Southern Oregon University
Financial Sustainability Plan

- Financial sustainability goals through the next biennium: (1) achieve a 5% ending E&G fund balance by June 30, 2015 (FY15), and (2) achieve a 10% or better ending E&G fund balance by June 30, 2017 (FY17).

- Projections show 5% fund balance at end of FY15 assuming flat enrollment; 5.7% fund balance with conservative enrollment growth of 1.2% in FY15.

- Projections show 10.4% fund balance at the end of FY17 assuming flat enrollment; 16.2% fund balance if we assume enrollment growth of 1.2% in FY15, 2% enrollment growth in FY16, and 2% enrollment growth in FY17.

- Key actions: (1) academic retrenchment ($3.3M-$5M); (2) academic affairs reorganization ($1.289M); (3) administrator furlough days ($0.188M); (4) increased administrative overhead assessment ($0.9M); and (5) one-time savings ($5M).

- Total one-time and permanent reductions: between $10.7M - $12.4M depending on the depth of retrenchment reduction.

- Largest variables: enrollment and faculty bargaining.

- Other financial impacts could result from changes in OUS: the University Shared Service Center (USSC), TRU shared services, and other significant costs such as unbundling of the PEBB composite rate, risk pool, and student building fee fund. Total potential annual financial impact is $10.4M for the TRUs or $3M for SOU.

- Estimated board costs are $160K - $300K. This estimate includes shared board legal services, media/communications services, and general board support.