

EXECUTIVE SESSION OF THE BOARD – less faculty, staff, and student (12:15pm – 12:30pm)

The Board will meet in Executive Session per ORS 192.660(2)(f) and ORS 40.225 Rule 503 to consider information or records that are exempt by law from public inspection and to have confidential communication subject to attorney-client privilege.

Board of Trustees Meeting Agenda

	<u>Page</u>
1. Call to Order/Roll/Declaration of a Quorum (1:15pm) <i>Chair Jessica Gomez</i>	
2. Reports (1:15pm)	
2.1 President (20 min) <i>President Naganathan</i>	1
2.2 ASOIT (1:35pm) (10 min) <i>Presidents Mason Wichmann (KF) and Peter Wantuck (PM)</i>	
2.3 Administrative Council (1:45pm) (10 min) <i>Associate Dean Jolyn Dahlvig</i>	12
2.4 Strategic Enrollment Management (1:55pm) (10 min) <i>Provost Joanna Mott</i>	17
2.5 Faculty Senate (2:05pm) (20 min) <i>President Don McDonnell</i>	
2.6 COVID-19 – written report only	19
2.7 Legislative – written report only	21
2.8 Foundation – written report only	23
2.9 Academic Quality and Student Success Committee (2:25pm) (5 min) <i>Trustee Brown</i>	
2.10 Finance and Facilities Committee (2:30pm) (5 min) <i>Vice Chair Vince Jones</i>	
2.11 Executive Committee (2:35pm) (5 min) <i>Chair Jessica Gomez</i>	
3. Consent Agenda (2:40pm) (5 min) <i>Chair Jessica Gomez</i>	
3.1 Approval of the Minutes of the April 8 and April 20, 2021 Meeting	25
3.2 Recommendation of Approval to the Provost's Council to Offer a BS in Surveying Online <i>Recommendation of the AQ&SS Committee</i>	
3.3 Recommendation of Approval to the Provost's Council to Offer a Graduate Certificate in Integrated Behavioral Healthcare and Medical Family Therapy <i>Recommendation of the AQ&SS Committee</i>	
4. Discussion Items (2:45pm) (10 min) <i>Chair Jessica Gomez</i>	
4.1 July 15-16, 2021 Board Retreat	
5. Action Items (2:55pm) (60 min)	
5.1 Approval of the 2021-22 Fiscal Year All Funds Budget <i>VPFA John Harman</i>	33
6. Other Matters – none	
7. Public Comment (3:55pm) (15 min)	
8. Adjournment (4:10pm)	

President's Report

Dr. Nagi Naganathan, President

Oregon Tech Board of Trustees – May 27, 2021



Topics for Today

- Contract with Faculty Union
- Campus Climate & Culture
- HB 2472 Polytechnic Designation
- Financial Literacy Program
- Green Zone Training
- Spring 2021 Commencement
- Facilities & Capital Projects
- Recent Accomplishments



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Contract with Faculty Union

- ⦿ Labor contract is for 5 years
- ⦿ Guaranteed 11.5% salary increase over life of contract (with additional 3.5% or more possible through merit increases)
- ⦿ Competitive healthcare benefits

Poised to emerge from this contract negotiation stronger and with a renewed vigor



3

Campus Climate & Culture

Culture Assessment

A tool to collect and measure employee perceptions on a variety of topics to create an in-depth understanding of the existing culture and to provide assistance in creating action plans which will strengthen the culture and improve organizational performance.



RFP Process Underway

RFP process is currently being developed to hire a 3rd party to conduct culture assessment.

4

- ② Unanimously approved by the House
- ② Upon approval by Senate education committee and vote of full Senate and any other legislative processes, it will head to the Governor's office for signature



Owls' Worth: Financial Literacy

- 6 sessions during spring term
- Topics included: Budgeting, Credit Building, Investing, Loans, Creative Saving
- \$750 in scholarships raffled at each session with \$1,000 grand prize scholarship drawing

A Hands-On Approach to Funding Your Future



Green Zone Training



- ★ Understand veteran transition from military to campus
- ★ Identify campus resources
- ★ Develop an understanding of military experience and terms
- ★ All Faculty and Staff welcome



APRIL 22 2:00-3:00

**LED BY JAY HEADLEY,
DIRECTOR OF VETERAN SERVICES**



7

Spring 2021 Commencement



Dr. Carol Dahl

EXECUTIVE DIRECTOR
The Lemelson Foundation



Duncan Wyse

PRESIDENT
Oregon Business Council

- Virtual commencement ceremony on June 12th via YouTube
- All campus ceremonies broadcast for the Colleges of ETM and HAS
- **Student Speakers:** Christian Gomez, Josie Page Hanel, & Walker M. Y



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BRINGING HOME THE GOLD



★ Revitalizing Oregon Tech's Track and Field Facility ★

Track and Field

Improvements have started on Track and Field project



Oregon TECH
Oregon Institute of Technology

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Student Accomplishments

- ◎ Tech Opportunities Program (TOP) Achievements
- ◎ STEM&M Program at Mazama High School
- ◎ 7th Annual Catalyze Klamath Falls Challenge
- ◎ Simpson Strong-Tie Student Scholarship
- ◎ NASA Student Airborne Research Program Internship
- ◎ Student Steel Bridge Competition | ASCE
- ◎ Baja SAE International Race Competition

TOP of their Class

with high academic
achievements during
fall or winter terms.



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STEM&M Program

students qualify for more
than \$12,000 worth of
Oregon Tech scholarships.



14



Catalyze Klamath

student entrepreneur teams
competed for over \$18,000
in seed money.



15

Scholarships & Internships



Kela Leamy
CIVIL ENGINEERING

2021 Simpson Strong-Tie
Scholarship recipient



Eleanor Kenyon

ENVIRONMENTAL SCIENCES

NASA Student Airborne Research
Program (SARP) internship



16

Steel Bridge Competition

Civil Engineering students participated in the ASCE Competition (from campus).



17

Baja SAE Competition

6th

Maneuverability

16th

Acceleration

21st

S&T, Endurance

23rd

Sled Pull



18

Faculty Accomplishments



Dr. Charles "C.J." Riley
PROFESSOR, CIVIL ENGINEERING
2021 ASEE PNW Outstanding
Teaching Award



Dr. Christopher J. Syrnyk
ASSOCIATE PROFESSOR, COMMUNICATION
Appointed President of Western
Regional Honors Council



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Faculty Teaching Award



Don McDonnell
PROFESSOR, MEDICAL IMAGING TECHNOLOGY

Awarded by the
Oregon Tech Foundation
and the Commission on
College Teaching



Phong Nguyen
ASSISTANT PROFESSOR,
COMPUTER SYSTEMS ENGINEERING TECHNOLOGY



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Athletics Highlights



SOFTBALL	WOMEN'S SOCCER	MEN'S BASKETBALL
RANKED 21 ST NATIONALLY NAIA NATIONAL TOURNEY CCC CHAMPIONS	RANKED 19 TH NATIONALLY RECORD BREAKING SEASON	2 ALL-CONFERENCE TEAM 2 HONORABLE MENTION

Thank You!

Questions and Comments

Nagi.Naganathan@oit.edu



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Administrative Council of Oregon Institute of Technology

TO: Oregon Tech Board of Trustees
 CC: President Naganathan and Sr. Leadership
 FROM: Administrative Council Leadership Team and
 Administrative Council Co-chairs, Zach Jones and Jolyn Dahlvig
 DATE: May 19, 2021

The Administrative Council board report for May 2021 centers on a “pulse check” survey of unclassified staff. Co-chairs Zach Jones and Jolyn Dahlvig reviewed the summary results (included below in full) with President Naganathan on Tuesday, May 18. Please review the information provided and consider the recommendations of Administrative Council. The board ensures the fidelity to our mission, as well as maintain fiduciary responsibility; campus culture is an essential component of achieving our collective goals. Unclassified staff thoughtfully and robustly provided insight and recommendations regarding campus culture that stretch beyond the recent strike.

Administrative Council “Pulse Check”

Given Faculty Senate’s vote of no confidence in President Naganathan’s leadership, the Board of Trustees subsequent memo, and the AAUP/Administration faculty contract negotiation process, the Administrative Council (AC) Leadership Team emailed 130 unclassified staff eleven open-ended questions to capture perceptions of how these events impact the campus. The survey was launched April 21, 2021 and stayed open until April 30, 2021 yielding 94 responses or a 70% response rate.

AC communicated that the intent of the *Pulse Check* was to “see how you [unclassified staff] are doing - and provide an opportunity to give feedback/direction to Administrative Council. The data gleaned from this Pulse Check will be used in the following ways:

1. Inform Admin Council’s advocacy on behalf of unclassified staff;
2. Identify ways that Admin Council may be able to support unclassified staff;
3. Discover how Admin Council might best represent unclassified staff to the Senior Leadership; and
4. Create action plans based on employee feedback.

Admin Council will summarize AC action plan in a memo to President Naganathan and Sr. Leadership, share the memo with unclassified staff via the Admin Council Teams channel, and incorporate the memo into Admin Council’s report to the Board of Trustees.”

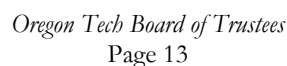
Respondents were asked which division aligned most closely with their position.

- Student Affairs – 28%
- Finance and Administration and Advancement – 27%
- Academic Affairs and Strategic Enrollment Management– 24%
- Other – 23%

Eleven open-ended questions were asked of respondents. While the personal narratives of respondents were extremely poignant and powerful, AC leadership decided not to use their actual words in this summary for two reasons: we want to protect the anonymity of our constituents and we want to focus on positive steps moving toward reconciliation. Our hope is that this snapshot of administrative staff will inform where we go from here. Main themes were identified for each question and summarized below:

How would you describe the atmosphere on campus?

Responses were edited to be one word vs. phrases or sentences and to delete punctuation. Word size indicates frequency.



2.3 ADMIN. COUNCIL REPORT

- Concern about the University's image and reputation, particularly given the negative media attention, and

- Wondering if our alumni will continue to support a university that is so divided, and
- Pointed out that negative press has more lasting power than positive news.

Loss of Jobs/Layoffs/Cut in pay

- Concern that faculty raises and the salary increases given to SEIU staff will result in steep tuition hikes and financial cuts elsewhere in the University,
- Fear that their jobs will be first on the cutting board because they do not have union representation, and
- Concern that staff loss will further strain the workload that administrative staff carry.

What questions do you have for the bargaining team that have not been answered?

These questions were forwarded to Maureen DeArmond on Tuesday, April 27 (bargaining team met Wednesday, April 28) and on a cumulative list sent Friday, April 30.

What questions do you have for the Sr. Leaders/Administration that have not been answered?

Campus culture

- Why do so many people feel underappreciated? (faculty and staff)
- How can Sr. leaders show (through actions, not words) that we are Oregon Tech Together?
- This survey is the first time I'm being asked about what is going on – why do Sr leaders not ask and therefore, not listen? We are not ok– and communicating “we have a plan, trust us” feels dismissive and out of touch with reality.
- How are you going to work with the Oregon Tech community to gain the trust that has been lost?
- How will you work toward common ground with faculty?
- Has the university conducted a study about employee retention/turnover and why people choose to leave?
- What are some examples of actions taken post-climate assessment?

Finances

- Will the money we saved by doing furloughs be used for faculty raises/outcomes of the bargaining?
- How will the faculty contract impact unclassified staff salaries/benefits?
- Given a flat budget for FY22, cuts seem inevitable as a result of the pending faculty contract– when will we know how much we need to cut?

Bargaining Process

- Why do some of the public statements about bargaining have to be so negative toward faculty? The squabbling and finger pointing are demoralizing.
- Why are we prioritizing negotiation strategy and the “upper hand” over the wellbeing of employees and students?
- After an agreement is reached, will the bargaining team explain more of what happened?
- Could unclassified staff unionize?
- How will we make this [strike/lack of faculty] right with students?

What role would you like to see Admin Council play (if any) during these times?

When asked what role constituents would like to see Admin Council play 10 respondents answered that they would like Admin Council to be strong in their actions as unclassified representation and to advocate more while 7 respondents indicated that they liked the actions and current role of Admin Council and 3 respondents asked that Admin Council stay out of conflict between faculty and Sr. leadership.

Comments highlighted that unclassified staff are the most vulnerable because they do not have union representation therefore Admin Council needs to fight so that budget cuts do not disproportionately impact unclassified since “it’s easy” vs. bargaining with unions. Comments also encouraged Admin Council to be more vocal and “take a stand” in protecting unclassified constituents.

Additional recommendations requested continued and regular communication and to push Senior leadership for greater transparency. Seven respondents also indicated that they would like Admin Council to find ways to further support staff and continue to foster positive relationships.

Finally, some respondents indicated a need for unclassified staff to provide anonymous feedback and speak without fear of discipline/retaliation. For open forums, organizers need to be conscious of power dynamics and the hesitancy of unclassified staff to voice concerns.

How could Admin Council help you during this time?

When asked how Admin Council could help respondents during this time some respondents asked for additional support and encouragement or methods to break up the continuous stress. Suggested methods of support included:

- Admin Council reaching out and doing periodic check-in with unclassified staff,
- team-building exercises,
- providing spaces for people to talk freely,
- coffee hours and other social events, and
- encouraging supervisors to be more flexible with staff and promotion of work-life balance.

A similar number of respondents stated that they were fine and had no needs, while a few encouraged ongoing communication from Admin Council and a couple respondents asked for less communication. Some requested Admin Council to advocate for:

1. unclassified staff salary increases,
2. professional development opportunities, and
3. positive and engaging discussions.

During the Admin Council sponsored meeting with Sr. Leaders, Dr. Fincher asked what unclassified staff need from Sr. Leaders. How could Sr. Leadership support you during this time?

Within the comments from this question, several specific suggestions emerged for Sr. Leaders:

- We need resources/ideas on how to repair relationships with faculty
- Be visible around campus/intentionally visit buildings and departments to show support
- Improve communication across divisions and between organizational levels
- Consider having someone outside of Sr. Leadership vet communication to gain new perspectives or understand how words “may land” with different employee groups
- Conduct 360 evaluations of Sr. Leaders annually so affirmations can be given, and concerns can be addressed regularly.
- Create internal promotion opportunities to encourage/reward good work and commitment to the university
- Be cognizant of the extra work created by pandemic, strike, staff turnover – what could we stop doing to make room for the extra work so staff do not burnout?
- Sr. Leaders are so busy – work toward delegation/empowerment of teams
- Instead of lengthy emails about bargaining, state something generally positive and link to the negotiations website
- Find ways to celebrate our achievements/recognize our hard work
- Complete a compensation study – there’s perceived unfairness with unclassified staff salaries as well faculty

Comments expressed concern for Sr Leader capacity and limited bandwidth given multi-faceted circumstances like the pandemic, a faculty strike, and faculty dissatisfaction with the administration. A respondent shared concern that there is a lot not getting done because Sr. Leaders are stretched too thin and decision-making is centered at the top. A few respondents summarized that because so many Sr. Leaders are on the bargaining team, it is unreasonable to expect they can keep up with their full-time jobs. There are things getting missed and/or no traction on strategic planning committees (Pillars), software implementation/training, and other initiatives.

Finally, some comments referenced campus culture making it apparent that a signed faculty contract does not mean that everything will be ok; the current issues are bigger than the bargaining process. Additionally, a staff person wanted to communicate that staff are “dealing with things like financial insecurity as family members have lost jobs, they have family members who are ill or passed away, departments are short-staffed and have one person covering multiple roles.” The lasting impact of the pandemic continues.

Once a faculty contract is reached, what ideas do you have for bringing campus together/heal fractured relationships?

- Break down silos by communicating across divisions/create opportunities for shared work
- Open and honest conversations
- Educate all community members on higher education finance so are informed consumers
- Host social get togethers to get reacquainted – the 75th Anniversary may be a good refocus
- Increase presence around campus and with employees/students
- Compromise on things that matter to faculty and administration (like the President's office location) to demonstrate goodwill – the President may need to make the first step
- Hold all employees accountable for poor behavior, regardless of classification
- 360 evaluation of the President and Sr. Leadership
- Listening sessions across the university that includes all stakeholders (classified, unclassified, faculty, students, Sr. leadership, trustees)
- Agree on a definition of shared governance and write it into policy / update policies with input from relevant stakeholders
- Hire a leadership expert (with a proven record in higher ed) to guide Oregon Tech through a research-based reconciliation process. Create and publish an action plan focused on healing (not other future actions) that specifically outlines course of action.

Administrative Council Recommendations

The Administrative Council leadership shared this summary of the Pulse Check with our constituents at the May 12th meeting. Suggestions generated by unclassified staff:

- Be authentic, transparent in communication, but also timely.
 - For example, the news of a 3% retroactive pay increase was wonderful news. And, many questioned how the university could afford a pay increase given the financial realities across the state. Further explanation may alleviate fear that students would experience a tuition increase.
- The tone of negotiation updates from the administration and faculty needs to be addressed directly (*proverbial elephant in the room that no one is talking about*). Ideally, an apology for how the accusatory tone negatively impacted our campus culture may help the community move forward; an authentic apology may need time.
- Communicate a clear process and timeline for identifying someone to not only complete a campus culture assessment but to facilitate a reconciliation process (e.g., listening sessions).
- Support opportunities for civil, positive interactions to build dialogue and trust.
 - Admin Council will continue social hour conversations.
 - Admin Council launched the Kudos program.
 - Admin Council will continue “Owl Leaders are Readers” initiative.



OFFICE OF THE PROVOST

Dr. Joanna Mott
3201 Campus Drive, Klamath Falls, OR 97601

Enrollment Report for the Board of Trustees, May 2021

FALL 2021 Enrollment data (as of 05/14/21) comparison with same date last year

FRESHMEN

Klamath Falls and Portland Metro

	Completed Apps	Admits	Declined	Deposits	Yield
FY 21	4857	4079	2413	537	13.2%
FY 20	4357	3958	1619	449	11.3%
change	11.5%	3.06%	49%	19.6%	

Deposits by Campus

	Fall 2020	Fall 2021	Change
KF	414	484	16.9%
PM	35	53	51.4%

Deposits by Residency

	Fall 2020	Fall 2021	Change
WUE	85	117	37.6%
Resident	337	376	11.6%
Non resident	14	35	150%
International	0	4	
Other *	13	5	

*nonresident reciprocity - processed in spring - Siskiyou, College of Redwoods, Shasta; tuition equity

Highest deposit programs

Mechanical Engineering	79	(21.5% increase)
Pre-Medical Imaging Technology	101	(36.5% increase)

TRANSFERS

Klamath Falls and Portland Metro

	Completed Apps	Admits	Declined	Deposits	Yield
FY 21	703	558	63	280	50.7%
FY 20	576	410	32	222	54.1%
change	22.0%	36.1%	96.9%	26.1%	

Deposits by Campus

	Fall 2020	Fall 2021	Change
KF	159	201	26.4%
PM	63	79	25.4%

Deposits by Residency

	Fall 2020	Fall 2021	Change
WUE	25	32	28.0%
Resident	160	204	27.5%
Non resident	15	32	113.3%
International	1	3	
Other *	21	9	

*nonresident reciprocity - processed in spring - Siskiyou, College of Redwoods, Shasta; tuition equity

Highest deposit program

Pre-Medical Imaging Technology 77 (148% increase)

Housing contracts compared to same date last year

2021-22 686 contracts + 77 contracts pending completion
 2020-21 683 contracts

GRADUATE PROGRAMS

20 deposits (up from 4 last year)

Applied Behavior Analysis - 8

Renewable Energy Engineering – 6

ONLINE PROGRAMS

Deposits not paid, tend to apply later. Currently 2.3% increase from last year (134).



COVID-19 Report to the Oregon Tech Board of Trustees May 19, 2021

By Erin Foley, Vice President for Student Affairs and COVID-19 Response Lead

The COVID landscape continues to change on a regular basis. Since the last Board meeting in April, a COVID surge (the fourth one) occurred across the state and the campus was also impacted. It is clear from the table below that spring term is worse than winter term for numbers of people impacted, which was not predicted.

	KF Students	PM Students	Salem Students	Employees	Total
Testing on campus (as of 5/12)	317	NA	NA	NA	317
Isolations: Fall	272	22	6	64	364
Winter	79	4	6	33	122
Spring (as of 5/18)	192	1	0	34	227
Positive cases: Fall	65	4	3	10	82
Winter	24	3	0	5	32
Spring (as of 5/18)	40	1	1	6	48

The following table provides broader indicators of COVID response over the year for the Integrated Student Health Center staff who manage COVID on a daily basis.

ISHC student contacts for:	Fall 2020	Winter 2021	Spring 2021 (as of 5/18)	Total
COVID issues	517	172	229	918
COVID test results (given verbally)	484	250	483	1,217
Students in Housing to isolate/quarantine	56	18	51	125

On May 13, the CDC changed its guidance for lifting face coverings and physical distancing requirements for fully-vaccinated individuals. Governor Brown acknowledged these changes for Oregon with exceptions for specific areas, including schools. Oregon Tech announced the face covering and physical distancing requirements would continue through spring term for all activities, including classes/labs and social events.

As Governor Brown has stated, the vaccine is the best protection for individuals and the community. Oregon Tech is in discussions about whether or not a COVID vaccine requirement should be implemented for fall 2021 term, with appropriate exemptions provided.

Activities on campuses this summer will include some in person classes and possibly some camps. The summer will again be spent on planning for the new academic year with guidance from CDC, OHA, OSHA, HECC, NAIA, and local public health agencies. The plan is for in person classes and labs for all locations and a return to the typical athletic seasons and social activities.

A group is working to identify how the federal COVID funds have and will be allocated to support students, address lost revenues, upgrade technology and cover PPE expenses from this year as well as next year. It is anticipated this work will continue into the next academic year.

Although the traditional campus commencement events are not occurring again this year, the academic programs are working to provide a recognition event of some sort for their graduates. Many of these will be in person towards the end of the term. Several new activities are being held this year for graduates: photo opportunities, and a drive through celebration on June 10 (PM) and June 12 (KF).

I again need to recognize the efforts of many others who play significant roles in our response to COVID as I'm not doing this alone. I appreciate everyone's past efforts and their continued efforts as we move forward.

2021 Regular Legislative Session Update:

- The 2021 legislative session continues to operate remotely with all committee work held virtually on Microsoft Teams and the Oregon Capital Building remains closed to the public except legislators and select staff.
- Oregon Tech priorities update for the 2021 Regular Session:
 - [HB 2472, Designates Oregon Institute of Technology as Oregon's Polytechnic University](#)
 - A public hearing was held in the Senate Committee on Education on April 26, 2021 with Representatives E. Werner Reschke and Courtney Neron and Senators Betsy Johnson and Dennis Linthicum testifying in support of measure. Oregon Tech Board of Trustees Vice Chair Vince Jones testified orally in support and Chair Jessica Gomez submitted written testimony for the record. Several Oregon Tech students and faculty also testified during the public hearing, providing both written and oral testimony.
 - A work session was held on May 17, 2021 in the Senate Education Committee where they adopted the [-1 amendments](#), which add language to the preamble that further recognize the faculty of Oregon Tech. Next, the bill will be scheduled for a vote of the full Senate.
 - Oregon's Public Universities presented to the joint university capital projects list to the [Joint Ways and Means Capital Construction Subcommittee on April 23rd, 2021](#) which included Oregon Tech's Learning Resource Center Project and the self-funded \$55M 30-year XI-F bonded dorm for the Klamath Falls campus. Final decisions for which projects will be approved for state bonding are not expected until mid-June.

Federal American Rescue Plan (ARP):

- The [US Department of Education \(DOE\) announced \\$36 billion in emergency grants under the American Rescue Plan \(ARP\) on May 11, 2021](#) for higher education institutions and updated guidance for allowable uses of those funds.
 - Under a formula, [Oregon Tech has been awarded \\$7,334,562](#), half of the funding, approximately \$3,734,703, must be provided as direct relief for students on emergency grants. Eligibility for students to receive emergency financial aid grants was also expanded under the guidance to include to all students enrolled in an eligible institution during the COVID-19 pandemic including undocumented and international students, who had been excluded from the qualifying for the emergency student grants from the prior federal relief packages.
 - [Additional guidance](#) was also released to define applicable uses for in the institutional aid portion of the ARP for covering costs incurred from the COVID-19 pandemic dating back to March 13, 2020 including lost revenue, reimbursement for expenses, investments in technology for the transition to distance learning, faculty and staff trainings. The institutional portion can also be spent on additional emergency financial grants to students. In addition, institutions are required to use a portion of the institutional funds for mitigating the spread of COVID-19 on their campuses and conducting direct outreach to students for emergency financial aid grants.

2021-2023 Projected Budget Update:

- The Higher Education Coordinating Commission (HECC) presented their agency budget to the Joint Ways and Means Subcommittee on Education on April 7, April 12, April 14, April 19, April 21, April 26, April 28, May 3, and May 12, 2021 which included participation from each of Oregon's Public Universities.
 - o Oregon Tech Alumna, Ashley Cox, participated in the HECC's presentation during the April 28th meeting discussing the impact of Oregon Tech's hands-on teaching approach and educational opportunities to her career success.
 - o Oregon's Public Universities jointly presented their budget request of \$900 million for the Public University Support Fund (PUSF) during [the HECC presentation days on May 3rd, 2021](#). This presentation also included a presentation of the other university budgetary requests with of the university state programs, including Oregon Tech's Oregon Renewable Energy Center (OREC), Statewide Programs, and Sports Lottery Fund.

Oregon's Economic Forecast:

- [Oregon's June 2021 Revenue Forecast](#), projected a significant rebound of Oregon's recovering economy with projected combined general and lottery fund revenue for the 2021-2023 biennium \$1 billion above the March 2021 revenue forecast. A \$1.4 billion kicker rebate is expected to trigger next year with state revenues projected to be 2 percent higher than forecasted. Oregon's labor market is expected to return to pre-pandemic levels during the 2021-2023 biennium due to significant federal investment, increased vaccine rates, and continued reopening and recovering from the COVID-19 pandemic.
- This will be the final revenue forecast before the legislative session concludes and what the legislature uses for making all final decisions about the 2021-2023 biennial budget.

Staff Recommendation

Report only, no action necessary.

University Advancement/Oregon Tech Foundation Update Board of Trustees Report, May 27, 2021

It is an honor to share with the Oregon Tech Board of Trustees this report regarding the ongoing philanthropic, and alumni engagement efforts of the Oregon Tech Institutional Advancement and Oregon Tech Foundation team.

To date, the Foundation has provided \$1,062,000 in support to the University.

Advancement: Primary goals related to raising the remainder of the funds needed for the Track renovation, an increase to scholarship funds, and expanding our annual and planned giving programs.

- Bringing Home the Gold, \$2.5M Campaign to Revitalize the Track and Field Facility
 - Launched March 10 with a \$100,000 matching opportunity – met the match within the first month - \$650,000 remaining.
 - Endorsed by Olympians Dan O’Brien and Ashton Eaton

Give A Hoot Day: over \$165,000 was donated by 355 donors during Give A Hoot Day, an increase of 106% over last year. This was the best Give-A-Hoot Giving Day thus far. The advancement staff utilized a new online giving program, instituted an intergenerational alumni challenge, and had several challenge/matching gifts realized.

Endowment Status: As of the end of the first quarter, 2021, the net assets of the Foundation are \$26.8M in all endowments, including the quasi-endowment; \$19.3M when the quasi-endowment is excluded.

Leadership Gift Officers: Two new leadership gift officers are being hired, one for each college (HAS and ETM). I expect at least one of these positions will be located on the Wilsonville Campus. I hope to have these positions filled by the start of the fall term.

Giving Society Recalibration: We have retooled our giving society nomenclature to be more in line with best practices, while also maintaining an Oregon-based connection. The Purvine Legacy Society will be actively promoted through donor communication materials as well as the Crater Lake Leadership Society which will have new named levels of recognition.

Alumni Relations: Alumni Relations continued to host virtual events during the 2020/2021 academic year including the Oregon Tech Together speaker series, networking opportunities for students and alumni, specific departmental events with faculty, students, and alumni speakers, and workshops with career services. The annual Golden Owls Reunion will be held from June 10-12, 2021 and will be virtual, including an estate planning workshop, a trivia night, a reunion brunch, and the alumni awards celebration. The Alumni Advisory Board continues to grow in numbers and diversity. The Reno alumni are hoping to gather for their annual BBQ this August.

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The Alumni Association awarded the following people with awards for 2021:

Rebecca Powers '77	Distinguished Alumna
Greg Wade '87	Distinguished Alumnus
Mary Campbell '84	Scientific Achievement
Erika Meng '19	Recent Alumni Achievement
Autumn Breeze Engh '17	Outstanding Alumni Veteran
Todd Breedlove '96	Alumni Spirit
Don and Sherrill Boyd	Honorary Alumni
Bert King	Honorary Alumnus

Scholarships Awarded: Awarded 338 scholarships worth \$913,338. The average award amount is \$2,702.

Aspirations and Events:

- The “Grand Re-opening Celebration” to be held this fall (Covid permitting)
- The Bringing Home the Gold Ceremony (Featuring Olympians)
- Scholarship Banquet - recognizing scholarship awardees and donors

To continue to grow the philanthropic programs and our capacity to fundraise; to expand our industry partnerships and financial support; to break the \$1,000,000 mark in scholarships being awarded; to establish Alumni Affinity programs; to host an inaugural Gala, to increase student and faculty-based research support; to meet capital project fundraising goals.

Respectfully Submitted,

Dr. Ken L. Fincher, CFRE, CEA
Oregon Tech
Vice President of Institutional Advancement
Executive Director of the Foundation



**Meeting of the
Oregon Tech Board of Trustees
Sunset Room, Klamath Falls Campus
And virtually via Microsoft Teams
April 8 and 20, 2021
2:00pm – 4:10pm
9:00am - Noon**

April 8, 2021

EXECUTIVE SESSION OF THE EXECUTIVE COMMITTEE (12:30pm – 12:45pm)

The Board met in Executive Session per ORS 192.660(2)(f)(h) and ORS 40.225 Rule 503 to consider information or records that are exempt by law from public inspection and to have confidential communication subject to attorney-client privilege.

EXECUTIVE SESSION OF THE BOARD (1:00– 1:45pm)

The Board met in Executive Session per ORS 192.660(2)(d)(f) and ORS 40.225 Rule 503 to consider information or records that are exempt by law from public inspection and to have confidential communication subject to attorney-client privilege.

**Board of Trustees Meeting
DRAFT MINUTES**

Trustees Present:

Jessica Gomez, Chair (in person)
Jeremy Brown
Lisa Graham
Tim Hasty (in person)
Kathleen Hill

Vince Jones, Vice Chair
Rose McClure (in person)
Jill Mason
Nagi Naganathan, President (in person)
Mike Starr

Paul Stewart
Michele Vitali
Fred Ziari

Trustees Unable to Attend:

Kelley Minty Morris

University Staff and Faculty Present:

Maureen DeArmond, AVP Human Resources
Daniel Fallon, Information Technology Consultant
Ken Fincher, VP Institutional Advancement
Erin Foley, VP Student Affairs and Dean of Students (in person)
David Groff, General Counsel (in person)
John Harman, VP Finance and Administration
Scotty Hayes, Information Technology Consultant (in person)
Don McDonnell, Medical Imaging Technology Professor (in person)
Joanna Mott, Provost and VP Academic Affairs and Strategic Enrollment Management (in person)
Adria Paschal, Senior Executive Assistant to the President
Stephanie Pope, Assistant VP Financial Operations
CJ Riley, Civil Engineering Professor (in person)

Students Present:

Shiloh Castelli
Brie Landis

Peter Wantuck
Mason Wichmann

Others Present:

Senator Betsy Johnson

Marla Miller

Linda Riley

1. Call to Order/Roll/Declaration of a Quorum

Chair Gomez called the meeting to order at 2:01pm. The Board Secretary called roll and a quorum was declared.

2. Reports

2.1 President

President Naganathan reviewed a PowerPoint presentation included in the agenda report noting state-level updates, commencement plans, fiscal year 2022 budget, COVID relief funds, faculty union negotiation status, capital projects and improvements, athletic highlights, Executive Think Tank, and celebrations and program updates.

2.2 ASOIT

PM President Wantuck shared that ASOIT is speaking with students to understand their concerns about faculty negotiations and information they are hearing. Looking to help students who would like to support faculty in an effective framework without impacting themselves. He is working with faculty to encourage students to attend courses so they do not compromise their grades. They are looking at hiring for the executive committee of ASOIT.

KF President Wichmann stated that ASOIT successfully engaged students in winter term as well as they could, given the COVID requirements. He relayed that ASOIT approved the student gaming society becoming a student program and is now focusing on officer transitions. He noted the while the issues between faculty and administration impact students, students are not be directly involved in the issues. Three ASOIT representatives will be observing contract negotiations. Regarding faculty's vote of no confidence, he stated he could not directly speak on the relationship between faculty and the president but he feels the president has shown the importance of shared governance and is accessible to ASOIT and students. He noted communication is important and needs to be strengthened across the entire university.

2.3 Administrative Council – written report included in the agenda packet

2.4 Faculty Senate

President McDonnell shared a PowerPoint presentation stating the Senate has taken steps over the past 3.5 years to address their issues, increasing the manner of communication and level of governance each time: asking questions of the president, vocalizing concerns with senior administration, drafting resolutions, presenting to the board of trustees, unionizing in 2018 and now there is a vote of no confidence for the president. He clarified that when he uses the word 'administration' or 'administrators' it is referencing the senior administrators. He noted there was not time to get into details today

and offered for the executive group of Faculty Senate to meet with the trustees if they would like. He read a prepared statement (on file). He listed three things faculty value that make the university different and better: the application of knowledge, relationships of students with faculty (not adjuncts or teaching assistants), and student success. He explained the present environment and situation is problematic for faculty to continue to offer education with these values. He stated there is low morale and increased tension and he started the year as Faculty Senate president with the hope to fix the relationship between faculty and administration but now believes there will be no change and no solution will be forthcoming. He shared there is concern that faculty have not been engaged by administration to address the problems faculty identified; faculty are trying to confront the mistakes and inequities in their work life. He noted faculty's top concern is the students' education but there are less support and resources; resources have been transferred from positions and priorities to administrative compensation, leaving the departments understaffed and having to cancel classes that are full because there are no faculty. He acknowledged Oregon Tech recruits students well but fails to retain them, resulting in flat enrollment over the past 5 years. He stated the end result is a decreased experience for the student. He shared that faculty feel unable to accomplish all that is being asked of them but when the issues are raised administration does not respond. He explained in the past, issues were addressed with the president and administrators often through the systems of shared governance. He stated now the recommendations of committees are ignored, committees are bypassed, or committees without faculty representation are created to work around the existing systems, allowing a single person to make all of the decisions. He shared the faculty feel they have exhausted all avenues to create change and relationships with administration are frayed. He stated emails and press releases sent to the campus degrade the faculty and accuse them of greed, pettiness and slander. Specifically, he cited the email response to faculty senate's input and inquiry for details which came across as "Shut up and do what you're told, your whining is an embarrassment." He explained that part of the issue is the difference in the evaluation processes of faculty and administrators; faculty are evaluated by all levels of stakeholders. He stated the central problem comes down to relationships; senior administrators don't have relationships with faculty, and this causes dismay and distrust. He reiterated the faculty took various steps to address their concerns with no responses. He reviewed slides from a confidence survey and a faculty satisfaction survey administered by the faculty senate welfare committee. He stated the organizational climate has changed and impacted the ability of faculty to enjoy and do their jobs. He stated there are no faculty that desire to strike; faculty are here to support the students. He expects the board to make data driven decisions and noted he provided data. He explained that the faculty are calling for the board of trustees to terminate the contract with Dr. Naganathan.

Chair Gomez recessed the meeting into executive session at 2:54pm.

Based on the Faculty Senate's report of a vote of no confidence, the Oregon Institute of Technology's board of trustees convened in Executive Session per Oregon Revised Statute 192.660(2)(b)(f)(i) to hear complaints brought against an employee, to consider information that is exempt by law from public inspection, to review the employment-related performance of the chief executive officer; and ORS 40.225 Rule 503 to engage in attorney-client privileged discussion.

Chair Gomez reconvened the meeting at 4:30pm.

2.5 Strategic Enrollment Management – no report

2.6 COVID Plan

VP Foley's written report will be sent to the trustees on April 9, 2021

2.7 Academic Quality and Student Success Committee

Trustee Brown recapped the committee meeting noting the committee recommended the board approve offering the BS programs in Business Management and Healthcare Management at a new location, the Portland Metro campus.

2.8 Finance and Facilities Committee

Vice Chair Jones recapped the committee meeting noting the committee accepted the Sponsored Partnerships and Grant Administration internal audit report, approved the revised fiscal year 2020-21 audit plan, recommended the board authorize staff to pursue bond financing for the construction of a new student housing facility on the Klamath Falls campus, and to approve the 2020-21 academic year tuition and fees.

2.9 Executive Committee – no report as no meeting was held

3. Consent Agenda

3.1 Approval of the Minutes of the January 28, 2021 Meeting

3.2 Recommendation to the Provost's Council to approve a new location for the BS in Business Management

3.3 Recommendation to the Provost's Council to approve a new location for the BS in Healthcare Management

3.4 Approval to Pursue Bond Financing for Construction of a New Student Housing Facility

Vice Chair Jones moved to approve the consent agenda. **Trustee Brown** seconded the motion. With all trustees present voting aye, the motion passed unanimously.

4. Discussion Items - none

5. Action Items

5.1 Approval of the 2021-22 Academic Year Tuition and Fees

VP Harman reviewed the PowerPoint presented to the Finance and Facilities Committee. He reviewed the Tuition Recommendation Committee (TRC) makeup, timeline, and process, student feedback, and the recommendations of the committee and the President. The recommendation from the TRC is to increase the undergraduate base tuition (resident, WUE, non-resident) and graduate tuition by 4.9%, increase Health Program and Engineering and Technology differentials by 2 percentage points (35% to 37% premium), and if the approved state budget for 2021-23 biennium increases funding to the PUSF by \$50 million over the current biennium level, decrease the TRC recommended 2021-22 academic base tuition increase by 1%. The President concurred with the TRC recommendation with the modification of the increased funding to the PUSF of "at least \$49 million" in determining the decrease of 1%. There are no amendments recommended to the Portland-Metro fees, and a \$2.00 reduction for the Klamath Falls Incidental Fee.

The Finance and Facilities Committee recommended the board approve the 2021-22 Academic Year Tuition and Fees as recommended by the President.

Trustee Graham stated that this is one of the most important shared governance items the university addresses and she appreciated how the various stakeholder groups worked together.

Vice Chair Jones moved to approve the 2021-22 academic year tuition and mandatory fee schedule as presented in the agenda and authorize the president and/or his designee(s) to take necessary actions to implement and enforce the tuition and fees. **Trustee Graham** seconded the motion. The motion passed unanimously with the following trustees in attendance voting aye: **Graham, Hasty, Hill, Jones, McClure, Mason, Starr, Stewart, Vitali, Ziari.**

6. Other Matters – none.

7. Public Comment

The **Board Secretary** noted the trustees received written correspondence: Dr. Ralph Eccles, Representative Reschke, Senator Linthicum, KCC President Dr. Gutierrez, RCC President Cathy Kemper-Pelle, Foundation Board Member Dee Thompson, 13 Department Chairs, Klamath County Economic Development Association, and a community ad.

District 16 Senator **Betsy Johnson** spoke in support of President Naganathan, noting his successes in gathering external support and recognition for the university.

Professor Emeritus and prior Faculty Senate President **Marla Miller** spoke about compensation plans, downfalls of the university's merit-based pay plan proposal, and the need to evaluate CUPA data to establish fair pay for faculty. She encouraged the board to investigate and intervene to find a sustainable solution to communication, transparency, and shared governance issues.

Medical Laboratory Science (MLS) student **Shiloh Castelli** spoke regarding her disappointment in the communication to students, her support for faculty and the faculty union, and the MLS budget. She asked the board to investigate and transparently report its findings on the alleged inconsistencies and unethical behavior of administration.

Civil Engineering graduate student **Brie Landis** spoke about financial policy lacking transparency, mismanagement, lack of course offerings, overworked professors. She encouraged the board to address the tension and end the egregious mismanagement of funds and lack of transparency.

Linda Riley read a letter on behalf of **Ralph Eccles**. Speaking on her own behalf she requested a handout be given to the trustees and requested the trustees to address her concerns: lack of transparency from president to faculty, need for salary equity, lack of shared governance, need to reach a fair contract with the faculty union.

Civil Engineering Professor **CJ Riley** recognized the progress made under the president's tenure and identified faculty concerns including public misinformation, lack of shared governance, compensation policies not being followed. He stated the faculty feel dismissed, devalued, and disrespected. Would like a fair contract for faculty. He requested the board address the concerns.

8. Adjournment

Meeting was recessed at 5:37pm to reconvene on April 20, 2021 at 9am.

April 20, 2021 Board of Trustees Meeting DRAFT MINUTES

Trustees Present:

Jessica Gomez, Chair
Jeremy Brown
Lisa Graham
Kathleen Hill

Vince Jones, Vice Chair
Rose McClure (in person)
Nagi Naganathan, President
(in person)

Paul Stewart
Michele Vitali
Fred Ziari

Trustees Unable to Attend:

Tim Hasty
Kelley Minty Morris

Jill Mason
Mike Starr

University Staff and Faculty Present:

Maureen DeArmond, AVP Human Resources
Ken Fincher, VP Institutional Advancement (in person)
Erin Foley, VP Student Affairs and Dean of Students (in person)
David Groff, General Counsel (in person)
John Harman, VP Finance and Administration
Travis Miller, Information Technology Consultant (in person)
Joanna Mott, Provost and VP Academic Affairs and Strategic Enrollment Management (in person)
Adria Paschal, Senior Executive Assistant to the President (in person)
Stephanie Pope, Assistant VP Financial Operations

1. Call to Order/Roll/Declaration of a Quorum

Chair Gomez reconvened the meeting of April 8, 2021 to order at 9:06am on April 20, 2021. The Board Secretary called roll and a quorum was declared.

Chair Gomez recessed the meeting into executive session at 9:09am.

Based on the Faculty Senate's report of a vote of no confidence, the Oregon Institute of Technology's board of trustees convened in Executive Session per Oregon Revised Statute 192.660(2)(b)(f)(i) to hear complaints brought against an employee, to consider information that is exempt by law from public inspection, to review the employment-related performance of the chief executive officer; and ORS 40.225 Rule 503 to engage in attorney-client privileged discussion.

Chair Gomez reconvened the meeting at 11:19am. The Board Secretary called role and a quorum was declared.

Trustees Present:

Jessica Gomez, Chair	Vince Jones, Vice Chair	Paul Stewart
Jeremy Brown	Rose McClure (in person)	Michele Vitali
Tim Hasty	Nagi Naganathan, President	Fred Ziari
Kathleen Hill	(in person)	

Trustees Unable to Attend:

Lisa Graham	Jill Mason
Kelley Minty Morris	Mike Starr

Chair Gomez reiterated the board's role. She stated trustees are fiduciarily responsible for the entire university and the board delegated the responsibility of daily operations to the president. She recognized there are challenges in the organizational structure of the university and noted there has been discussion over the past few months on how to remedy the issues. One option is to hire an outside consultant to assess and assist in identifying solutions. **Vice Chair Jones** stated that a continued effort is required by all parties to address the situation; the dialogue has to continue and feedback needs to be given and received. **Trustee Stewart** stated a university is a difficult entity to oversee; balancing the needs of all constituencies is tough. He noted labor negotiations involve feelings and emotions and there are legitimate issues that need to be addressed. He believes the board needs to find more ways to be able to listen and hear and assess how improvements can be made and that the board is committed to listening to the needs of all constituencies. He believes the university is stronger than it was a few years ago but improved communication is needed and a culture that is less divisive, more collaborative and shows more kindness and support for each other should be fostered. He stated the board is committed to those principles and shared governance so that "all boats rise" as we move forward. **Trustee McClure** stated the communication on campus has deteriorated and there are problems with the culture and morale. She thanked her fellow trustees for listening to all sides of the issue. **Trustee Hasty** stated it will take everyone working together to solve the issues and he believes all parties are willing to do so to find a solution. He acknowledged the board is stepping up by recognizing there is a problem and finding a way to assess it. **Trustee Vitali** stated this issue has weighed heavily on the board and the local community and she understands this is a shared problem, not a new problem, and that actions need to be taken. **Chair Gomez** agreed that this is important to navigate the overall improvement of the culture and to support the president and provide him the tools to help move the university forward. **Trustee Hill** noted that cultural change is difficult and to take this step forward to help people work together is the best thing the Board can do to benefit the institution. **Chair Gomez** stated she would like to direct the president to select an outside organization to perform a climate survey so the board can try and assess and better understand what is happening; the intent is to provide the president with the right tools to address the issues in places that matter the most so the university can begin to rebuild its culture and we can move forward together.

Vice Chair Jones moved to direct Dr. Naganathan to engage an outside consultant to conduct a comprehensive organizational climate survey. Trustee Hasty seconded the motion. The motion passed unanimously with the following trustees in attendance voting aye: Brown, Hasty, Hill, Jones, McClure, Stewart, Vitali).

2. Adjournment

Meeting was adjourned at 11:38am.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'S. Fox', is positioned above the printed name and title.

Sandra Fox
Board Secretary

ACTION

Agenda Item No. 5.1

Fiscal Year 2021-22 Oregon Tech All Funds Budget

Background:

Each year, Oregon Tech conducts an extensive and collaborative process in developing the All Funds Budget for the next fiscal year. The All Funds Budget includes the Education and General, Auxiliary, Service Operations and Designated Operations Funds budgets. The General Fund (GF) is the primary operating budget for the university. The General Fund budget includes “Special General Fund” budgets which are fee-for-service activities such as clinic revenues and grant indirect charges. Distance Education and Boeing operations are included in the General Fund budget since revenues from these programs are used to support general operations of the university.

The General Fund includes revenues from tuition and fees, state appropriations through the Public University Support Fund (PUSF), Engineering & Technology Sustaining Fund (ETSF) and Oregon Renewable Energy Center (OREC) along with other miscellaneous income. These revenues are used to fund instruction, research administration, public service, academic support, institutional support, student services and facilities operations of the institution.

Auxiliary, Service and Designated operating funds are separate pools of restricted or dedicated resources and are included separately. Auxiliary budgets include student housing operations, campus life, athletics, parking, student health and other various non-core operations. These operations are expected to be self-supporting and maintain balanced budget throughout the fiscal year.

COVID-19 Implications

The COVID pandemic continued to have an impact on Oregon Tech operations during FY 2020-21, as with nearly every other university across the country. The FY 2020-21 budget required significant spending reductions and operational changes resulting from the pandemic and related uncertainties concerning revenue, enrollment and campus operations. Thanks to careful planning and fiscal discipline, Oregon Tech has emerged from the worst of the pandemic as a more resilient institution. Additionally, federal programs are providing targeted financial relief for both students and institutions to address many of the financial, environmental and healthcare challenges caused by the pandemic.

Since March of 2020, Oregon Tech students have received over \$1.8M in federal relief funds distributed as grants through the university. Additional funds will be available in the next few months under the American Rescue Plan (ARP). Oregon Tech will continue its focus on administering these funds to ensure students, especially those with the most demonstrated need, benefit and are able to continue their education.

Oregon Tech is also eligible for federal funds to help institutions off-set revenues lost from state funding reductions, enrollment shortfalls and the decline in auxiliary revenues. These funds can also be utilized to reimburse the institution for the additional costs of converting to remote classroom

instruction, investing in information technology, personal protective equipment (PPE), training, space reconfigurations to promote social distancing, etc.

Although the continuing impact from COVID is uncertain, the proliferation of widely available vaccines and the reduced occurrence of new cases seems to indicate the recovery is well underway. The Oregon Tech campus was not closed during the height of the pandemic and most operations and services continued without interruption.

Process

In developing the FY 2021-22 Budget, the University adhered to a set of budget development principles previously established by the Board of Trustees to ensure fiscal responsibility in developing a realistic budget along with operational efficiencies to position the university for continued success in driving its strategic plan and achieving its mission. These principles were co-developed between the President, Senior Leadership Team and the Fiscal Operations Advisory Council (FOAC) and are as follows:

- 1) Balance revenue and expenses within the operating budget
- 2) Prioritize recruiting, retaining, and graduating students to ensure long-term sustainability
- 3) Align programs and initiatives with industry and employer demand
- 4) Invest in faculty, staff, and infrastructure to support student and institutional success
- 5) Use an open and transparent budget development process

A budget development timeline was developed and distributed to the Leadership Team, FOAC and the Board. This process was designed to meet the budget objectives approved by the Board and to actively involve FOAC in the evaluation and recommendation of budget investment priorities. See Table 1 below.

Table 1

<u>FY 2021-22 Budget Development Calendar</u>	
Dec 2020	Governor's Recommended Budget Released
Dec 2020	Budget Office Develops Templates
Jan 2021	Fiscal Operations Advisory Council (FOAC) reviews Budget Principles
Jan 2021	Legislative Session begins for 2021-23 Biennium
Jan- Mar 2021	Tuition Recommendation Committee (TRC) Meets
Jan 2021	Budget & Planning Office (BPO) distributes budget templates
Jan 2021	Budget Office provides training
Feb 2021	Senior Leadership determines budget targets and Priorities
Mar 2021	Legislative Ways & Means Committee Co-Chairs Budget Framework released
Mar 2021	Budgets due to Budget & Planning Office
Apr 2021	FOAC reviews Draft FY 2021-22 budget and makes recommendation to president
Apr 2021	Board of Trustees Meeting - FY 2021-22 Tuition & Fees Approved
May 2021	Board Meeting - FY 2021-22 Budget reviewed/approved
June 2021	Board approved budget loaded into FIS

Budget Assumptions

The following assumptions were used in establishing the FY 2021-22 General Fund budget:

Revenues:

1. Tuition rates were proposed by the Tuition Recommendation Committee (TRC) and amended by the President to provide for a 1 percentage point reduction in the TRC recommended 4.9% increase in base tuition, provided funding for the Public University Support Fund (PUSF) is increased by at least \$49M for the 2021-23 biennium. The Board of Trustees approved the tuition recommendation at its April 8, 2021 meeting. Budgeted Tuition reflects a 3.9% increase in base tuition and a 2-percentage point increase in differential tuition.
2. Fee remissions were budgeted to remain at 15% of tuition as recommended by the TRC and approved by the Board.
3. State appropriations were budgeted using the revised Student Success and Completion Model (SSCM) calculation template provided by the Higher Education Coordinating Commission (HECC) and assumes the PUSF is funded at \$900M for the 21-23 biennium.
4. Enrollment is assumed to increase by a net 1% for FY 2021-22 and is consistent with assumptions used during the TRC process. New freshman deposit trends are encouraging.
5. Special General Fund revenues were adjusted to reflect program revenue projections. See Table 2 below.

Table 2

State Revenue Allocations					
	2021-23 Biennium	FY 2020-21	FY 2021-22	Change between FYs	% Difference
Public University Support Fund	\$62,619,144	\$30,282,842	\$30,683,381	\$400,539	1.3%
Engineering Technology Support Fund	2,242,185	1,112,199	1,129,986	17,787	1.6%
Oregon Renewable Energy Center	501,125	255,574	245,551	(10,023)	-3.9%
State Energy Loan Program	319,461	156,536	156,536	-	0.0%
Total Allocation	\$65,681,915	\$31,807,151	\$32,215,454	\$408,303	1.6%

Expenses and Budget Targets:

1. PERS rates are adjusted at the onset of the first fiscal year of a biennium. For the 2021-23 biennium, PERS rates are expected to increase by 6.6%. PEBB rates are expected to increase by 5% for FY 2021-22 to reflect the increase in healthcare expenditures.
2. FY 2021-22 budgeted base salaries and other payroll expenditures (OPE) for Association of America University Professors (OT-AAUP) faculty increased over the prior year budget by the amount negotiated retroactive raises for CY 2020 and CY 2021. Unclassified staff budgeted base salaries and OPE increased over the prior year budget by the amount of a retroactive 3% raise for CY 2021. Salary pools were budgeted for estimated CY 2022 SEIU, OT-AAUP faculty and chairs and unclassified staff salary increases.

3. Divisions were given budget goals which included a restoration of furlough reductions and estimated increases for retirement and healthcare costs. See Table 3 below.
4. Salary recapture of \$2.5M was budgeted and will be swept quarterly from department and division budgets to ensure these funds are spent in support of strategic institutional initiatives and to reach overall budget targets. See Table 4 below.
5. Ongoing strategic investments approved in prior years will continue and a modest operating contingency was established to allow for mid-year adjustments as necessary and will be utilized at the discretion of the President.
6. Special General Fund operations, excluding Boeing and Distance Education, set their own revenue targets and are expected to manage expenses within those revenue targets or adjust expenses downward during the year.

Table 3

FY 2021-22 Budgets by Division	FY 2020-21 Budget	Restored FY 2020-21 Furlough \$	Health Ins. Increase	PERS Increase	Ongoing Obligations	FY 2021-22 Budget Target	Net Adjustments	FY 2021-22 Budget Final Revised	Variance to FY 2020-21 Budget
Advancement & Marketing	\$1,880,726	\$84,240	\$3,140	\$12,891	\$0	\$1,980,997	\$12,702	\$1,993,699	6%
Enrollment Management	5,428,421	209,139	9,647	25,734	-	5,672,941	-	5,672,941	5%
Finance and Administration	12,462,287	404,740	20,407	107,031	(38,906)	12,955,559	234,849	13,190,408	6%
Institutional General	3,002,783	-	-	-	-	3,002,783	-	3,002,783	0%
President	2,758,536	100,504	3,768	13,440	5,000	2,881,248	17,640	2,898,888	5%
Provost & Academic Affairs	36,854,984	500,857	72,362	158,848	380,559	37,967,610	(118,602)	37,849,008	3%
Student Affairs	3,974,887	159,700	1,940	16,424	231,416	4,384,367	-	4,384,367	10%
Total	\$66,362,624	\$1,459,180	\$111,264	\$334,368	\$578,069	\$68,845,505	\$146,589	\$68,992,094	4%

Budget Risks

Although COVID-19 pandemic appears to be subsiding, there are still some budget risks that could impact the university over the next fiscal year. Although they cannot be quantified, they will be noted and monitored as the year progresses. These include, but are not limited to:

- Continuing public health and legal implications related to the pandemic
- Achieving enrollment, housing, student services, research and clinical activities targets
- Costs associated with reopening and operations, including sanitation, protective equipment, IT infrastructure, overtime and the availability and restrictions on ARP/HEERF resources.
- Changing federal monetary policy could impact Oregon state economy
- Changes in Oregon tax and lottery revenues could impact higher education funding.
- Evolving state priorities and competing demands on resources from other sectors in the economy could impact higher education funding
- Labor relations and other employee impacts stemming from health concerns and economic changes in the university.

Table 4

FY 2021-22 Oregon Tech General Fund Budget

Revenues (Educ & Gen + Certain Spec. Gen Funds*)	Budget	Notes
State Allocations	\$32,215,454	1
Tuition and Fees	35,852,497	2
Other Revenue	827,627	3
Total Revenue	\$68,895,577	
Expenditures	\$68,992,094	
Salary Recapture	(2,500,000)	4
Net Remaining Revenue	\$2,403,483	
Special General Fund		
Revenues	\$1,908,372	5
Expenditures	1,908,372	
Subtotal	\$0	
Ongoing Strategic Investments		
DICE Director	\$192,399	6
Portland Metro Advisor	80,059	
Portland Metro Grants Business Manager	89,649	
CEET Facilities Costs	272,757	
Contingency	419,441	
Subtotal	\$1,054,305	
Salary and OPE Pools		
Classified SEIU	\$460,188	7
Unclassified Admin	270,914	8
AAUP Faculty and Chairs	513,603	9
Subtotal	\$1,244,705	
FY 2022 Strategic Investments		
Facilities Master Plan	\$100,000	
Subtotal	\$100,000	
Total Net		
Net	\$4,473	
* Online Education, Boeing, ACP, SPGA, etc. treated as General Fund operations		

Footnotes:

- 1) PUSF + SELP + ETSF + OREC; updated to \$900M PUSF; continue 49/51 split
- 2) Tuition estimate based on January tuition forecast. Assumes 1% growth in enrolled credit hours, 3.9% increase in base tuition and 2 percentage point increase in differential tuition.
- 3) Excludes projected revenue for special general funds, e.g.; clinics, course fees, etc.
- 4) Forecast of salary recapture from unfilled/vacant positions during FY 2022
- 5) Indirect cost recovery, clinic revenue, OREC, etc.
- 6) Diversity, Inclusion, and Cultural Engagement
- 7) Estimate in the absence of contract - last year's step increases and longevity, + 3%, plus OPE at Tier 3
- 8) Unclassified administrative staff pay plan increases
- 9) AAUP faculty + estimate of AAUP Chairs

Fund Balance

Oregon Tech is forecasting a yearend surplus for FY 2020-21, primarily resulting from salary savings/recapture related to vacant positions and reduced spending on Supplies and Services. The reserve balance at FY 2020-21 fiscal yearend is expected to total just over \$17M or approximately 24.6% of budgeted operating revenue. With the recommended FY 2021-22 budget, the ending reserve balance for FY 2021-22 is expected to be total \$17M or 24.6% of budgeted operating revenue. This amount falls near the top of the range that the Board has prescribed as acceptable

Summary

The state's most recent revenue forecast continues to provide encouraging information about the strength of Oregon's economy. This optimism and confidence are driving the state's plan to invest additional funding in higher education through the PUSF for the 2021-23 biennium. While Oregon Tech will benefit from this increased funding through the SSCM and other formula driven allocations, the leadership will continue to innovate and explore ways to operate more efficiently.

Final action by the state legislature to approve funding for the 2021-23 biennium will not occur until sometime in June when the legislative session is expected to conclude. Once state funding is approved, Oregon Tech leadership will reconvene with the Budget Planning Office and divisional VPs to finalize FY 2021-22 budget details and to make any necessary adjustments. During the summer, a management report will be developed outlining the general fund budget approved by the Board.

Recommendation:

Staff recommends that the Board of Trustees adopt the proposed Fiscal Year 2021-22 budget, including all fund types, as recommended by the President and as outlined above.

Attachments:

Auxiliary, Designated Operations and Service Fund Budget Overview
[PowerPoint Presentation](#)

Auxiliary, Designated Operations and Service Fund Budget Overview:**FY 2021-22 Oregon Tech Budget Non-E&G Funds**

Summary	Auxiliary	Designated	Service
Total Revenues	\$13,373,689	\$20,530	\$290,000
Total Expenditures	13,289,956	20,000	265,500
Net	\$83,733	\$530	\$24,500
Revenues			
Departments	Auxiliary	Designated	Service
Provost	\$0	\$0	
ETM		\$0	
HAS	500,000	-	
Total Academic Affairs	\$500,000	\$0	\$0
A&M		-	
F&A	\$2,835,750	\$20,530	\$290,000
Intuitional			
OMIC	1,145,875		
President		-	
SEM		-	
Student Affairs	8,892,064	-	-
Total All Revenues	\$13,373,689	\$20,530	\$290,000
Expenditures			
Departments	Auxiliary	Designated	Service
Provost	\$0	\$0	
ETM		-	
HAS	500,000	-	
Total Academic Affairs	\$500,000	\$0	\$0
A&M		-	
F&A	\$2,873,786	\$20,000	\$290,500
Intuitional			
OMIC	954,175		
President		-	
SEM		-	
Student Affairs	8,961,995	-	(25,000)
Total All Expenditures	\$13,289,956	\$20,000	\$265,500
Net	\$83,733	\$530	\$24,500

BOARD OF TRUSTEES | MAY 27, 2021



Oregon Tech FY 2022 Budget

John A. Harman, MBA, CGMA, CMPE | VP Finance & Administration

Oregon Higher Education Funding Model



- Primary Sources of State Funding
 - Public University Support Fund (PUSF)
 - Funds the Student Success and Completion Model (SSCM)
 - Engineering and Technology Sustaining Fund (ETSF)
 - Oregon Renewable Energy Center (OREC)
- Other Funds- Investment earnings, grants cost recovery, etc.
- Student Tuition and Fees
- Funds not in Operating Budget
 - Sports Lottery
 - Capital Improvement and Renewal Funding (CIR)
 - Bonded capital construction funds
 - Federal COVID related funding

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FY 2022 Higher Education Funding



- Governor's FY 2022 Budget released in December 2020
 - No increase for Higher Education, PUSF to remain at \$836M for new biennium
- Student Success and Completion Model (SSCM)
 - Higher Education Coordinating Board (HECC) revised SSCM formula for FY 2022
 - Without an increase in PUSF funding, Oregon Tech would have a \$(1.8M) reduction in funds for FY 2022 compared to FY 2021 (from \$30.3M to \$28.5M)
 - Ways & Means Committee tentative budget increased PUSF by \$49M to \$886M
 - Oregon Tech would have an \$(86K) reduction in funds for FY 2022 compared to FY 2021 (from \$30.3M to \$30.2M)
 - University presidents are pushing for an additional \$14M to reach \$900M in PUSF
 - Oregon Tech would have a \$486K increase in funds for FY 2022 compared to FY 2021 (from \$30.3M to \$30.7M)
- Engineering and Technology Sustaining Fund (ETSF)
 - Tentative Ways & Means budget is at \$28.6M for the biennium (5.8% increase)
 - Oregon Tech's annual allocation is estimated at just over \$1.2M

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FY 2022 Higher Education Funding



- Oregon Tech Student Tuition and Fees
 - Tuition Recommendation Committee (TRC) met during the spring to review and consider tuition adjustments
 - TRC and Associated Students of the Oregon Institute of Technology (ASOIT) made a recommendation to the president who took it to the Board
 - At its April 2021 meeting, the Board of Trustees approved a 4.9% increase in base tuition and a 2-percentage point increase in differential tuition.
 - The Board also approved the president's recommendation to reduce the base tuition increase to 3.9% if final PUSF funding increased by at least \$49M over the prior biennium.
 - Oregon Tech is projecting a 1% increase in enrolled student credit hours
 - Tuition and Fees revenue is expected to total \$35.9M in FY 2022

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Funds not in FY 2022 Operating Budget



- Sports Lottery Funds
 - Oregon Tech FY 2022 allocation estimated to be \$1.2M
 - Utilized for athletic scholarships and graduate student assistantships
- Capital Improvement and Renewal Funds (reimbursement basis)
 - Estimated allocation for 2021-23 biennium is \$3.4M
 - Restricted for campus infrastructure, improvement and renewal projects
 - Used to reduce deferred maintenance and to support minor renovations
- Federal COVID relief Funds
 - Restricted to COVID related revenue losses and expenditures
 - Not to support salaries or operations
 - Must report to federal government on how funds are spent

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Significant Budget Assumptions



- State appropriations will continue to be allocated 49% in year one and 51% in year two of the biennium.
- Retirement and healthcare costs continue to rise
- State PUSF funding is expected to reach \$900M for the biennium to support the SSCM
- Oregon Tech state appropriations will total \$32.2M
- Projected enrolled credit hour growth of 1% will be met
- Salary recapture of \$2.5M will emerge during the year

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Budget Development Principles



- Prioritize recruitment, retention and graduating students
- Invest with purpose in faculty, staff, and infrastructure to support student success
- Align programs and initiatives with industry demand
- Achieve operating efficiencies in all areas and benchmark with best practice
- Manage short-term uncertainties, while focusing on innovation and long-term sustainability

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FY 2022 Budget Development



- Incremental Budget Model was utilized, as in prior years
- Budget targets were based on prior year with some adjustments
- FY 2021 staff furlough funding reductions were restored
- Budget targets were increased to include projected health insurance and retirement increases
- Pools were budgeted for:
 - Estimated SEIU classified staff salary increases and other payroll expenses (OPE)
 - Estimated AAUP faculty and chairs salary increases and OPE
 - Unclassified staff salary increases and OPE
- Estimated salary recapture was also budgeted as in the past
- Key ongoing Strategic Investments were estimated and included
- Fiscal Operations Advisory Council (FOAC) reviewed and made recommendation to president

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FY 2022 Budget by Functional Area



FY 2022 Budget By Function

Division	FY21 Budget	Restored FY 2021 Furlough \$	Health Ins. Increase	PERS Increase	Ongoing Obligations	FY 2022 Budget Target	Net Adjustments	FY 2022 Budget Final Revised	Variance to FY 2021 Budget	Notes
Advancement & Marketing	\$1,880,726	\$84,240	\$3,140	\$12,891	\$0	\$1,980,997	\$12,702	\$1,993,699	6%	
Enrollment Management	5,428,421	209,139	9,647	25,734	-	5,672,941	-	5,672,941	5%	
Finance and Administration	12,462,287	404,740	20,407	107,031	(38,906)	12,955,559	234,849	13,190,408	6% Realigned Assessments	
Institutional General	3,002,783	-	-	-	-	3,002,783	-	3,002,783	0%	
President	2,758,536	100,504	3,768	13,440	5,000	2,881,248	17,640	2,898,888	5%	
Provost & Academic Affairs	36,854,984	500,857	72,362	158,848	380,559	37,967,610	(118,602)	37,849,008	3%	
Student Affairs	3,974,887	159,700	1,940	16,424	231,416	4,384,367	-	4,384,367	10%	
Total	\$66,362,624	\$1,459,180	\$111,264	\$334,366	\$578,069	\$68,845,505	\$146,589	\$68,992,094	4%	

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FY 2022 Budget Summary



FY 2021-22 Oregon Tech General Fund Budget

Revenues (Educ & Gen + Certain Spec. Gen Funds)	Budget	Notes
State Allocations	\$32,215,454	1
Tuition and Fees	35,852,497	2
Other Revenue	827,627	3
Total Revenue	\$68,895,577	
Expenditures	\$68,992,094	
Salary Recapture	(2,500,000)	4
Net Remaining Revenue	\$2,403,483	
Special General Fund		
Revenues	\$1,908,372	5
Expenditures	1,908,372	
Subtotal	\$0	
Ongoing Strategic Investments		
DICE Director	\$192,399	6
Portland Metro Advisor	80,059	
Portland Metro Grants Business Manager	89,649	
CEET Facilities Costs	272,757	
Contingency	419,441	
Subtotal	\$1,054,305	
Salary and OPE Pools		
Classified SERI	\$460,188	7
Unclassified Admin	270,914	8
AAUP Faculty and Chairs	\$13,603	9
Subtotal	\$1,244,705	
FY 2022 Strategic Investments		
Facilities Master Plan	\$100,000	
Subtotal	\$100,000	
Total Net		
Net	\$4,473	

* Online Education, Boeing, ACP, SPGA, etc., treated as General Fund operations

Footnotes:

- 1) PUSF + SELP + ETSF + OREC; updated to \$900M PUSF; continue 49/51 split
- 2) Tuition estimate based on January tuition forecast. Assumes 1% growth in enrolled credit hours, 3.9% increase in base tuition and 2 percentage point increase in differential tuition.
- 3) Excludes projected revenue for special general funds, e.g.; clinics, course fees, etc.
- 4) Forecast of salary recapture from unfilled/vacant positions during FY 2022
- 5) Indirect cost recovery, clinic revenue, OREC, etc.
- 6) Diversity, Inclusion, and Cultural Engagement
- 7) Estimate in the absence of contract - last year's step increases and longevity, + 3%, plus OPE at Tier 3
- 8) Unclassified administrative staff pay plan increases
- 9) AAUP faculty + estimate of AAUP Chairs

Summary



- Oregon Tech is expected to finish FY 2021 without a deficit
 - Savings from unfilled positions with on-going searches and underspending in Supplies and Services
 - Experienced a \$2M shortfall in tuition and fees, as a result of a significant reduction in out-of-state student credit hours.
- Balanced FY 2022 Budget will be submitted to the Board of Trustees for consideration and approval at its May meeting
- Continued enrollment growth is expected; but we should continue to be vigilant in managing expenditures and enhancing revenues
- No layoffs or furloughs are included in the FY 2022 Operating Budget

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Questions