



Oregon

Kate Brown, Governor

Higher Education Coordinating Commission

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Representative Tobias Read, Chair

House Committee on Higher Education, Innovation, and Workforce Development

Dear Chair Read,

This letter outlines the role of the Higher Education Coordinating Commission (HECC) regarding the ongoing financial restructuring at Eastern Oregon University (EOU) and Southern Oregon University (SOU).

House Bill 4018 (2014) (enclosed) set forth a pathway for the Oregon State Board of Higher Education (OSBHE) to endorse, not endorse or endorse with conditions the creation of institutional governing boards at the four Technical and Regional Universities. Given concerns regarding the financial condition, enrollment stability and mission alignment of both EOU and SOU the OSBHE endorsed the creation of institutional boards with a set of conditions. These conditions establish a timeframe for review and evaluations by the OSBHE, and subsequently by the HECC, before the assumption of governing authority by the institutional boards of trustees.

Conditions approved by the OSBHE (enclosed) focus on the core issues that necessitated their creation and are designed “to clarify and strengthen their mission, to develop strategies to foster a competitive niche within the institution’s mission, and provide a pathway towards long-term financial viability.” They also provide a timetable for review and evaluation including a first review by the OSBHE to be completed by June 30, 2015 and a subsequent and final review by the HECC by December 31, 2015 and December 31, 2017 respectively. In an effort to clarify and provide guidance to the institutions, the Chancellor’s Office developed a set of retrenchment benchmarks (enclosed) that focus on financial performance, enrollment and faculty loading.

The HECC recognizes the considerable efforts of EOU, SOU, their respective boards and the OSBHE to position both institutions for long-term success. Commission staff will continue to work collaboratively with EOU and SOU to meet our obligations as articulated in HB 4018 and through the conditions approved by the OSBHE and endorsed by the Governor. Eastern and Southern Oregon Universities fill a critical need in educating rural Oregonians and their continued strength is integral to achieving the 40-40-20 attainment goal.

If you have further questions, please do not hesitate to contact our legislative deputy director Dana Richardson at dana.richardson@state.or.us.

Regards,

Ben Cannon

Executive Director, HECC