOR 2025-26

Undergraduate:

- 4.76% increase to resident tuition (\$10 per credit increase from \$210 to \$220 per credit) & WUE tuition (\$15 per credit increase from \$315 to \$330 per credit)
- 1.64% increase to non-resident undergraduate tuition (\$11 per credit increase from \$669 to \$680 per credit)

Graduate:

- 4.97% increase to base graduate tuition (\$24 per credit increase from \$483 to \$507 per credit)
 - Graduate tuition is assessed at the same rate regardless of residency.
- 4.99% increase to occupational therapy doctorate tuition (\$435 per term increase from \$8,725 to \$9,160 per term). Summer 2025 will remain at the rate of \$8,725 as this is the initial cohort. Subsequent OTD cohorts will follow the usual academic year tuition rate, with the new tuition rate going into effect in the Summer preceding the Academic Year.

Fees:

- 4.57% increase in the health service fee (\$8 per term increase from \$175 to \$183 per term)
 - For completely online/Salem students, a 4.62% increase in the health service fee (\$6 per term increase from \$130 to \$136 per term)
- \$13 increase to the Building fee (begins at \$36 for credit 1 and increases by \$2/credit until \$58 for 12 or more credits)
- No increases to the student health building (\$11 per term), student rec center building (\$42 per term), and matriculation fees (one-time \$365 for undergraduate and \$315 for graduate)
- Online course fee remains at \$53/credit, to be charged to both undergraduate and graduate students based on online course modality
- 4.82% increase in the incidental fee (\$20 per term increase from \$415 to \$435 per term)
 - For completely online/Salem students, a 4.76% increase (\$10 per term increase from \$210 to \$220 per term)

Summer:

Summer 2025 tuition rates are included at the same rates as the 2025-26 academic year. Building and student rec center building fees are slightly less than the academic

year (as is consistent with historical summer fees). The summer incidental fee reflects a 10% increase, from \$150 to \$165, to reflect the difference in service level during summer.

Room and board rates:

Housing residence hall rates include between 3-5% increases (actual percentage increases vary by room/hall). Dining rates reflect a 2.5% increase.

TUITION & FEE ADVISORY COMMITTEE

The Tuition & Fee Advisory Committee (TFAC)'s formal role is to advise the University President on the President's recommendation to the Board of Trustees regarding resident tuition and mandatory enrollment fees for the upcoming academic year. TFAC met over the course of winter term to learn about the University budget, how state funding is allocated, review financial projections as well as historical context, hear from the Student Health & Counseling Center, and learn about the overall tuition setting process. TFAC also conducted a campus-wide survey to gather student at-large feedback. Their recommendation letter is provided, along with the full survey results.

ADDITIONAL INFORMATION

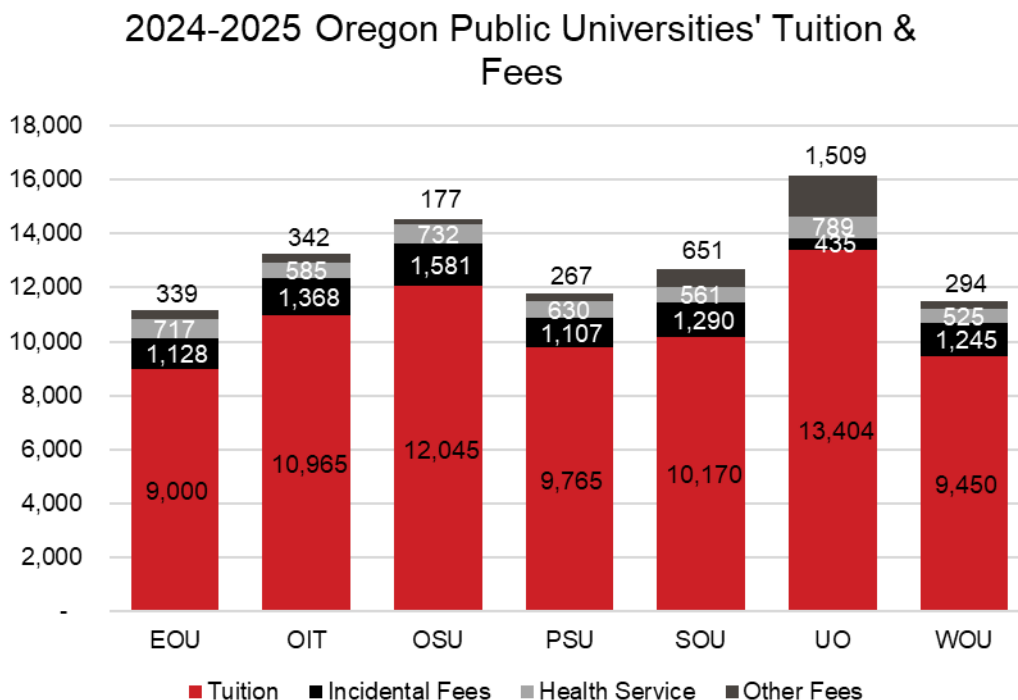


Figure 1: Oregon public universities' cost comparison for 2024-25 resident undergraduate tuition & fees, assuming 15 credits/term.

Non-Resident Undergraduate Tuition:

| | Resident | Non-Resident | Ratio |
|-----------------------------------|----------|--------------|-------|
| EOU | 200 | 501 | 2.51 |
| OIT | 244 | 776 | 3.18 |
| OSU* | 261 | 778 | 2.98 |
| PSU | 217 | 646 | 2.98 |
| SOU | 226 | 651 | 2.88 |
| UO* | 298 | 930 | 3.12 |
| WOU | 210 | 669 | 3.19 |
| *Rate for 2024-25 Entering Cohort | | | |

Figure 2: Oregon public universities' resident and non-resident undergraduate per credit tuition rates for 2024-25, and their calculated ratio.

While WOU is the second-lowest for resident undergraduate tuition, we are in the middle of seven for non-resident undergraduate tuition. The proposed rates of \$220 for resident and \$680 for non-resident undergraduate tuition would bring our ratio to 3.09, which is more in line with our peers.

Occupational Therapy Doctorate Tuition:

| | Tuition | Type |
|------------------------------|---------|-----------|
| WOU | 34,900 | Doctorate |
| George Fox | 38,143 | Doctorate |
| Pacific University | 43,818 | Doctorate |
| Pacific Northwest University | 45,320 | Masters |
| University of Washington | 26,136 | Masters |
| Puget Sound | 59,960 | Doctorate |
| Eastern Washington | 17,199 | Masters |

Figure 3: Oregon and Washington universities Occupational Therapy programs tuitions for 2024-2025.

The proposed increase for Occupational Therapy would bring WOU's annual cost to 36,640, which maintains our pricing rank to cost comparators in Oregon and Washington, prior to whatever increases other schools may implement as well.

Building Fee:

| Credits | EOU | OIT | OSU | PSU | UO | WOU |
|---------|-----|-----|-----|-----|----|-----|
| 1 | 85 | 23 | 37 | 23 | 45 | 23 |
| 2 | 85 | 25 | 39 | 25 | 45 | 25 |
| 3 | 85 | 27 | 41 | 27 | 45 | 27 |
| 4 | 85 | 29 | 43 | 29 | 45 | 29 |
| 5 | 85 | 31 | 45 | 31 | 45 | 31 |
| 6 | 85 | 33 | 47 | 33 | 45 | 33 |
| 7 | 85 | 35 | 49 | 35 | 45 | 35 |
| 8 | 85 | 37 | 51 | 45 | 45 | 37 |
| 9 | 85 | 39 | 53 | 45 | 45 | 39 |
| 10 | 85 | 41 | 55 | 45 | 45 | 41 |
| 11 | 85 | 43 | 57 | 45 | 45 | 43 |
| 12+ | 85 | 45 | 59 | 45 | 45 | 45 |

Figure 4: Oregon public universities' building fees for 2024-25.

The building fee is allocated to pay debt service associated with past construction and renovation projects on the WOU campus. Any additional funds collected are put into a reserve or used for small construction projects. Originally, all seven public universities had the same building fee structure, which began at credit 1 at \$23, and increased by \$2/credit until plateauing at \$45 for 12 or more credits; WOU has not changed from that structure. In FY25, WOU will generate ~\$300K of building fee revenue. The proposed increase would result in an ~\$85K of additional revenues, which would begin to address the needed debt service payments which were set when enrollment was 5,000 plus (compared to the current levels of less than 4,000).

ADDITIONAL INFORMATION PROVIDED TO TFAC

| Resident UG Credit Rate | \$ Increase | % Increase | Revenue* |
|--|--------------------|-------------------|-----------------|
| 210 | - | 0.00% | - |
| 211 | 1 | 0.48% | 114,497 |
| 212 | 2 | 0.95% | 244,806 |
| 213 | 3 | 1.43% | 359,303 |
| 214 | 4 | 1.90% | 489,612 |
| 215 | 5 | 2.38% | 604,109 |
| 216 | 6 | 2.86% | 734,418 |
| 217 | 7 | 3.33% | 848,915 |
| 218 | 8 | 3.81% | 979,224 |
| 219 | 9 | 4.29% | 1,093,721 |
| 220 | 10 | 4.76% | 1,224,030 |
| *Increase in UG Resident & WUE tuition revenue generated compared to 0% tuition increase assuming flat enrollment. | | | |

Figure 5: Estimated change in undergraduate resident & WUE tuition revenues for FY2026 for each respective resident undergraduate tuition rate, assuming flat enrollment.

TFAC uses an interactive model while they are developing their recommendation. This model is two-fold, with the first estimating the impact on tuition revenues for the university of different enrollment and tuition rate scenarios that the individual can change, as well as projecting the ending fund balance.

| | | | | | | |
|--------------------------------------|-------------------------|---------------------------|---------------------------------|-----------|-------|----------------|
| Western Oregon University | | | | | | |
| Tuition and Fees Projection Model | | UG Enrollment Assumption | | 0.00% | | |
| University Revenue Impact | | GR Enrollment Assumption | | 0.00% | | |
| | Current Credit Rates | Projected FY26 Credits | FY26 Credit Rates % Increase | Rounded % | Rate | Projected FY26 |
| Revenues | | | | | | |
| UG Tuition | | | | | | |
| UG Resident | 210 | 98,685 | 5.00% | 4.76% | 220 | 21,710,700 |
| UG WUE/Texas | 315 | 15,812 | | | 330 | 5,217,960 |
| UG Non-Resident | 669 | 988 | 0.00% | 0.00% | 669 | 660,972 |
| GR Tuition | 483 | 8,894 | 0.00% | 0.00% | 483 | 4,295,802 |
| OTD* | 8,725 | 52 | 0.00% | 0.00% | 8,725 | 1,814,800 |
| Other | | - | | | | 2,600,000 |
| Total Gross Tuition | | 124,431 | | | | 36,300,234 |
| Online Fees | | | | | | 2,956,022 |
| Other Fees | | | | | | 1,050,000 |
| Fee Remissions | | | | | | (5,445,035) |
| Total Net Tuition & Fees | | | | | | 34,861,221 |
| State Appropriations | | | | | | 36,170,019 |
| Gifts Grants & Contracts | | | | | | 2,600,000 |
| Investment | | | | | | 2,300,000 |
| Sales & Services | | | | | | 500,000 |
| Other Revenues | | | | | | 100,000 |
| Total Revenues | | | | | | 76,531,240 |
| Expenses | | | | | | |
| Personnel | | | | | | 65,295,825 |
| Service & Supplies | | | | | | 10,909,251 |
| Total Expenses | | | | | | 76,205,076 |
| Net Transfers | | | | | | 5,765,938 |
| Total Expenses and Transfers | | | | | | 81,971,014 |
| Recurring Net Revenues less Expenses | | | | | | (5,439,774) |
| One Time Activites | | | | | | - |
| Net Revenues less Expenses | | | | | | (5,439,774) |
| Beginning Fund Balance | | | | | | 9,145,593 |
| Projected Ending Fund Balnce | | | | | | 3,705,819 |
| % of Revenues | | | | | | 4.84% |

Figure 6: A snapshot of TFAC's university revenue projection interactive model

The second piece of the TFAC model looks at the individual student and how that will impact their cost. The model allows the student to change the credit hour load as well as personalize their financial aid awards to see their net impact.

**Western Oregon University
Tuition and Fees Projection Model
Individual Impact Estimation**

13 UG Credit Hours (average 13/term)
9 GR Credit Hours (full-time 9/term)

| | Current Credit Rates | FY26 Credit Rates | Tuition | Building | Mandatory Fees* Health Incidental | Total Per Term Cost | Total 2025-26 Cost | Total 2024-25 Cost | Incr. for Cont. Students \$ Increase % Increase |
|--------------|-------------------------|----------------------|---------|----------|--------------------------------------|------------------------|-----------------------|-----------------------|--|
| Undergrad: | | | | | | | | | |
| Resident | 210 | 220 | 2,860 | 98 | 175 415 | 3,548 | 10,644 | 10,254 | 390 3.80% |
| WUE/Texas | 315 | 330 | 4,290 | 98 | 175 415 | 4,978 | 14,934 | 14,349 | 585 4.08% |
| Non-Resident | 669 | 669 | 8,697 | 98 | 175 415 | 9,385 | 28,155 | 28,155 | - 0.00% |
| Graduate** | 483 | 483 | 4,347 | 98 | 175 415 | 5,035 | 15,105 | 15,105 | - 0.00% |

***Mandatory Fee Assumptions**

Building Fees includes \$45 Building Fee (staggered for less than full-time), \$11 Student Health Building Fee, and \$42 Student Recreation Center Building Fee
Health Service Fee is currently \$175 assessed at Credit 1 for in-person, \$130 for completely online/Salem students
Incidental Fee is currently at \$415 assessed at Credit 1 for in-person, \$210 for completely online/Salem students; determined by the Incidental Fee Committee

**Graduate tuition rates reflected exclude Occupational Therapy students, which is a cohort model program where students are currently assessed tuition of \$8,725/term.

Out-of-Pocket Cost Analysis (Resident Undergrad):

Total Tuition & Fees 10,644 Financial Aid Award Package based on Total Cost of Attendance
<https://wou.edu/admission/tuition-and-aid/>

Aid:

| | | |
|-----------------------------|--------|---|
| Pell | 7,395 | Approx. 40% of our students are Pell-eligible; maximum is \$7,395 for 2024-25 |
| Oregon Opportunity Grant | - | Maximum is \$7,524 for 2024-25 |
| Federal Direct Loans | 5,500 | Maximum for first-year dependent student is \$5,500 |
| Parent PLUS Loans | - | Maximum is cost of attendance less any other financial assistance |
| Private Scholarships | 1,000 | WOU Scholarships, or external private scholarships |
| WOU Fee Remissions | 1,500 | Varies by individual; some students receive up to \$6,000, average award is \$1,500 |
| Total Aid (including loans) | 15,395 | |

Net Cost/(Refund) (4,751) Students also need to pay for housing/other bills

Some examples of Fee Remissions:

| | | |
|-------------------------------|-------------|---------------------|
| Merit | 1,000-5,000 | Starting at 3.0 GPA |
| Bilingual Teacher Scholarship | 3,000 | |
| Diversity Commitment | 6,000 | |

Full details can be found here: <https://wou.edu/finaid/scholarships/incoming-students/>

Figure 7: A snapshot of TFAC's individual impact estimation interactive model

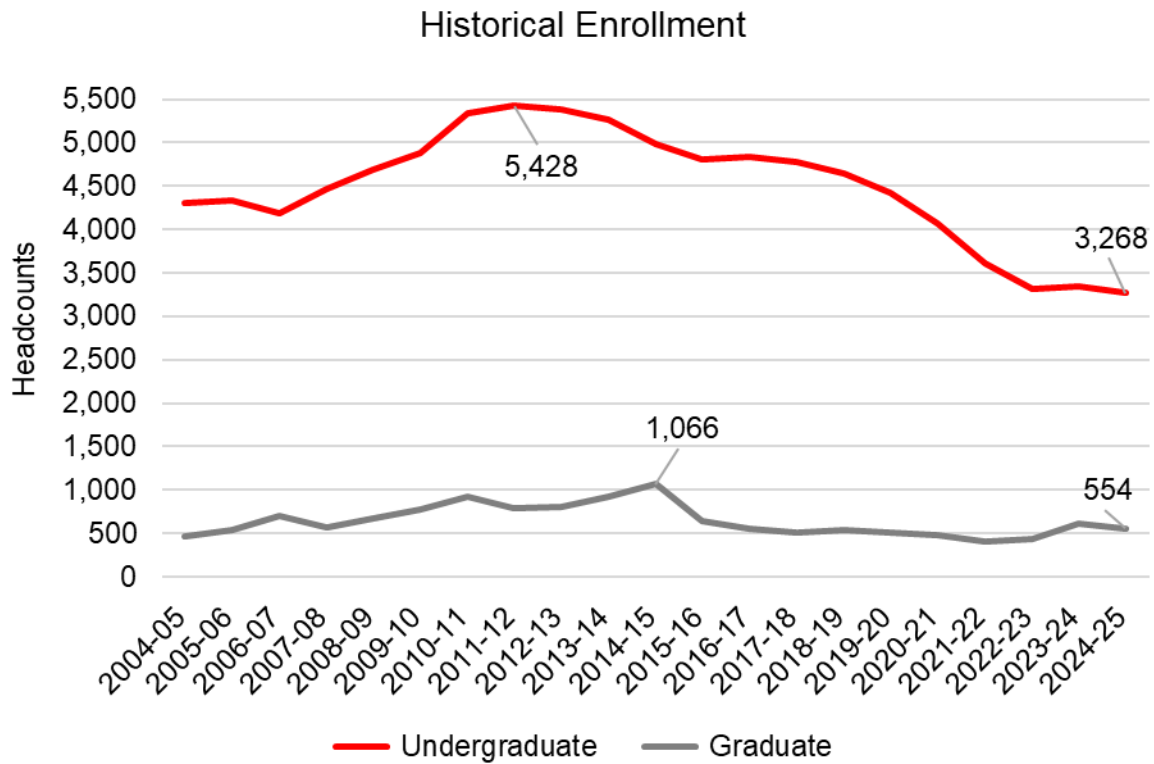


Figure 8: Historical enrollment headcounts (fall-term census)

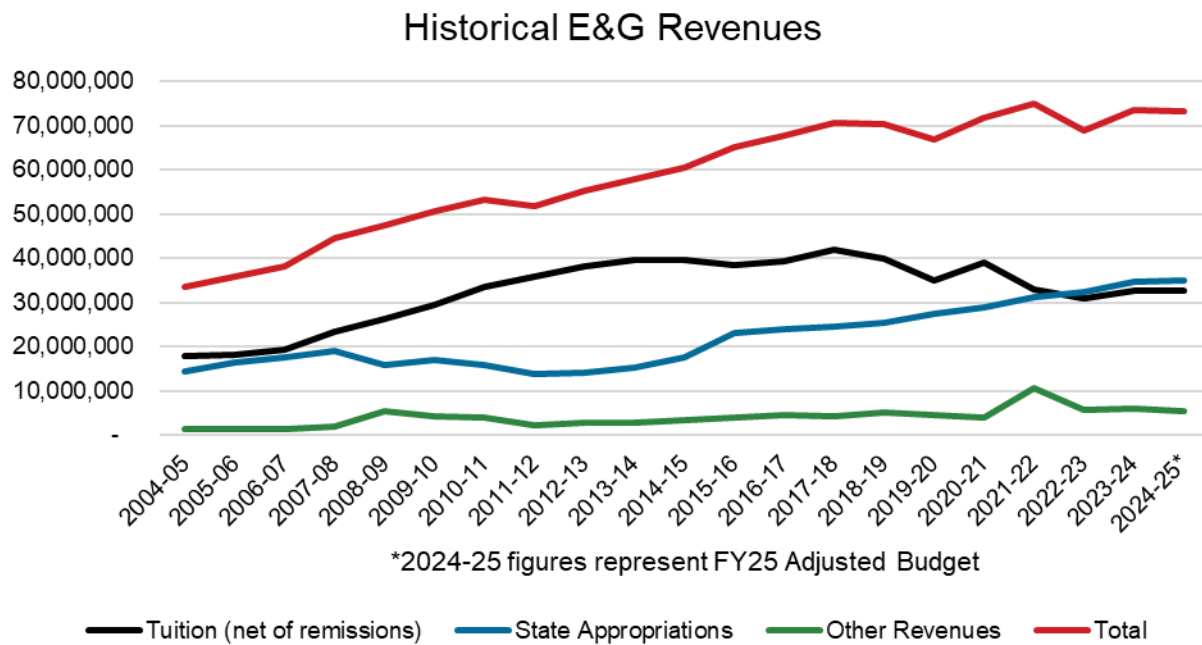


Figure 9: Historical Education & General fund revenues

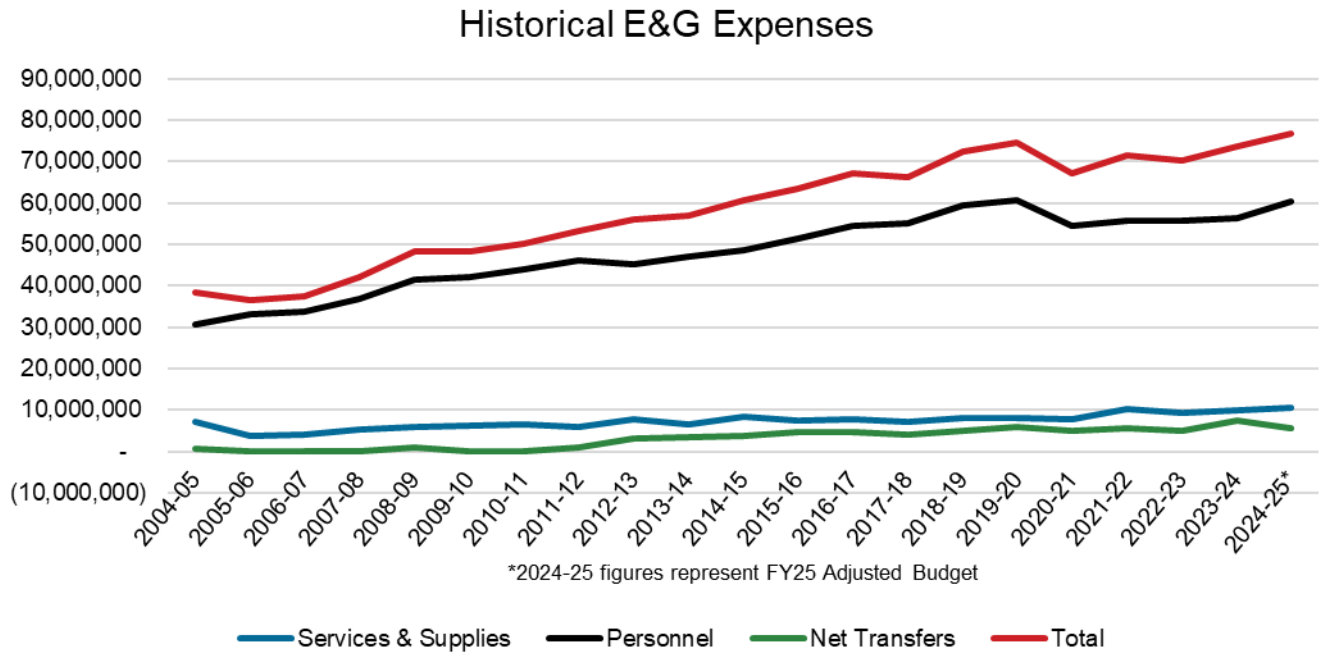


Figure 10: Historical Education & General fund expenses

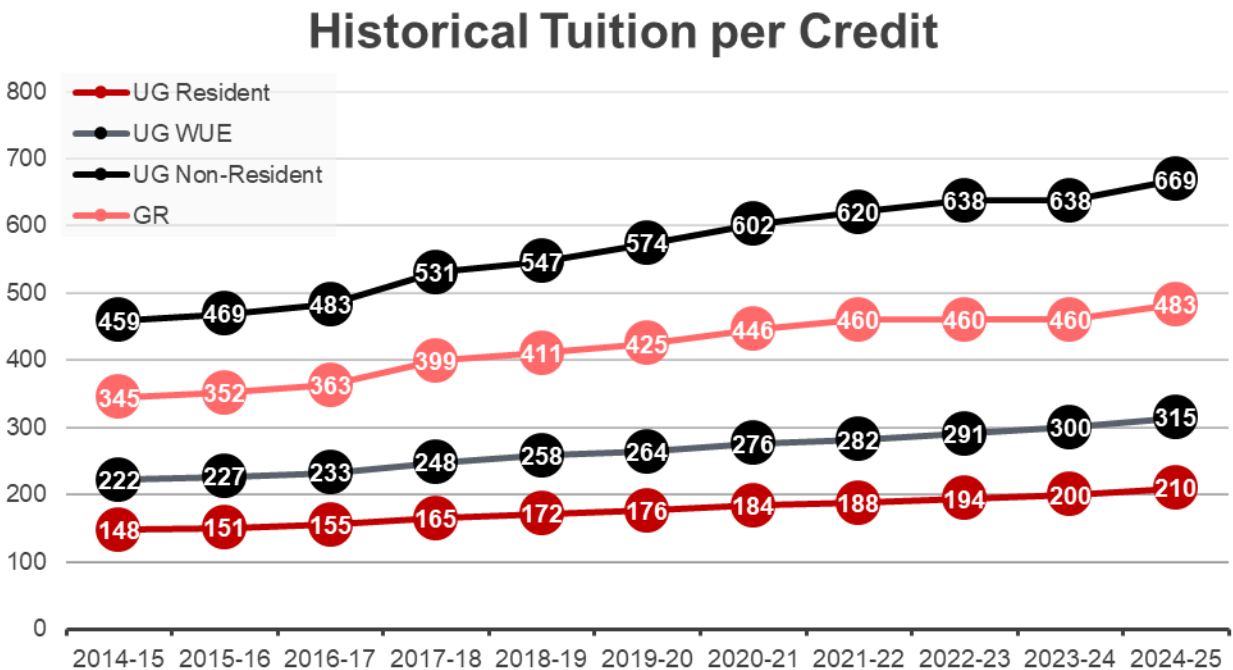


Figure 11: Historical tuition rate per credit

| | Rate | \$ Increase | % Increase |
|----------------|------|-------------|------------|
| 2011-12 | 143 | | |
| 2012-13 | 145 | 2 | 1.40% |
| 2013-14 | 148 | 3 | 2.07% |
| 2014-15 | 148 | 0 | 0.00% |
| 2015-16 | 151 | 3 | 2.03% |
| 2016-17 | 155 | 4 | 2.65% |
| 2017-18 | 165 | 10 | 6.45% |
| 2018-19 | 172 | 7 | 4.24% |
| 2019-20 | 176 | 4 | 2.33% |
| 2020-21 | 184 | 8 | 4.55% |
| 2021-22 | 188 | 4 | 2.17% |
| 2022-23 | 194 | 6 | 3.19% |
| 2023-24 | 200 | 6 | 3.09% |
| 2024-25 | 210 | 10 | 5.00% |

Figure 12: Historical undergraduate resident tuition rate per credit and past rate percentage increases

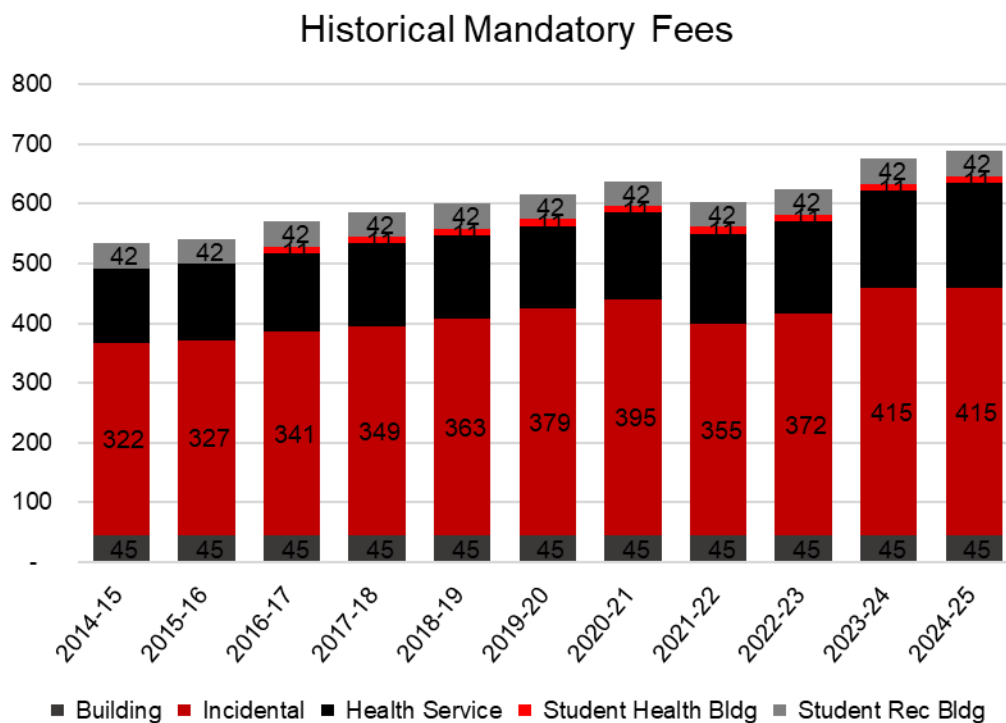


Figure 13: Historical mandatory fees

STAFF RECOMMENDATION:

It is recommended that the Western Oregon University Finance and Administration Committee recommend to the Board that it approve the 2025-2026 Academic Year & 2025 Summer Session Tuition & Fee Book as presented.

March 12, 2025

To: President Peters and the WOU Board of Trustees

Subj: Recommendation from the Tuition & Fee Advisory Committee

After several months of meetings, gathering student input, and many lively discussions as a Committee while trying to keep the student at the forefront of our minds, we recommend a resident undergraduate tuition rate increase of 4.76%, \$10 per credit hour (from \$210 to \$220 per credit). Although the Committee overall supports this, we do recognize that every student dollar is precious. Our recommendation attempts to balance the needs to sustain the institution as well as the need for affordability for our students.

In our student survey with 444 respondents, 323 students (72.75%) responded in support of a 2.86% increase (see full survey results in appendix). Additionally, 217 students (48.87%) ranked affordability as their top priority.

Additionally, we recommend a 4.57%, \$8/term increase (from \$175 to \$183 per term) for health service fee for Monmouth-campus students, and a 4.62%, \$6/term increase (from \$130 to \$136 per term) for completely online/Salem students. In the student survey, 240 students (54.05%) responded in support of not increasing the health service fee. In response to student feedback, additionally we do ask the Student Health Advisory Committee to revisit and reassess exclusion options.

Appendix: TFAC Campus-Wide Survey Results

Total Responses: 444

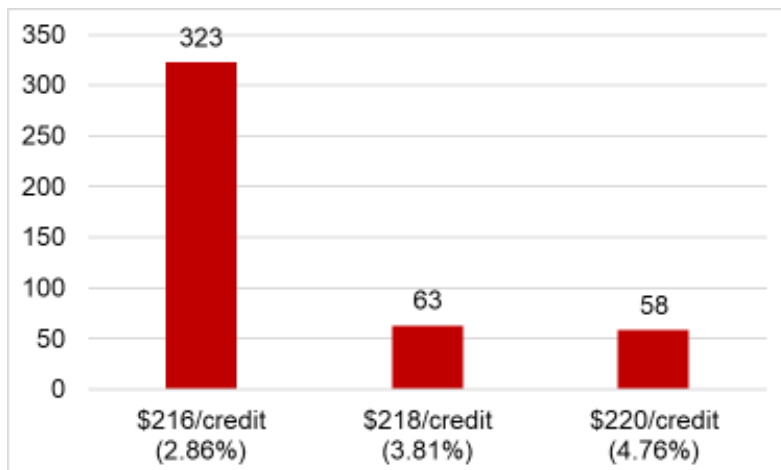
Question 1: The Tuition & Fee Advisory Committee (TFAC), comprised of WOU students, faculty, and staff, is seeking your input on undergraduate resident tuition rate increases for next academic year, 2025-2026. TFAC considers both the university's overall financial situation and the impact that increases have on students. The TFAC then makes a recommendation to the WOU President and ultimately to the Board of Trustees.

WOU currently operates in a deficit budget, using its reserves, as a result of declining enrollments, state funding shortfalls, labor cost increases, and inflation. The university knows it cannot balance the budget by raising tuition alone, which would require an ~24% increase. Further information is available to [read](#) or to [listen with slides](#).

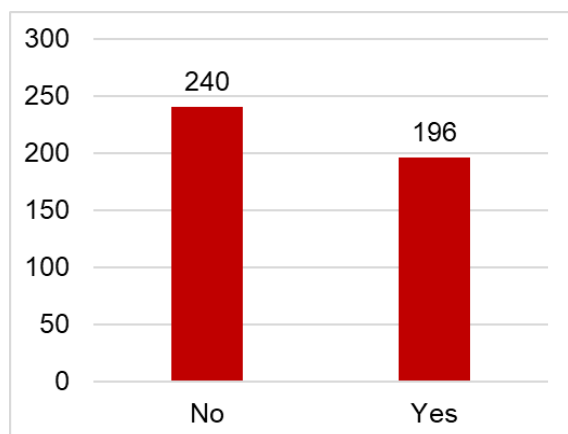
WOU's current resident undergraduate tuition rate is \$210 per credit. The table below summarizes the proposed rates being considering, the respective percentage increase, the annual increase in cost to student based on 45 credits per year, and the subsequent revenue to the university assuming flat enrollment.

| | Proposed rate per credit | Percentage increase | Annual increase to student | Additional revenue |
|----|--------------------------|---------------------|----------------------------|--------------------|
| a. | \$216 | 2.86% | \$270 | ~\$735K |
| b. | \$218 | 3.81% | \$360 | ~\$980K |
| c. | \$220 | 4.76% | \$450 | ~\$1.225M |

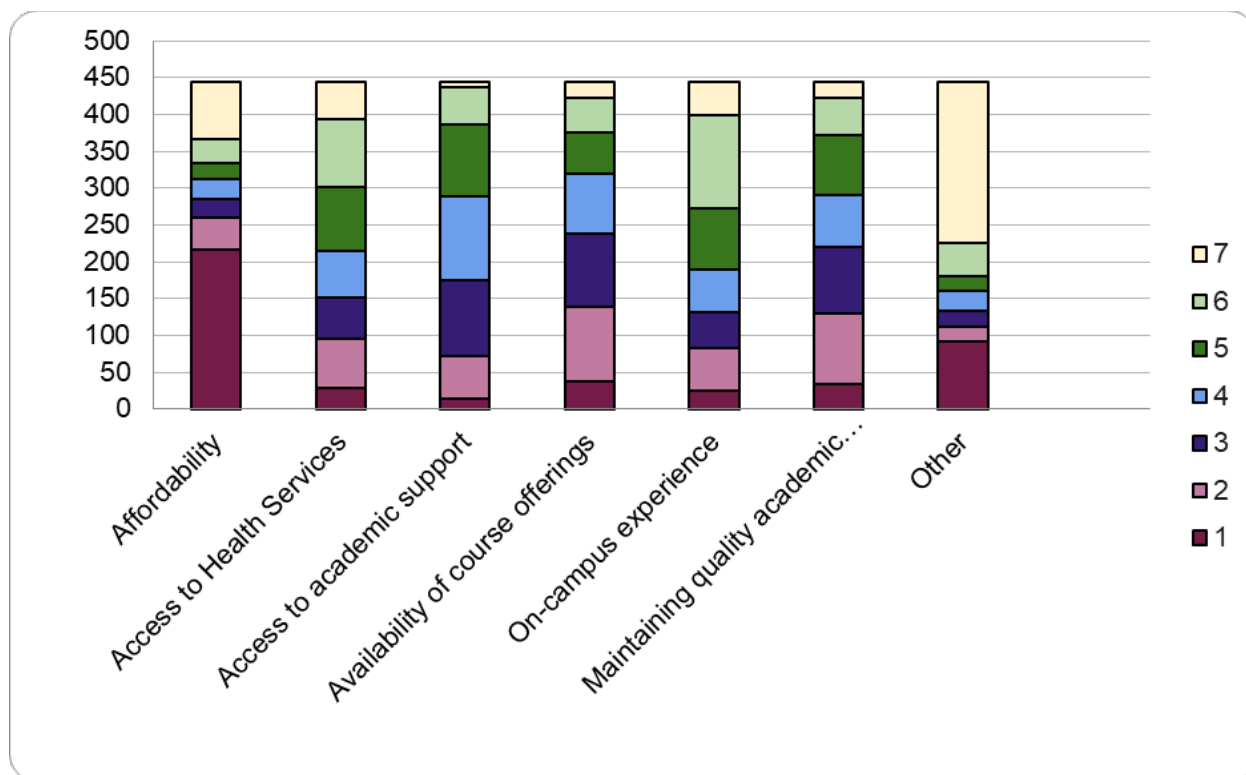
Which would you be most supportive of?



Question 2: The health service fee, paid per term by students, funds all mental health counseling and medical services available at the Student Health & Counseling Center. In order to maintain current service level, would you be in support of an \$8/term (4.57%) increase, bringing the fee to \$183/term for Monmouth-campus students (\$136/term, 4.62%, for completely online/Salem students)?



Question 3: Please rank your priorities for next year from 1 (top) to 7 (lowest):



Other Responses:

| Priority | Response |
|----------|--|
| 7 | Increase online courses, saves transportation cost |
| 4 | Online graduate programs |
| 5 | Abby's House |
| 2 | Ability to work |
| 4 | Access to affordable & actually decent meal options |
| 1 | Access to SAFE Food at the Dining Hall |
| 1 | Access to the arts programs, things like galleries and theater performances. |
| 6 | Access/Affordability to the HWC |
| 5 | advising |
| 3 | Aesthetic Vision/Pleasant campus. |
| 6 | Affordability |
| 6 | Affordability. |
| 7 | afqf |
| 7 | athletics |
| 7 | Availability of more off-campus opportunities (field trips, off campus activities, ect) |
| 1 | Availability of Online Courses |
| 6 | Availability of Professors who are able to provide the class with the information they are paying for, ie one of my professors doesnt know what they are teaching and the class is suffering because of it |
| 2 | Availability to online courses |
| 1 | Being able to graduate on time with lower course availability. |
| 6 | Being an out of state student being able to support myself while also paying for school and working full time. |
| 2 | Cheaper housing |
| 7 | continue to have online classes for thoes that are not able to take inperson class. |
| 1 | Cut the pay of the dean....and defend the girls basketball team instead of hanging them out to dry. |
| 6 | Decrease cost of schooling |
| 5 | Diversity in online classes and availability of online classes |
| 1 | Diversity programs |
| 1 | Diversity, Equity & Inclusion |
| 6 | Don't have one |
| 1 | Eliminate the online student tax |
| 6 | Emergency support |
| 6 | events |
| 2 | Fees on online classes to be eliminated and all in person |
| 4 | Forensic science and forensic anthropology programs and classes |
| 5 | Funding the OT program |
| 1 | Get rid of the student health center altogether and provide guidance for students to |

get mental health services through the county not only on a "Crisis" basis but on a consistent one. The wait can be similar to get into see someone, and students (most) would qualify for medicaid. The student health services is a joke. We literally pay "for access only" that is what I was told. If I need any type of healthcare beyond the free covid test (provided by the county for free, I was also told!!!) then I have to PAY for services, unless again, I have medicaid - which most qualify for - and they bill them, or any other insurance there is. GET RID OF THE STUDENT HEALTH PROGRAM AND THAT WILL GREATLY HELP WITH THE DEFICIT PROBLEM.

2 Gym

7 Had to place it at 7 to submit the form.

1 Had to select other to be able to submit the survey

7 Had to select other, not sure what to but here.

6 Having good instructors that care for student success!

6 Having more operating times for students that can't access resources outside of operating hours.

4 housing

4 housing?

1 I accidentally clicked it and I can't remove it.

7 I am unable to move forward unless I click other.

7 I believe western should focus its funds on the academic side of the house. Give students access to healthcare and give them the support they need to succeed. The degree is going to help them the most later in life. Being on the sports team will not. I believe we should cut funding for sports to maintain the quality of education that is currently provided here.

7 I do not think it is right for online students to have to pay fees for services we do not have the opportunity to take advantage of. Health services and on-campus experiences are not an option for me, yet I am funding these for other students. This is my biggest issue.

7 I don't have one

7 I don't know at the moment

3 I don't understand taking online courses require an online fee, shouldn't these courses be cheaper?

5 I feel strongly that online students should be able to opt out of paying for medical services and gym memberships that are impossible to use. Of all the fees I've paid in college, paying for a gym membership and doctor an hour and a half away from where i live feels to me to be the least helpful one.

4 I'd rather loose access to services that I don't use if it means that the ability afford classes is more accessible. What I would examine, is why is enrollment declining?

This seems like a larger, systemic issue.
 7 ice cream machine
 4 idk
 2 If off-campus/online, utilization or resources such as health are lower.
 2 IFC Funds for Creative Arts
 7 In person ASL classes
 4 include textbook costs with tuition, so that costs are all included upfront
 4 Increasing the quality of existing programs
 2 It made me select other.
 6 Just had to select an option
 4 Keeping core "WOU" programs like Criminal Justice and ASL to promote new students enrollment in those programs
 1 Keeping faculty that have made my experience at WOU positive.
 6 Keeping online courses available.
 1 Keeping the non-tenured teachers in biology so that we have access to the courses we need to graduate! Please do not take away our non-tenured teachers!!!
 6 keeping the professors that help the majors that struggle the most
 7 Maintaing staff/faculty
 2 Maintaining Campus Recreation's function and their vital outreach to students. They play a large role on campus as an outreach center and employer and they need to be presevered.
 2 More in person class offerings.
 5 More in-person class options.
 4 More interactive activities that work around athletes schedules.
 3 More travel options for those who want to study abroad.
 3 My concern with raising prices and creating a higher revenue is what those prices will go toward funding. College is becoming exceedingly cost prohibitive with the career positions available and our current economy.
 7 My lowest priority is marketing.
 7 n/A
 2 N/A
 4 N/A
 7 n/a
 7 N/A
 7 n/a
 7 N/A
 1 N/A
 7 N/A
 7 n/a
 7 n/a

| | |
|---|--|
| 2 | N/A |
| 7 | N/A |
| 6 | N/A |
| 7 | N/A |
| 7 | n/a |
| 5 | N/A |
| 1 | N/A |
| 1 | N/A |
| 6 | n/a |
| 7 | N/A |
| 7 | n/a |
| 7 | N/A |
| 7 | N/A |
| 6 | N/A |
| 7 | N/A |
| 2 | n/a |
| 1 | N/A |
| 7 | n/a |
| 7 | N/A ... currently |
| 4 | NA |
| 1 | NA |
| 3 | NA |
| 7 | NA |
| 1 | NA |
| 7 | NA |
| 7 | New buildings (do not build new builds pls!!!) |
| 7 | no |
| 4 | No grace on making payments. It kills students especially for those out of pocket students..... |
| 7 | None |
| 7 | none |
| 1 | none |
| 1 | None. |
| 7 | not for other, but I would like to suggest making the health service fee optional for students who have healthcare options outside of WOU, rather than raising the price for all students on top of other price increases. |
| 4 | Not having to pay for health services in tuition if not using the services. Especially with taking all online courses and not even being on-campus to use. |
| 1 | Nothing comes to mind. |
| 7 | nothing it just made me check the box |

- 5 Offer the classes already in the catalog so degrees and their concentrations can be completed.
- 7 Online Career Devel for students
- 3 Online class availability
- 6 Online Classes
- 1 Online course availability
- 3 Online Course Options
- 5 online courses available
- 4 options for online students to get involved
- 1 Other
- 5 Please offer more available times/online classes. For athletes its really hard to register for classes during practice time. Im having to take my biomechanics class at another school during the summer because of this.
- 1 quality
- 3 Quality teachers
- 5 Retaining our non-tenure professors in the biology department
- 4 Scholarships
- 4 scholarships
- 6 scholarships for international students
- 4 Sports like Football, Soccer, Rugby all have the ability to draw in new students (if funding improved these programs)
- 7 Supporting our non-tenure track faculty that are imperative to getting our degrees. Tuition fees wont matter for a school no one goes to because there are no degrees <3
- 7 Sustainability
- 3 Swimming pool in rec center
- 7 The form required all rows to be selected, I did not have an other in mind, I just selected it to complete the survey.
- 7 The list is broken, the last one would be a 7 for Access to online courses, and the second to last needs to be a 6 for me please, so sorry.
- 2 the university needs to be smart with the money it gets and start standing on its own two feet rather than extorting the people that attend the school
- 2 Theater productions.
- 3 Transparency from the university in plans for the future
- 6 Using money for on campus activities that have no point should be lessened imo, I can understand funding for an informational event or some dances throughout the year, but a human hamsterball run? Really?
- 5 veteran center
- 7 Wave health insurance for students who already have a health insurance plan
- 7 Work outside academic hours

- 2 You should actually give sports funding
- 1 You should really find a way to keep the instructors that are bringing students back, or keeping students enrolled instead of giving tenure to people that cannot make connections to the current student body. This would alleviate part of the budget problem as well.
- 5 zoom opportunities for non campus people



Western Oregon
UNIVERSITY

2025 – 2026 Academic Year & 2025 Summer Session Tuition and Fee Book

Adopted by Western Oregon University Board of Trustees at the April __, 2025, meeting. All prior tuition and fee books are superseded except as to the rights and obligations previously acquired or incurred therein.

2025-26 ACADEMIC YEAR & SUMMER 2025 TUITION

| Credits | Undergraduate | | | Graduate ⁽³⁾ |
|-------------------------------|---------------|-----------|--------------|-------------------------|
| | Resident | WUE/Texas | Non-Resident | |
| 1 | 220 | 330 | 680 | 507 |
| 2 | 440 | 660 | 1,360 | 1,014 |
| 3 | 660 | 990 | 2,040 | 1,521 |
| 4 | 880 | 1,320 | 2,720 | 2,028 |
| 5 | 1,100 | 1,650 | 3,400 | 2,535 |
| 6 | 1,320 | 1,980 | 4,080 | 3,042 |
| 7 | 1,540 | 2,310 | 4,760 | 3,549 |
| 8 | 1,760 | 2,640 | 5,440 | 4,056 |
| 9 | 1,980 | 2,970 | 6,120 | 4,563 |
| 10 | 2,200 | 3,300 | 6,800 | 5,070 |
| 11 | 2,420 | 3,630 | 7,480 | 5,577 |
| 12 | 2,640 | 3,960 | 8,160 | 6,084 |
| 13 | 2,860 | 4,290 | 8,840 | 6,591 |
| 14 | 3,080 | 4,620 | 9,520 | 7,098 |
| 15 | 3,300 | 4,950 | 10,200 | 7,605 |
| 16 | 3,520 | 5,280 | 10,880 | 8,112 |
| 17 | 3,740 | 5,610 | 11,560 | 8,619 |
| 18 | 3,960 | 5,940 | 12,240 | 9,126 |
| <i>Each Add'l Credit Hour</i> | 220 | 330 | 680 | 507 |

Notes:

(1) Tuition for undergraduate students under the Western Undergraduate Exchange (WUE) program or who are from Texas is assessed at 150% of the resident tuition rate.

(2) Tuition rates apply to all courses regardless of modality (face-to-face, hybrid, online) or location (Monmouth, Salem).

(3) Graduate students enrolled in the Occupational Therapy Doctorate are assessed tuition of \$9,160 per term; Summer 2025 will be assessed at the rate of \$8,725.

MANDATORY FEES – ACADEMIC YEAR

| Credits | Undergraduate Mandatory Fees | | | | | Total |
|------------|------------------------------|----------------------------|--------------------------------|---------------------|----------------------|-------|
| | Building | Incidental | Health Service | Student Health Bldg | Student Rec Ctr Bldg | |
| 1 | 36 | 435 | 183 | 11 | 42 | 707 |
| 2 | 38 | 435 | 183 | 11 | 42 | 709 |
| 3 | 40 | 435 | 183 | 11 | 42 | 711 |
| 4 | 42 | 435 | 183 | 11 | 42 | 713 |
| 5 | 44 | 435 | 183 | 11 | 42 | 715 |
| 6 | 46 | 435 | 183 | 11 | 42 | 717 |
| 7 | 48 | 435 | 183 | 11 | 42 | 719 |
| 8 | 50 | 435 | 183 | 11 | 42 | 721 |
| 9 | 52 | 435 | 183 | 11 | 42 | 723 |
| 10 | 54 | 435 | 183 | 11 | 42 | 725 |
| 11 | 56 | 435 | 183 | 11 | 42 | 727 |
| 12 or more | 58 | 435 | 183 | 11 | 42 | 729 |

Notes:

- (1) A one-time Matriculation Fee of \$365 is assessed to all new and transfer undergraduate students.
- (2) Online courses are subject to an online course fee of \$53 per credit.
- (3) Building, Student Health Bldg, and Student Rec Ctr Bldg fees are based on Monmouth campus credit hours.
- (4) Students not enrolled at the Monmouth campus are assessed a discounted incidental fee of \$220 and may opt into the Student Rec Ctr Bldg fee to access the Health & Wellness Center.
- (5) Students not enrolled at the Monmouth campus are assessed a discounted Health Service Fee of \$136.

MANDATORY FEES – ACADEMIC YEAR (cont.)

| Credits | Graduate Mandatory Fees (Monmouth Campus only) | | | | | |
|-----------|--|----------------------------|--------------------------------|---------------------|----------------------|-------|
| | Building | Incidental | Health Service | Student Health Bldg | Student Rec Ctr Bldg | Total |
| 1 | 36 | 435 | 183 | 11 | 42 | 707 |
| 2 | 38 | 435 | 183 | 11 | 42 | 709 |
| 3 | 40 | 435 | 183 | 11 | 42 | 711 |
| 4 | 42 | 435 | 183 | 11 | 42 | 713 |
| 5 | 44 | 435 | 183 | 11 | 42 | 715 |
| 6 | 46 | 435 | 183 | 11 | 42 | 717 |
| 7 | 48 | 435 | 183 | 11 | 42 | 719 |
| 8 | 50 | 435 | 183 | 11 | 42 | 721 |
| 9 or more | 58 | 435 | 183 | 11 | 42 | 729 |

| Credits | Graduate Mandatory Fees (WOU:Salem only) | | |
|-----------|--|--------------------------------|-------|
| | Incidental | Health Service | Total |
| 1 or more | 220 | 136 | 356 |

| Credits | Graduate Mandatory Fees (Online only) | | | |
|-----------|---------------------------------------|--------------------------------|---------------|----------------------|
| | Incidental | Health Service | Online | Total |
| 1 or more | 220 | 136 | 53 per credit | Calculated by credit |

Notes:

- (1) A one-time Matriculation Fee of \$315 is assessed to all new and transfer graduate students.
- (2) Online courses are subject to an online course fee of \$53 per credit.
- (3) Building, Student Health Bldg, and Student Rec Ctr Bldg fees are based on Monmouth campus credit hours.
- (4) Students not enrolled at the Monmouth campus are assessed a discounted incidental fee of \$220 and may opt into the Student Rec Ctr Bldg fee to access the Health & Wellness Center.
- (5) Students not enrolled at the Monmouth campus are assessed a discounted Health Service Fee of \$136.

MANDATORY FEES – SUMMER 2025

| Credits | Undergraduate & Graduate Mandatory Fees | | | | | Total |
|-----------|---|----------------------------|--------------------------------|---------------------|----------------------|-------|
| | Building | Incidental | Health Service | Student Health Bldg | Student Rec Ctr Bldg | |
| 1 or more | 36 | 165 | 183 | 11 | 35 | 430 |

Notes:

- (1) A one-time Matriculation Fee of \$365 for undergraduate and \$315 for graduate is assessed to all new and transfer students.
- (2) Online courses are subject to an online course fee of \$53 per credit.
- (3) Building, Student Health Bldg, and Student Rec Ctr Bldg fees are based on Monmouth campus credit hours.
- (4) Students not enrolled at the Monmouth campus are assessed the incidental fee of \$165 and may opt into the Student Rec Ctr Bldg fee to access the Health & Wellness Center.
- (5) Students not enrolled at the Monmouth campus are assessed a discounted Health Service Fee of \$136.

MANDATORY FEES – DESCRIPTION

| Fee | Description |
|------------------------------------|--|
| Building | This fee is allocated to pay debt service associated with past construction and renovation projects on the WOU campus. Any additional funds collected are put into a reserve or used for small construction projects. The building fee is a mandatory fee assessed to all students taking 1 or more credit hours on the Monmouth campus and varies depending on the number of credits a student is enrolled in. |
| Incidental | This fee funds services such as Abby's House, Food Pantry, Access, ASWOU, Athletics, Campus Recreation, Childcare, Creative Arts, Student Engagement, Student Activities Board, Student Media, and WOLF Ride. The Incidental Fee Committee is responsible for recommending the amount and allocation of the incidental fee to ASWOU and the President. The incidental fee is a mandatory fee assessed to all students. |
| Health Service | The fee is in place to support all the services offered by the Student Health & Counseling Center. The health service fee is a mandatory fee assessed to all students. |
| Student Health Building | This fee is allocated to pay debt service associated with the construction of the Student Health & Counseling Center building. This fee is a mandatory fee assessed to all students taking 1 or more credit hours on the Monmouth campus. This fee began Fall 2016 and will end Spring 2031. |
| Student Recreation Center Building | This fee is allocated to pay debt service associated with the construction of the Health & Wellness Center. This fee is a mandatory fee assessed to all students taking 1 or more credit hours on the Monmouth campus. This fee began Spring 2010 and will end Spring 2039. |
| Matriculation (one-time fee) | The matriculation fee is mandatory for all new undergraduate, graduate, and postbaccalaureate students. The fee is \$365 for undergraduates and \$315 for graduates; this is a one-time fee billed at the beginning of your first term at WOU. |

Online courses have an additional fee of \$53 per credit.

UNIVERSITY HOUSING AND CAMPUS DINING

| Landers Hall | Annual | Fall | Winter | Spring |
|--|---------------|-------------|---------------|---------------|
| Standard Double: 2 people in a 2 person room. | 6,285 | 2,200 | 2,200 | 1,885 |
| Single Room: 1 person in a 1 person room. | 8,325 | 2,914 | 2,914 | 2,497 |
| Heritage and Ackerman Hall | Annual | Fall | Winter | Spring |
| Standard Double: 2 people in a 2 person room. | 7,235 | 2,532 | 2,532 | 2,171 |
| Single Room: 1 person in a 1 person room. | 8,325 | 2,914 | 2,914 | 2,497 |
| Super Single: 1 person in a 2 person room. | 9,180 | 3,213 | 3,213 | 2,754 |
| Arbor Park Apartments | Annual | Fall | Winter | Spring |
| 4 people in a 4-bedroom apartment. | 8,160 | 2,856 | 2,856 | 2,448 |

Rates listed are per person. Rates for Residence Halls and Arbor Park includes wireless network, on-campus movie streaming service, and a social activity fee.

| | Meal Plans | Annual | Per Term |
|--|---|---------------|-----------------|
| Wolf Pup Plan (White Plan) | 10 meals/week \$250 Wolf Bucks/term 5 guest meals/term | 4,751 | 1,584 |
| Wolf Howl Plan (Red Plan) | 14 meals/week \$200 Wolf Bucks/term 10 guest meals/term | 5,230 | 1,743 |
| Wolf Pack Plan (Black Plan) | 19 meals/week \$150 Wolf Bucks/term 12 guest meals/term | 6,196 | 2,065 |
| Western Wolves Plan (Gray Plan) Only available for Arbor Park Apartments | 4 meals/week \$300 Wolf Bucks/term 2 guest meals/term | 4,265 | 1,422 |

Students in Landers, Ackerman, and Heritage must choose a meal plan each term. Meal plans are optional for students in Arbor Park.

| Family Housing | Rent |
|---|-------------------------|
| Knox Street Family Housing Includes utilities, internet through Minet Fiber, and free laundry in community laundry rooms. | 815/month |
| Alderview Townhouses Includes utilities, campus internet/data line, wireless access, on-campus movie streaming service, and in-unit washer and dryer. | 1,080 or 1,115/month |

Spring 2025 Report - UBAC Report

**TO: WESTERN OREGON UNIVERSITY BOARD OF TRUSTEES
COMMITTEE**

**FROM: UNIVERSITY BUDGET ADVISORY COMMITTEE FINANCE &
ADMINISTRATION COMMITTEE**

RE: UBAC REPORT SPRING 2025

For this term, the UBAC committee has met:

April 3 from 2:00-4:00 PM

Our next meeting is April 17th from 2:00-4:00 PM

Summary

This approach to budgeting is designed to enable the University to align its financial resources with its mission, vision and values. In doing so, budgets will be better able to meet changing institutional needs and be responsive to our historical mission as well as new opportunities. The success of the model will depend, to a great extent, on the degree to which the budgeting process allows for campus-wide dialog and participation and the degree to which decisions related to new resources and reallocation of existing resources are linked to the agreed upon strategic directions of the university.

WOU Core Values

Centering Students -

- Items considered by this committee are consistently reviewed under a model of centering students. The process for budgetary review and advice are focused around students and sustainability.
- We have begun to have regular attendance from our student rep: Ava Engelhard; she has been a great addition to the committee and brings great questions and insights.

Fostering Accessibility -

- Consistently, UBAC has sought to foster accessibility in past and present by fostering representation across campus; UBAC continues to search for unrepresented bodies to fill roles according to the committee's model.
- We are working with Staff Senate to approve one new unclassified member from the Foundation, to replace Noah who left last term

Spring 2025 Report - UBAC Report

- We are trying to fill the following vacant positions for this year: Two classified staff positions and a Provost's designee
- For the last three meetings, we have been preparing the committee for shifts in leadership and soliciting nominations for next year. We try to have both faculty and staff representation in the tri-chair model.
- We regularly report to the University Council and Melanie represented UBAC at the most recent NWCCU accreditation visit, for the University Council portion

Valuing Community -

- Items considered are consistently reviewed under a model of community both of WOU, local and state priorities according to the members and constituents.
- We are in the process of planning ongoing town halls that will be hosted by UBAC members to help share budget information across campus; we hope this new model will promote a better campus wide understanding
- We are training our UBAC membership to be a representative body, emphasizing to them understanding who they represent on the committee, encouraging them to solicit feedback, promoting these conversations in our meetings, and then circling back and closing the loop.

WOU Institutional Goals

Institutional Sustainability -

- We are following along with the university-wide budget timeline and are on schedule with this, receiving updates from TFAC and tuition committees.
- We have been working with KB and Camarie to understand the current budget, reviewing the following reports: P8 E & G, Salary Sweep Savings, and the IFC report
- We plan to receive these updates regularly and are beginning working on a plan to help Camarie and KB in campus reach out.
- UBAC is still working out how we will serve in an advisory capacity to the president. KB seems very aware of the utility this committee could have in this capacity, and we are working together to determine a plan to do this more intentionally.

Student Success -

- UBAC is working with ASWOU student representation

Transformational Diversity -

- We are looking forward to ongoing conversations about planning for consistent budget town halls, hosted by UBAC so that we are able to reach more people on campus, and solicit more diverse information

Community Strength -

Spring 2025 Report - UBAC Report

- At our last meeting, we discussed accountability and circling back, what it means to represent a constituency and how to help our members do this better, while providing a place in UBAC meetings for this accountability. We believe this will build a stronger community.

April 2025 UTAC Report

Strategic Plan Alignments

- *Institutional sustainability - Western adapts to changes in the higher education landscape and implements strategic responses to emerging trends.*
- *Transformational Diversity - developing and implementing diverse and inclusive philosophies and practices*

The University Technology Advisory Committee (UTAC) held our Winter Quarter Retreat on February 21st, 2025.

- The first item on our agenda was the Digital Accessibility Policy. The UTAC subcommittee that was tasked to develop a policy had completed their work and presented the policy to the full committee for review. After reviewing and discussing the policy, UTAC members agreed that it was ready to present to the cross-campus Accessibility Working Group.
- Next, Tom Litterer presented the new University Computing Solutions (UCS) strategic plan. During the discussion that arose while reviewing the plan, a question was asked about the University Name Policy that UTAC had supported last year. UTAC members were uncertain about the status of that policy, so the tri-chairs agreed to try to learn more and bring information back to our next UTAC meeting.
- Ellucian Experience was third on the agenda. The current version of Wolfweb will no longer be available after December 2025, so UCS is working to replace all of the functionality in Wolfweb by then. They are also implementing Ellucian Experience, which eventually will replace the WOU Portal. UTAC members provided input to guide UCS's priorities for implementation.
- The committee also discussed Banner Optimization and the move to Banner Self Service 9. The project will modernize numerous paper-based processes, including processes that can be handled in Banner and also outside of Banner. UCS is also increasing their capacity for supporting DocStar. Priority areas for automation include registration holds, data transfer for financial aid, and payroll processing.
- Finally, UTAC continued our discussion about the committee's goals to ensure that the software the university purchases is 1) accessible, 2) non-duplicative, and 3) secure. The KACE program that UCS has implemented will provide a technological foundation for doing this, but the role of UTAC is to ensure transparency and values-based decision making.

During the spring term, UTAC will continue to discuss software procurement and will continue to move the Digital Accessibility Policy forward through shared governance.

Finance and Administration Committee (FAC), April 15, 2025
Finance and Administration Report
Kwabena Boakye, Vice President for Finance and Administration

The privilege of working at WOU the past 28 days has been fulfilling. The reception of new ideas, eagerness to pilot alternate ideas, and desire to collaborate in proffering solutions to resolve mutual challenges have been very encouraging. Going by the Higher Education financial management maxim, "follow the money, plan what you do and do what you plan," efforts since coming on board have involved getting to know people, identifying and assessing available technology systems and resources, examining the money trail, learning the strategic plan, budget planning and development processes, and observing the risk management practices. There are opportunities for fiscal transformation. Highlights of initiatives to be implemented to achieve fiscal transformation include (a) strengthening budget principles, that is, implementing a framework for planning, constituent engagement, prioritization and resource allocation, (b) emphasizing efficient processes, including internal controls, compliance and enterprise risk management, (c) refining cost accumulation estimates and revenue projections, and (d) enriching data for decision making, including program reviews, return on investment analysis and continuous improvement. In subsequent reports, these initiatives will be elaborated with roadmaps for implementation.

The following paragraphs align the Finance and Administration activities and accomplishments with the WOU Strategic Plan.

INSTITUTIONAL SUSTAINABILITY

Goal: Enhance the financial stability and sustainability of the institution through strategic financial planning, responsible resource allocation, and innovative revenue-generation initiatives, ensuring long-term resilience and success.

Activities & Accomplishments

Budget Planning: Budget planning and development activities are ongoing with the scrutiny to contain cost escalation and reduce the structural deficit in order to achieve a balanced budget in the shortest possible time frame. Therefore, monthly

budget status reports are generated and shared with budget managers to monitor their spend levels. Also, Management Reports are prepared and shared with the Board of Trustees showing the preliminary budget approved by the Board, adjusted budget approved by the Board, actual revenues and expenses compared with the approved adjusted budget, and projected year-end actual results. See Management Report to the FAC as of March 31, 2025.

Long-term Sustainability: As part of efforts to be agile and proactive with budget course corrections for long-term fiscal sustainability, a five-year fiscal plan was created for Education & General Fund. This fiscal plan models projections resulting from assumptions related to future trends and patterns of enrollment, revenues and expenses. The five-year fiscal plan should provide a road map regarding expected revenues, estimated expenditure outlays, reserve funds, and the amounts needing necessary course correction to balance the budget. See Five-Year Fiscal Plan as of March 31, 2025 below.

Short-term Solvency: To ensure adequate liquidity and short-term solvency to meet current obligations, cash inflows and outflows are analyzed, and a cash flow projection is prepared to map out the short-term operational cash needs. Ongoing coordinated collaborative efforts involving the Provost, VPFA, Business Office and Sponsored Programs Office should maximize contract and grants billings for timely refurbishment of cash flows. See Cash Flow Projection as of April 8, 2025 below.

Return on Investment Analysis: As part of initiatives to enrich data for budget planning and decision making, Return on Investment (ROI) analysis was performed for academic programs in Academic Affairs and sports programs in Athletics. The ROI analysis provides data for insight into revenue and costs associated with the academic and sports programs. The ROI results are under evaluation and should provide enriched data to both the Provost and Athletics Director for budget planning and decision making.

Banner Optimization: Engagement in Banner Optimization processes are ongoing. Banner Student team received consultant's recommendations for short term and long-term process improvement. Also, HR/Payroll and Finance are ahead of schedule toward optimization. Optimized processes and automation in Financial Aid are showing positive outcomes. For instance, there are Financial Aid logged efficiency savings of 354 hours a year and reduction in hours needed for Financial Aid counselors to review budgeting packages.

Shared Service: As part of shared services efforts to conserve operational resources, Campus Public Safety is in the process of transferring all Polk County

Community Emergency Response Team (CERT) resources to WOU, including equipment, property and funding.

Re-Organization: As part of efforts to repurpose departments and functions to conserve costs, Capital Planning and Construction (CPC) has been re-organized into Facilities Services under the AVP for Safety and Operations. The re-organization should result in a more effective collaboration between CPC and Facilities Services and net budget savings in labor.

Utility and Energy Conservation: Engagement in sustainability, utility and energy conservation efforts are ongoing. CPC efforts include incorporation of environmentally sustainable practices in planning and designing spaces, evaluation of opportunities for energy efficiency, waste reduction, and green building certifications, and designing projects considering future expansion and alternate occupants. In addition, Facilities Services efforts include optimizing building systems to improve energy efficiency, such as installation of HVAC controls, LED lighting, and water bottle fill stations.

STUDENT SUCCESS

Goal: Enhance degree completion rates for undergraduate, graduate, and transfer students, through strategic initiatives focused on academic support, streamlined pathways, and the necessary services that ensure timely and successful attainment of their educational goals.

Activities & Accomplishments

Student Success Center Construction: The Student Success Center project was completed to provide a hub for student wrap around services that should enhance student access to essential services.

Student Hold Accounts Receivable Policy: The Business Office developed a Student Hold Accounts Receivable policy, which was approved by the President's Cabinet for implementation. The policy clarifies the minimum threshold amount a student could owe on their accounts in order to continue enrolling at WOU. Clarity on the threshold amount should enable students to plan their budgets and sources of income to continually finance their education.

Information Technology Innovation and Renewal: As part of Information Technology innovation and renewal, the University Computing Services (UCS)

upgraded workstations in the classroom and labs that are not supportable on Windows 11. In addition, UCS worked to simplify displaying in the classroom using personal devices, including phones. This renewal and innovation should make use of technology more flexible and easier for students.

Student Internship: The Campus Public Safety department provided work experiences for students that are related to their field of study. In addition, the Business Office brought in a student intern to work on reconciliation processes. These experiences support student learning and provide the students with professional and marketable skills.

TRANSFORMATIONAL DIVERSITY

Goal: Foster an inclusive educational, living, and work environment at Western Oregon University, ensuring that students and employees feel a profound sense of belonging and have abundant opportunities for growth and success.

Activities & Accomplishments

Accessibility: As part of accessibility efforts, the University Computing Services has completed first draft of the Digital Accessibility policy for consideration and review by the President's Cabinet. Also, the UCS has equipped more classrooms with new microphones, speakers, and cameras in alignment with accessibility requirements. In addition, Capital Planning and Construction completed projects with spaces that accommodate and adapt to evolving needs of students with all manner of abilities. Further, Facilities Services prioritize funding for physical accessibility in efforts to bring infrastructure to industry standards.

Professional Development: Campus Public Safety provided opportunities for professional development for staff, particularly around leadership, de-escalation techniques, bias, and sexual assault response.

COMMUNITY STRENGTH

Goal: Cultivate and maintain a culture at Western Oregon University that embraces collaboration, connection, and communication as we build meaningful partnerships with internal and external communities, while enriching the educational experience of our students.

Activities & Accomplishments

Collaboration with City of Monmouth: The Monmouth City Manager was engaged in a meeting to map out a schedule to hold periodic collaborative meetings to discuss matters of mutual interest to both WOU and the City of Monmouth.

Collaboration with City of Independence: The University Computing Services explored potential collaborations with the City of Independence to create an accelerator program to facilitate startups.

Collaboration on VITA Program: The Business Office partnered and supported the Volunteer Income Tax Assistance (VITA) program with technological assistance. Supervised by WOU faculty, the VITA program affords WOU students learning and volunteer opportunities to perform community service by assisting community members with free tax preparation services.

Budget Town Hall: As part of efforts for transparency and university community engagement in the budget process, a budget town hall was organized to bring the university community together to share budget status information and to discuss measures to balance the budget. Attendance is estimated at more than 300 participants. Prior to the town hall, the university community was provided opportunity to submit questions. Pre-town hall questions submitted were 51 on various budget related topics. During the town hall, participants were provided opportunity to ask questions. Nine participants asked questions on budget related topics. All nine questions asked at the town hall were answered without objection. Due to time constraints, all the 51 pre-town hall questions could not be answered. There was announcement at the town hall that the remaining questions will be answered in a written document and posted to the WOU portal. It is anticipated that subsequent town halls will be organized and moderated by the University Budget Advisory Committee.

Cash Flow Narrative FY25

Executive Summary:

- **Beginning cash balance is \$35,290,407**
- **Projected ending cash balance is \$25,160,333**
- **The operating projected cash ending balance net of the \$1.3M restricted steam line fund is \$26,460,330.**

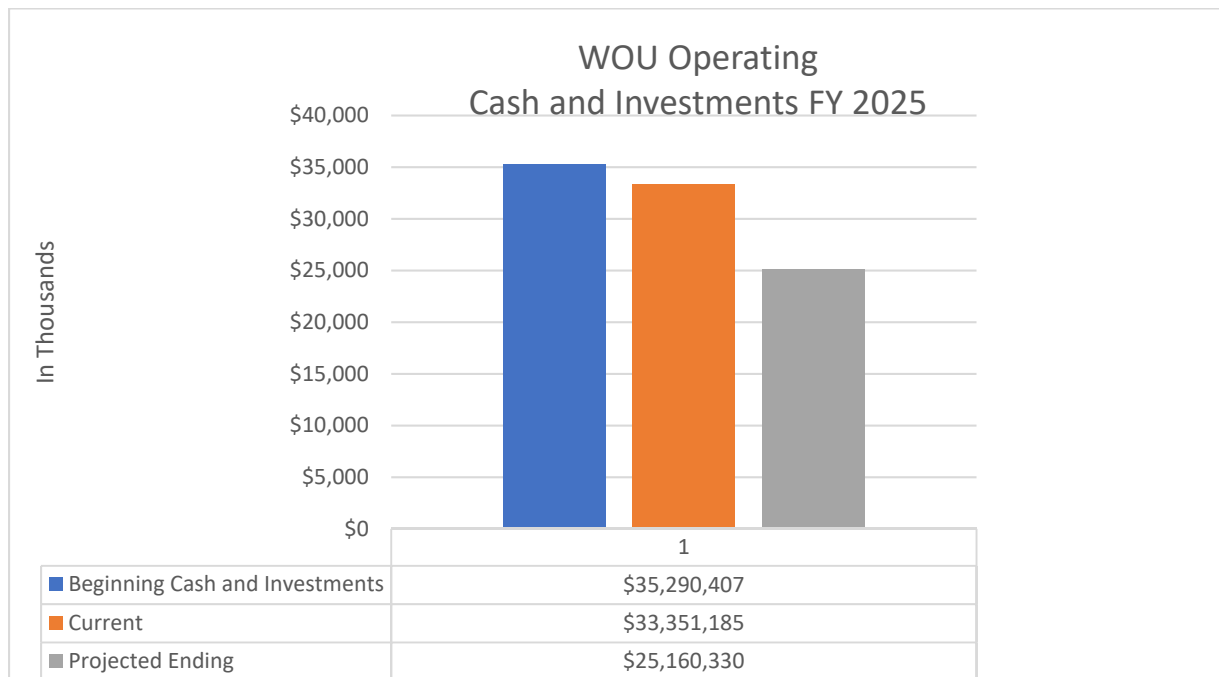
The statement of cash flows enables users of the financial statements to determine how well an entity's income generates cash and to predict the potential of an entity to generate cash in the future. The purpose of the cash flow forecast is to present cash inflows and outflows for a reporting period to the reader of the report. Cash flows are not readily apparent when just reviewing the income statement, especially when that document is created under the accrual basis of accounting. Accrual accounting requires that certain non-cash revenue and expense items be included in the income statement, potentially in substantial amounts.

We began FY2025 with a cash & investment balance of \$35.29M.

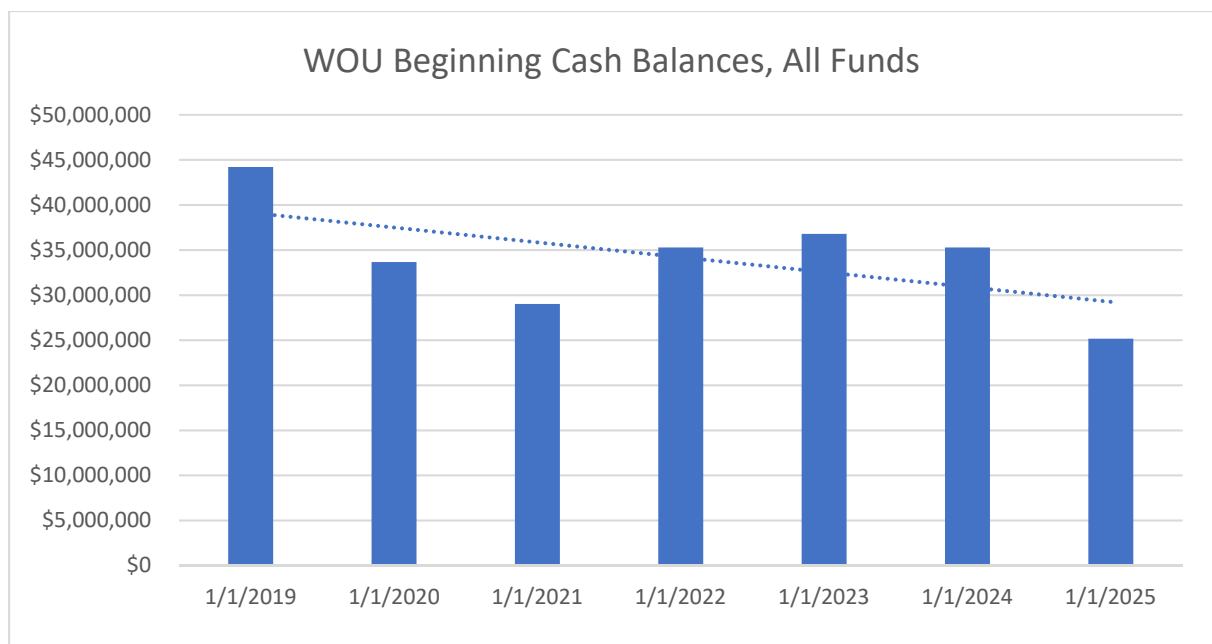
You will note this does not have a one-to-one relationship with the Management Report, this is due to two reasons. The Management Report looks at individual fund activity for Education & General, Auxiliaries, and Designated Operations & Service funds; while these funds are the main funds for the University, other funds exist as well (such as Capital, Grant and Agency funds). The Cash Flow forecast incorporates all cash & investments for the University other than the cash balance related to Perkins loans (\$675,824 as mandated) and the quasi endowment. Additionally, the Management Report shows accounting activity using accrual-based accounting. Accrual accounting creates timing differences between income statement accounts (revenues & expenses as shown on the Management Report) and cash. A revenue transaction may be recorded in a different fiscal year than the year the cash related to that revenue is received. One purpose of the statement of cash flows is that users of the financial statements can see the amount of cash inflows and outflows during a year in addition to the amount of revenue and expense shown on the income statement.

For FY2025, the cash flow projection is based on actuals through March then several assumptions including an enrollment decrease of 2.5% overall for the year, the Board approved tuition increases, a 2% increase in services & supplies (S&S). The Steam Line Project is included but noted below the cash flow since are restricted dollars and cannot be used for operations. Salary increases and Other Payroll Expenses (OPE) rate increases have been included as of what we understand currently. The cash flow projection shows a \$8.830M decrease.

We will continue to monitor and adjust monthly. Current financial conditions continue to put pressure on cash flow.



Data is based upon the accounting system information. Actual cash and investments on deposit at 07/01/25 is projected as \$25,160,330. Projected Ending Data excludes Restricted Cash for the Steam Line Project (\$1.3M).



Note: The positive amounts in 2021-2023 is primarily related to the Federal stimulus funding received. Projected 7/1/2025 Balance is reduced by \$1.3M for Steam Line Project.

Western Oregon University
Monthly Cash Flow and Accrual Forecast

| | July 2024 | August 2024 | September 2024 | October 2024 | Actuals November 2024 | December 2024 | January 2025 | February 2025 | March 2025 | April 2025 | Estimates May 2025 | June 2025 |
|--|---------------|---------------|----------------|---------------|--------------------------|---------------|---------------|---------------|---------------|---------------|-----------------------|-----------------|
| <u>Starting Cash and investment FY2025 (June 30, 2024)</u> | | | | | | | | | | | | |
| \$ | 35,290,407 | | | | | | | | | | | |
| Beginning Cash Estimate | \$ 35,290,407 | 37,122,715 | 30,757,258 | 34,821,160 | 38,350,594 | 33,291,362 | 28,554,516 | 38,236,068 | 33,351,185 | 37,808,461 | 42,985,685 | 34,104,721 |
| Adjusted Beginning Cash and investment Balance (Actual) | 35,290,407 | 37,122,715 | 30,757,258 | 34,821,160 | 38,350,594 | 33,291,362 | 28,554,516 | 38,236,068 | 33,351,185 | 37,808,461 | - | - |
| Inflows | | | | | | | | | | | | |
| Monthly Revenue Estimates | 17,393,250 | 7,204,602 | 19,549,351 | 15,051,504 | 4,114,074 | 14,805,403 | 25,943,425 | 5,479,674 | 24,901,987 | 10,588,556 | 1,363,759 | 12,991,162 |
| Estimated Cash Impacts GL Accrual Activity | 1,844,923 | (6,368,804) | 4,054,607 | 3,543,520 | (5,058,808) | (3,603,358) | 9,963,333 | (5,155,534) | 513,885 | 5,606,495 | (208,936) | (2,604,323) |
| Total Revenue and GL Inflows | 19,238,174 | 835,798 | 23,603,958 | 18,595,024 | (944,734) | 11,202,045 | 35,906,758 | 324,141 | 25,415,872 | 16,195,051 | 1,154,823 | 10,386,839 |
| Outflows | | | | | | | | | | | | |
| Monthly Labor Estimates | 4,779,595 | 4,777,602 | 5,090,877 | 6,742,517 | 7,594,401 | 7,550,469 | 7,346,114 | 7,503,859 | 7,461,637 | 7,770,683 | 7,465,875 | 7,467,982 |
| Monthly Expense Estimates | 3,409,278 | 2,909,789 | 16,237,889 | 10,301,363 | 2,612,675 | 14,210,658 | 4,844,765 | 3,007,041 | 12,545,332 | 3,247,144 | 2,569,912 | 10,498,730 |
| Monthly Debt Estimates | 610,521 | - | 3,494 | - | - | - | 79,558 | - | 5,110 | - | - | 64,519 |
| Total Operating Ledger Outflows | \$ 8,799,395 | \$ 7,687,391 | \$ 21,332,260 | \$ 17,043,880 | \$ 10,207,076 | \$ 21,761,127 | \$ 12,270,436 | \$ 10,510,900 | \$ 20,012,079 | \$ 11,017,827 | \$ 10,035,787 | \$ 18,031,230 |
| Net Flows | 10,438,779 | (6,851,593) | 2,271,698 | 1,551,144 | (11,151,810) | (10,559,082) | 23,636,322 | (10,186,759) | 5,403,793 | 5,177,224 | (8,880,964) | (7,644,391) |
| Ending Cash Estimate | | | | | | | | | | | | |
| Actual Ending Cash Balance (Banner) | \$ 37,122,715 | \$ 30,271,121 | \$ 33,028,957 | \$ 36,372,304 | \$ 27,198,784 | \$ 22,732,280 | \$ 52,190,839 | \$ 28,049,308 | \$ 38,754,978 | \$ 42,985,685 | \$ 34,104,721 | \$ 26,460,330 |
| Actual Less Forecast | - | 486,137 | 1,792,204 | 1,978,290 | 6,092,578 | 5,822,236 | (13,954,771) | 5,301,877 | (946,517) | (42,985,685) | (34,104,721) | (26,460,330) |
| % Deviation from Original Forecast | 0.00% | 1.61% | 5.43% | 5.44% | 22.40% | 25.61% | -26.74% | 18.90% | -2.44% | -100.00% | -100.00% | -100.00% |
| 30 Day Cash Outflow Requirement | 8,799,395 | 7,687,391 | 21,332,260 | 17,043,880 | 10,207,076 | 21,761,127 | 12,270,436 | 10,510,900 | 20,012,079 | 11,017,827 | 10,035,787 | 18,031,230 |
| Excess/(Shortfall) over 30 Day Outflow Requirement | \$ 26,491,012 | \$ 29,435,324 | \$ 9,424,999 | \$ 17,777,280 | \$ 28,143,518 | \$ 11,530,235 | \$ 16,284,080 | \$ 27,725,168 | \$ 13,339,106 | \$ 26,790,634 | \$ (10,035,787) | \$ (18,031,230) |
| 60 Day Cash Outflow | 16,486,786 | 29,019,651 | 38,376,140 | 27,250,956 | 31,968,204 | 34,031,564 | 22,781,336 | 30,522,979 | 31,029,906 | 21,053,614 | 28,067,017 | 18,031,230 |
| Excess/(Shortfall) over 60 Day Outflow | \$ 18,803,621 | \$ 8,103,064 | \$ (7,618,881) | \$ 7,570,204 | \$ 6,382,391 | \$ (740,201) | \$ 5,773,180 | \$ 7,713,089 | \$ 2,321,279 | \$ 16,754,847 | \$ (28,067,017) | \$ (18,031,230) |
| Forecast for Steamline Project Expenses, \$4.21M in FY25 | 1,202,969 | 1,792 | - | 4,067,178 | 1,625,599 | - | 1,187,160 | - | - | - | - | - |
| Student Success 22M - 7 M on reimbursement | 1,387,761 | 0 | 2,737,098 | 1,207,884 | 0 | 0 | 1,598,185 | 1,500,000 | 95,553 | 95,553 | 95,553 | 95,553 |
| OT Salem Project ~ 1.3M I to finish by Oct | 428,571 | 428,571 | 428,571 | | | | | 20,082 | | | | |
| Welcome Center | | | | | | | 189,741.29 | 141,294.07 | | | | |

Five-Year Fiscal Plan

| | FY25 | | | | | | |
|---|--------------------|--------------------|---------------------------|---------------------------|---------------------------|--------------------|--------------------|
| | Budget | Proj. Actuals | FY26 | FY27 | FY28 | FY29 | FY30 |
| Total Revenues | 73,147,565 | 74,375,000 | 76,622,489 | 80,932,774 | 84,252,783 | 87,476,779 | 90,358,527 |
| Total Expenses & Transfers | <u>77,755,947</u> | <u>75,653,000</u> | <u>82,412,133</u> | <u>85,145,125</u> | <u>87,970,624</u> | <u>90,891,931</u> | <u>93,912,472</u> |
| Net | (4,608,382) | (1,278,000) | (5,789,644) | (4,212,351) | (3,717,841) | (3,415,153) | (3,553,945) |
| Beginning Fund Balance | <u>13,753,975</u> | <u>13,753,975</u> | <u>12,475,975</u> | <u>6,686,331</u> | <u>2,473,979</u> | <u>(1,243,862)</u> | <u>(4,659,015)</u> |
| Ending Fund Balance | 9,145,593 | 12,475,975 | 6,686,331 | 2,473,979 | (1,243,862) | (4,659,015) | (8,212,960) |
| Fund Balance as a % of Revenues | 12.50% | 16.77% | 8.73% | 3.06% | -1.48% | -9.13% | -12.78% |
| Target Reductions (Maintain 5% FB; balance budget) | | | <u>(1,500,000)</u> | <u>(3,000,000)</u> | <u>(1,000,000)</u> | <u>-</u> | <u>-</u> |
| Resulting Net | | | (4,289,644) | 287,649 | 1,782,159 | 2,084,847 | 1,946,055 |
| Beginning Fund Balance | | | <u>12,475,975</u> | <u>8,186,331</u> | <u>8,473,979</u> | <u>10,256,138</u> | <u>12,340,985</u> |
| Ending Fund Balance | | | 8,186,331 | 8,473,979 | 10,256,138 | 12,340,985 | 14,287,040 |
| Fund Balance as a % of Revenues | | | 10.68% | 10.47% | 12.17% | 14.11% | 15.81% |

Finance and Administration Committee (FAC), April 15, 2025

Facilities Services Report

Rebecca Chiles, AVP for Safety and Operations

Facilities Services is comprised of Custodial Services, Environmental and Occupational Health and Safety, Mailroom, Copy Center, Maintenance, Grounds, Campus Public Safety, Emergency Management, Parking Services and Capital Planning and Construction (CPC), which is a recent addition, after the reorganization of CPC into Facilities Services as of March 17th, 2025.

While Facilities Services have engaged in several activities and accomplished a lot of tasks, this report focuses on major capital projects and Capital Improvement and Renewal (CIR) funding projects.

Major Capital Projects

Status of the two approved and funded major capital projects are below.

| Projects | Cost | Funding Left | Expected Completion |
|--------------------------------------|----------------|---------------------|----------------------------|
| Student Success Center (ADA, 1% art) | \$22 million | \$817,000 | March 2026 |
| Steam Line (Paving) | \$16.5 million | \$1.3M | Summer 2025 |

Capital Improvement and Renewal (CIR) Projects

For the FY2023 CIR expiring in March 2026, \$3.78 million was allocated and \$1.37 million is remaining. Preliminary CIR allocation for FY2025 is \$5.15 million. Planned projects for the remaining CIR funding include building envelopes, fire, life, and safety upgrades, cottage and 1st floor administration building remodel. Status of ongoing CIR projects are below.

| CIR Projects | Cost | Expected Completion |
|---|---------------|----------------------------|
| WOU Salem: (HVAC) | \$42,000 | Spring 2025 |
| Roofs-HL, Admin, Camp, Facilities, Jensen, Watson | \$1.8 million | Summer 2025 |
| Natural Science Chiller | \$380,000 | Summer 2025 |
| ADA sidewalk upgrades | \$115,000 | Summer 2025 |
| Hazmat Shed | \$75,000 | Summer 2025 |
| NPE Lighting | \$32,000 | Spring 2025 |
| LED Lighting Upgrades (various locations) | \$15,000 | Spring 2025 |
| HVAC Controllers | \$75,000 | Spring 2025 |
| Drainage Correction | \$100,000 | Spring 2025 |



Western Oregon University Board of Trustees

Finance & Administration Committee (FAC)

Mission

The Finance and Administration Committee (FAC) of the WOU Board of Trustees is charged with ensuring effective operations and sound stewardship of the university's financial, technology, and physical assets in support of the university's mission. The FAC is responsible for making decisions delegated to it and making recommendations to the Board, consistent with Board Statements and University policy.

Authority and Responsibilities

General Responsibilities

Under the guidance of the full board, develop and recommend policies necessary to ensure university resources are managed prudently, efficiently, and effectively.

Develop and recommend, for Board adoption, the policy for operational and transactional authority to be delegated to the President and Vice President for Finance and Administration including reporting requirements and evaluation mechanisms in accordance with Section 1.6, Board Statement on Delegation of Authority.

Develop and monitor a set of financial performance and accountability measures for the university, including reporting requirements and evaluation mechanisms.

Ensure a rigorous control environment and internal control structure that protects and safeguards institutional assets against losses.

The Chair of the Committee shall have the prerogative to defer Committee actions, where, in their opinion, the matter at hand is better suited for full Board consideration.

The Chair of the Committee shall provide a standing report at each Board meeting as to the Committee's activities in the interim.

Operating budget and general finance issues

Advise the Board on the management of the ongoing financial and administrative affairs of the university



Evaluate, monitor, and advise the Board on enterprise risk posed by, but not limited to, capital projects, debt, and budget allocations.

Oversee the annual tuition and fee approval process that: 1) ensures resident student access and affordability are maximized to an extent feasible by meeting the Board's affordability goals; 2) includes significant student involvement and input in both the formulation and approval processes each year; and 3) combines the approval processes for both the academic year and summer session into one action in spring each year.

Review and recommend the annual operating budget to the Board and approve any changes above Board thresholds thereto each year.

Accept quarterly budget management reports for the university and annual audits.

Ensure that all required audits are conducted on time.

Review and approve treasury management policies and contracts.

Review and recommend to the Board bond sales, including issuing determinations that a project is self-supporting and self-liquidating where applicable to the extent permitted by law, Certificate of Participation (COP) sales, and other financing agreements.

Review and recommend to the Board the Investment Policy Guidelines for the quasi-endowment and other university-directed investments as needed.

Review the quarterly and annual investment reports of the quasi-endowment and other university-directed investments as needed.

Capital budget issues

Review and recommend to the Board capital construction budgets as outlined in Section 1.6, Board Statement on Delegation of Authority.

Review and recommend to the Board transfers of interest in university-owned real property in accordance with Board Statements or University policies.

Business operations

Focus the business functions of the university on supporting the university's mission and the Board's priorities.



Provide oversight of the procurement and contracting policies, including, but not limited to monitoring minority, women-owned and emerging small business utilization, certain sole source contract approvals, special procurement processes, and emergency procurements.

Provide oversight of WOU risk management policies.

Cybersecurity and Emergency Preparedness

Provide oversight of information security, cybersecurity, campus security programs, annual security and fire safety report required by the CLERY act, and emergency preparedness plans.

Organization

Membership; Structure; Quorum

The FAC, consistent with the Board Statement on Committees, will consist of five members from the Board of Trustees. The chair of the FAC will be appointed by the Board chair. A quorum of the FAC will be three committee members, excluding the Vice President for Administration.

Meetings

The FAC will meet at least four times each year. FAC meetings will be conducted in substantial compliance with the Board Statement on the Conduct of Public Meetings. Because committees meet more frequently than the full Board of Trustees, the Chair or staff are encouraged to convene meetings by telephone or videoconference for the convenience of the committee members.

Agenda, Minutes, and Reports

The chair, in collaboration with the staff designee(s), is responsible for establishing the agendas for meetings. An agenda, together with relevant materials, will be sent to committee members at least seven (7) days in advance of the meeting. Minutes for all meetings shall be drafted by the staff designee(s), reviewed by the Secretary to the Board, reviewed by the committee chair, and approved by committee members at the following meeting.

Staff Designee

The Vice President for Finance and Administration will be staff to the FAC.



Review of Charter

This charter shall be reviewed and reassessed by the FAC at least annually, and any proposed changes shall be submitted to the board for approval.

Document History

- Discussed and revised at May 27, 2015 FAC Committee Meeting
- Approved by the Board of Trustees at October 28, 2015 Meeting
- Discussed and revised at April 6, 2023 FAC Committee Meeting
- Approved by the Board of Trustees at April 19, 2023 Meeting