Oregon TECH
Oregon Institute of Technology

Meeting of the Oregon Tech Board of Trustees
Finance, Facilities & Audit Committee
Virtual via Microsoft Teams
Monday, October 26, 2026
9:00 AM – 11:00 AM

Finance, Facilities & Audit Committee
AGENDA

1. **Call to Order/Roll/Declaration of a Quorum** (9:00 am) (5 min) *Chair David Cauble*
2. **Consent Agenda** (9:05 am) (5 min) *Chair Cauble*
   - 2.1 **Approve Minutes of the June 3, 2026 FF&A Committee Meeting**
3. **Reports**
   - 3.1 **FYE 2025-26 Management Report** (9:10 am) (15 min) *Senior Vice President for Finance & Administration, John Harman*
   - 3.2 **FY 2026-27 YTD September Management Report** (9:25 am) (10 min) *SVP Harman*
   - 3.3 **Q-4 FYE 2025-26 Financial Dashboard** (9:35 am) (10 min) *SVP Harman*
   - 3.4 **Q-4 FYE 2025-26 Investments Report** (9:45 am) (10 min) *SVP Harman*
   - 3.5 **Q-1 FY 2026-27 Facilities and Capital Projects Report** (9:55 am) (10 min) *Interim Director of Capital Projects, Thom Darrah*
   - 3.6 **Eide Bailly LLP, Internal Audit Update** (10:05 AM) (15 min) *Eide Bailly, Kristin Diggs & Colleagues*
   - 3.7 **CliftonLarsonAllen LLP, External Audit Activity (Staff Update)** (10:20) *(written only)*
4. **Action Items**
   - 4.1 **Recommendation to proceed with Capital Project Submission for Semon Hall Renovation and Expansion** (10:20 am) (20 min) *SVP Harman*
5. **Discussion Items** (10:40 am) (10 min) *Chair Cauble*
6. **Other Business/New Business** (10:50 am) (10 min) *Chair Cauble*
7. **Adjournment** (11:00 am) *Chair Cauble*

All times and discussion lengths are estimated and approximate.

The Chair of the Committee reserves the right to adjust the agenda schedule and the length of agenda items.

2.1

Minutes: June 3, 2026

Meeting of the Oregon Tech
Board of Trustees
Finance, Facilities & Audit Committee
Virtually via Microsoft Teams &
Wednesday, June 3, 2026
9:30 AM – 12:00 PM

Finance, Facilities & Audit Committee
MINUTES

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Trustees present:
Committee Chair Vince Jones
David Cauble
Dr. Vijay Dhir
Kanth Gopalpur

Other Trustees present:
Board Chair John Davis
Kim Faks
Dr. Mark Neupert

Trustees not present:
Stefan Bird
Mike Starr

University Faculty, Staff, Students, and Visitors in attendance:
Dr. Abdy Afjeh, Sr. Vice Provost for Research & Graduate Studies
Dr. Neslihan Alp, Dean of College of Engineering, Technology, and Management
Diana Angeli, Executive Assistant, Office of the President
Dr. Mandi Clark, Vice President of Student Affairs
Thom Darrah, Interim Director of Capital Projects
Don DaSaro, Assistant Professor & Chair of Fiscal Operations Advisory Council (FOAC)
Alicia Dillon, Associate VP for Finance, Business Affairs
Kristin Diggs, Eide Bailly, LLP
Dr. Hesham El-Rewini, Provost and Sr. VP, Academic Affairs and Strategic Enrollment Management
Dr. Ken Fincher, Vice President of University Advancement & Board Secretary
David Groff, Esq., General Counsel
John Harman, Sr. VP, Finance and Administration
Katie Harman Ebner, Strategic Communications Advisor (Acting Board Secretary)
Christine Homack, Eide Bailly, LLP
Michelle Meyer, Director of Audit and Compliance, Finance and Administration
Adria Paschal, Senior Executive Assistant, President's Office

Susan Stephenson, Eide Bailly, LLP
Bryan Wada, Information Technology Specialist

1. **Call to Order/Roll/Declaration of a Quorum** *Chair Vince Jones*
   The meeting was called to order by **Chair Jones** at 9:33 AM. A quorum was declared, and Acting Board Secretary **Katie Harman Ebner** formally called the roll.

2. **Consent Agenda** *Chair Jones*
   - **2.1 Approve Minutes of the April 8, 2026 meeting**

     Chair Jones moved to approve the minutes of the April 8, 2026 Finance & Facilities Committee meeting. No second was offered, nor comments or revisions made. There were no abstentions or nay votes. The minutes were approved **unanimously**.

3. **Reports**
   - **3.1 Fiscal Operations Advisory Council** (FOAC) Report *Assistant Professor Don DaSaro*
     Professor DaSaro presented a report on fiscal conditions and the outlook for FY2026–27. Key highlights included:
     - Balanced Budget Achievement: The institution maintained a balanced budget for the second consecutive year without drawing on reserves, despite a year marked by statewide budget uncertainty.
     - Budget Discipline: The FOAC emphasized continued disciplined spending, with divisional budgets aligned to program initiatives and staffing carefully monitored. The financial outlook for FY2026–27 stresses the need to avoid reserve dependency.
     - Tuition Process: The data-driven tuition recommendation process included four student engagement sessions and was characterized as collaborative and transparent.
     - MBAi Program: A new MBA with Artificial Intelligence program has been approved with a target launch of September 2027, requiring no additional staff.

   - **3.2 FY 2025-26 YTD April Management Report** *Sr. VP for Finance & Administration, John Harman*
   - **3.3 Q-3 FY 2025-26 Financial Dashboard** *Sr. VP Harman*
   - **3.4 Q-3 FY 2025-26 Investments Report** *Sr. VP Harman*
     Sr. VP Harman presented the university's financial position through April, the Q-3 Financial Dashboard, and the Q-3 Investments Report. Key updates included:
     - Year-End Projection: The university is projecting a modest year-end deficit of approximately $640,000, representing roughly a 1% negative variance to budget. This variance is attributed to investments in faculty compensation and an unbudgeted increase in tuition remissions of approximately $900,000, rather than structural operating issues.
     - Tuition Revenue: Tuition revenue increased by approximately 3.5%, driven by enrollment growth, but the net revenue impact was substantially offset by the increase in remissions.

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- Labor Costs: Labor costs are below budget due to vacant positions, though salary recapture savings are lower than in prior years as faculty retention strategies have reduced vacancy rates.
- Reserves: The projected reserve drawdown to balance the budget is $642,000, keeping reserves above the board-required range of 10–15% of annual revenue.
- Investment Portfolio: The investment portfolio performed well, with returns outperforming benchmarks across short-term funds, core bonds, and the quasi-endowment. The decision to stop automatic endowment withdrawals has contributed to a significant increase in the endowment balance.
- Bond Debt: Outstanding bond debt is approximately $60.8 million, with $35 million attributable to the new student housing project and $25 million to prior projects.

Trustees requested that VP Harman compile a detailed list of financed projects and total bond debt for the upcoming board retreat to assist newer trustees in understanding the university's debt position.

3.5 Q-4 FY 2025-26 Facilities & Capital Report *Interim Director of Capital Projects Thom Darrah*

Mr. Darrah presented the following key project updates:

- Student Housing Project: Nearing completion with final inspections underway. High student demand is anticipated, and the facility is designed as a self-supporting auxiliary funded through housing revenue.
- Geothermal Systems Renovation: The emergency renovation was completed, modernizing the systems and enhancing campus energy infrastructure. The project has also created educational tour opportunities.
- Campus Booster Station: Fully operational following the transition to city water, with improved water pressure across campus. Additional system adjustments continue to be tested.
- Athletics Fieldhouse (Kip Thomet Memorial Field House): On track for completion before fall term. The flexible indoor facility is designed to support multiple athletic programs.
- Portland-Metro Elevator Modernization: Scheduled for completion later in the year.

Trustees emphasized the long-term impact of capital investments on student experience and institutional competitiveness and encouraged continued advocacy for future capital projects including the Learning Resource Center.

3.6 KPMG KPI/Financial Ratios for FYE 2024-25 *Sr. VP Harman (written only)*

VP Harman provided a brief overview of the KPMG financial ratio report included in the meeting packet. Key components included the primary reserve ratio and the viability ratio. **VP Harman** noted that changes in financial reporting requirements, including the requirement to reflect post-retirement obligations and accrued leave on balance sheets, have weakened the appearance of financial statements for universities broadly, creating potential for misinterpretation of fiscal health.

Trustees requested future projections related to bond debt, which VP Harman committed to preparing for the board retreat.

3.7 Eide Bailly, LLP, Internal Audit Update *Kristin Diggs and Christine Homack, Eide Bailly, LLP*

Kristin Diggs and **Christine Homack** of Eide Bailly, LLP, presented the internal audit update. Key items included:

- Remissions Consulting Project: **Christine Homack** clarified that the remissions project is not a formal audit but a collaborative consulting engagement to develop a more formalized framework for evaluating and managing the university's remissions program. The team conducted interviews and collected data to form recommendations.
- Key Observations: The current remissions program operates without a defined ceiling for remission amounts. Athletic remissions have increased at the same rate as tuition without distinct goals or plans. Benchmarking against peer institutions indicates that comparator schools typically set higher GPA thresholds for top-tier awards and enforce earlier award deadlines.
- Recommendations: Consultants recommended establishment of a cross-functional enrollment management group, development of clearer policies, data tracking, and performance metrics, and improved alignment between financial aid strategy and institutional goals. Full implementation is anticipated in a future academic cycle following further analysis and planning.

3.8 CliftonLarsonAllen LLP, External Audit Update *(written only)*

The CliftonLarsonAllen LLP external audit update was provided as a written report in the meeting packet. No verbal presentation was made.

4. Action Items

4.1 Recommendation for FY 2026-27 All Funds Budget *Sr. VP Harman*

Sr. VP Harman presented the proposed FY2026–27 All Funds Budget. Key elements included:

- Budget Process: Budget planning began in January, incorporating state funding updates and tuition recommendations finalized by March, with intensive work through April involving senior leadership and the FOAC.
- Revenue Assumptions: Approximately 46.5% of the budget is funded by tuition and fees, with the remainder primarily from state appropriations through the Public University Support Fund. Oregon Tech historically receives approximately 7% of that fund, distributed through a student success model.
- Personnel: Approximately 77.1% of the budget is allocated to salaries and benefits, consistent with prior years.
- Balance: The budget is designed to remain balanced without relying on reserves, continuing the approach established in the current fiscal year. Capital improvements and bonded capital projects are not included in this budget.

4.1.1 Action:

A motion was made by **Trustee Cauble** to recommend approval of the FY2026–27 All Funds Budget to the full Board. The motion was seconded by

Trustee Dhir. A roll call vote was conducted. Ayes: Jones, Cauble, Dhir, Gopalpur. Nays: none. The motion carried **unanimously**.

4.2 Recommendation of Debt Policy Revision *Sr. VP Harman*

Sr. VP Harman presented a recommendation to revise the Board's debt management policy in response to updated financial reporting standards. Key elements included:

- Background: The Government Accounting Standards Board (GASB) now requires all leases to be capitalized, resulting in lease liabilities and corresponding asset values appearing on the balance sheet. This change created the potential for lease obligations to push the university toward or beyond the current 7% debt limit established in board policy.
- Proposed Change: The recommendation is to exclude operating leases and certain software agreements from the 7% debt limit calculation while continuing to report them in full compliance with GASB standards. Under the current definition, the university's debt ratio is 6.9%; with the proposed exclusion, it would stand at approximately 5.9%.

4.2.1 Action:

A motion was made by **Trustee Cauble** to recommend approval of the revised Board Debt Management Policy to the full Board. The motion was seconded by **Trustee Gopalpur**. A roll call vote was conducted. Ayes: Jones, Cauble, Dhir, Gopalpur. Nays: none. The motion carried **unanimously**.

5. Discussion Items *Chair Jones*

The following requests and advisory items were raised by Trustees during the discussion period:

- **Board Chair Davis** urged committee members to submit any budget-related questions to staff this week so responses could be prepared prior to the full board meeting.
- **Trustee Dhir** requested detailed information on debt projections and the university's faculty recruitment and retention investment strategies.
- **Board Chair Davis** requested data on average student scholarship and remissions packages to inform discussion.
- **Trustee Faks** requested clarification on whether the FY2026–27 budget incorporates elements of the new strategic plan. VP Harman committed to conferring with Provost El-Rewini on this question and reporting back.
- **Trustee Neupert** requested a comprehensive overview of spending on external contracts and consulting services, including estimates for the coming year and a comparison of expected versus actual expenditures.
- **VP Harman** confirmed the administration is closely monitoring salary recapture projections.

6. Other Business/New Business *Chair Jones*

Chair Jones acknowledged that this was his final meeting as Chair of the Finance, Facilities & Audit Committee, having served as chair for six or seven years and on the committee for approximately ten years. He expressed gratitude to committee members and the Finance and Facilities team.

The retirement of **Trustee Starr** from the Board was also noted and Trustee Starr was thanked for his service.

Board Chair Davis noted that a formal acknowledgment is planned for the full board meeting for the retiring trustees.

Trustee Cauble was announced as the incoming Chair of the Finance, Facilities & Audit Committee.

7. **Adjournment** at 11:55 AM
   There being no further business, the meeting was adjourned.

A recording of the meeting is available on the Oregon Tech website:
https://www.oit.edu/trustees/meetings-events/recordings

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3.0
Report Summary

REPORT

Agenda Item No. 3.0

Finance, Facilities and Audit: Quarterly Update

Background

The Quarterly Finance, Facilities and Audit Status Report provides information on major responsibility areas under the Finance and Administration Division of Oregon Tech. The Report generally highlights budget performance, financial and enrollment indicators, facilities, equipment, capital projects and invested funds, as well as internal and external audit coordination. Depending on the timing of the quarterly Board meeting, some data may not yet be available for reporting. The information contained in the Report is used by the Office of the Senior Vice President of Finance and Administration to track progress toward achieving the institution's financial and operational goals.

The report is shared with the Finance, Facilities and Audit Committee on a quarterly basis to provide information essential in supporting the Board's governance and fiduciary responsibilities.

Staff Recommendation

No action required. For information and discussion purposes only.

Reports/Attachments

Due to the timing of the November 2026 Board meeting and the related document submission deadline, some financial data through the end of the first quarter (September 2026) is not yet available. Finance, Facilities and Audit Status Reports include the following Attachments:

3.1- FYE 2025-26 Management Report
3.2- FY 2026-27 YTD September Management Report
3.3- Q-4 FYE 2026-27 Financial Dashboard
3.4- Q-4 FYE 2025-26 Investments Report
3.5- Q-1 FY 2026-27 Facilities and Capital Projects Report
3.6- Eide Bailly, LLP- Internal Audit Update
3.8- CliftonLarsonAllen LLP- Audit Activity (Staff Update)- *Written*

3.1

FYE 2025-26 Management Report

FF&A Item 3.1

General Fund Monthly Report

FY 2025-26 June (in thousands)

	YTD Comparison				
	FY 2024-25 June Year End Actuals	FY 2025-26 June Year End Actuals	FY 2025-26 Board Adopted Budget (BAB)	Board Adopted Budget to Actuals Variance	Notes
Revenue					
State Appropriations	$38,160	$38,345	$38,573	($228)	(1)
Tuition & Fees	41,833	44,232	43,368	$864	(2)
Remissions	(8,031)	(8,752)	(7,907)	($845)	
Other	4,067	4,354	3,912	$442	(3)
Total Revenue	**$76,029**	**$78,179**	**$77,946**	**$233**	
Expenses					
Administrative Staff Salary	$9,724	$10,956	$11,463	($508)	
Faculty Salary	12,926	14,627	14,660	(33)	(4)
Adjunct and Admin/Faculty Other Pay	3,797	4,409	3,338	1,071	(5)
Classified	6,906	7,370	7,313	56	
Student	1,004	1,137	809	328	
GTA	113	157	121	36	
OPE	17,745	20,016	20,547	(530)	
Total Labor Expense	**$52,215**	**$58,672**	**$58,252**	**$421**	(6)
Service & Supplies	$17,423	$17,274	$16,375	$899	(7)
Internal Sales	(1,283)	(1,325)	(1,243)	($82)	
Debt/Investment	1,207	1,332	1,318	$14	
Capital	379	167	472	($304)	
Utilities	1,910	2,157	1,292	$866	(8)
Transfers In			-		
Transfers Out	1,351	1,351	1,481	(130)	
Total Direct Expense	**$20,988**	**$20,957**	**$19,694**	**$1,262**	
Total All Expense	**$73,203**	**$79,629**	**$77,946**	**$1,683**	
Net from Operations before Other Resources (Uses)	**$2,827**	**($1,450)**	**$ -**	**($1,450)**	
Other Resources (Uses)					
Transfers In	$802	$1,924	$ -	($1,924)	(9)
Transfers Out	(3,050)	(373)	-	$373	(10)
Use of Reserve	-	-	-	$ -	
Total Other Resources (Uses)	**($2,249)**	**$1,551**	**$ -**	**($1,551)**	
Total from Operations and Other Resources (Uses)	**$578**	**$101**	**$ -**	**$101**	
Beginning Fund Balance	$14,789	$15,388	$15,388		
Fund Balance Adjustment	21	-	-		
Ending Fund Balance	**$15,388**	**$15,489**	**$15,388**	**$101**	
Fund Balance as % Operating Revenues	20.2%	19.8%	19.7%		
Ending Cash Balance	$18,603	$18,655			

Notes:

(1) **FY 2025-26 State Appropriation** - Decrease in state appropriations reflects HECC "true-up" & ETSF adjustments.

(2) **FY 2025-26 Tuition & Fees** - Reflects a 1.5% increase in credit hours over Board Adopted Budget assumptions.

(3) **FY 2025-26 Other**- Includes clinical revenues, indirect cost recovery and interest.

(4) **FY 2025-26 Faculty Salary**- Includes increased faculty compensation from new CBA that exceeded original budget by just over $700K.

(5**) FY 2025-26 Adjunct, Admin./Faculty Other Pay**- Includes unbudgeted increases in chair/program director stipends, adjunct rate increase and faculty overload.

(6) **FY 2025-26 Labor Expense** - Reflects savings from vacant budgeted admin positions and related savings in OPE, increased faculty, adjunct, and overload expenditures exceeding budget and driven by CBA WLU rates.

(7) **FY 2025-26 Service & Supplies -** Reflects the spending of FY2024-25 remaining state appropriation for behavioral health (offset by corresponding transfer in), as well as structural deficit in ITS and increased operational costs across divisions due to rising prices for computer hardware and other expenses.

(8) **FY 2025-26 Utilities** - Reflects growing utilty costs driven by rate increases (identified structural deficit) and the impact of a random water leaks.

(9) **FY 2025-26 Transfers In** - Reflects the one-time funding for behavioral health expenditures, OREC transfer, transfer of previously identified funds for critical ITS project expenditures, and other year-end reconciling activity related to fund cleanup, insurance, grants, and miscellaneous items.

(10) **FY 2025-26 Transfers Out Forecast** - Reflects funding for capital expenditures, including Board Room upgrades and strategic planning and facilitation contract.

3.2

FY 2026-27 YTD September Management Report

FF&A Item 3.2

General Fund Monthly Report

FY 2026-27 September (in thousands)

	YTD Comparison		FY 2026-27 Budget & Forecast					
	FY 2025-26 September Actuals	FY 2026-27 September Actuals	FY 2025-26 Year End Actuals	FY 2026-27 Board Adopted Budget (BAB)	FY 2026-27 Adjusted Budget	FY 2026-27 Forecast	Forecast to Budget Variance	Notes
Revenue								
State Appropriations	$13,932	$14,223	$38,345	$39,890	$39,890	$39,460	($431)	(1)
Tuition & Fees	17,920	17,923	44,232	46,318	46,318	44,575	($1,743)	(2)
Remissions	(2,710)	(2,701)	(8,752)	(8,616)	(8,616)	(8,826)	($210)	(3)
Other	1,144	1,165	4,354	3,912	3,912	3,912	$ -	
Total Revenue	**$30,285**	**$30,610**	**$78,179**	**$81,504**	**$81,504**	**$79,120**	**($2,384)**	
Expenses								
Administrative Staff Salary	$2,621	$2,791	$10,956	$11,881	$11,881	$11,621	($260)	
Faculty Salary	1,120	1,215	14,627	15,923	15,923	15,473	($450)	
Adjunct and Admin/Faculty Other Pay	921	1,327	4,409	3,611	3,611	4,704	$1,093	(4)
Classified	1,794	1,833	7,370	7,917	7,917	7,827	($90)	
Student	232	208	1,137	813	813	*831*	$18	
GTA	6	9	157	121	121	130	$9	
OPE	3,720	4,482	20,016	21,456	21,456	21,456	$ -	
Total Labor Expense	**$10,413**	**$11,864**	**$58,672**	**$61,722**	**$61,722**	**$62,043**	**$320**	
Service & Supplies	$5,148	$5,075	$17,274	$16,474	$16,571	$17,274	$800	(5)
Internal Sales	(333)	(344)	(1,325)	(1,243)	(1,243)	(1,243)	$ -	
Debt/Investment	1,075	1,077	1,332	1,316	1,316	1,316	$ -	
Capital	56	14	167	422	436	436	$14	
Utilities	374	363	2,157	1,284	1,284	2,157	$873	(6)
Transfers In	-	-			-		$ -	
Transfers Out	335	335	1,351	1,351	1,351	1,351	$ -	
Total Direct Expense	**$6,655**	**$6,520**	**$20,957**	**$19,605**	**$19,716**	**$21,292**	**$1,687**	
Total All Expense	**$17,068**	**$18,384**	**$79,629**	**$81,327**	**$81,438**	**$83,335**	**$2,007**	
Net from Operations before Other Resources (Uses)	**$13,217**	**$12,226**	**($1,450)**	**$177**	**$66**	**($4,214)**	**($4,391)**	
Other Resources (Uses)								
Transfers In	$0	$ -	$1,924	$497	$497	$497	$ -	
Transfers Out	(1)	-	(373)	(674)	(674)	(674)	$ -	
Use of Reserve	-	-	-	-	-			
Total Other Resources (Uses)	**($1)**	**$ -**	**$1,551**	**($177)**	**($177)**	**($177)**	**$177**	
Total from Operations and Other Resources (Uses)	**$13,217**	**$12,226**	**$101**	**$ -**	**($111)**	**($4,391)**	**($4,214)**	(7)
Beginning Fund Balance	$15,388	$15,489	$15,388	$15,489	$15,489			
Fund Balance Adjustment	-	-	-	-	-			
Ending Fund Balance	**$28,605**	**$27,715**	**$15,489**	**$15,489**	**$15,378**	**($4,391)**	**($4,214)**	
Fund Balance as % Operating Revenues	94.5%	90.5%	19.8%	19.0%	18.9%			
Ending Cash Balance	$22,101	$26,861	$18,655					

Notes:

(1) **FY 2026-27 State Appropriation Actuals** - The decrease reflects the HECC SSCM and ETSF true-up.

(2) **FY 2026-27 Tuition and Fees Forecast** - Reflects a 2.8% decline in student credit hours compared to FY26 (3.8% below the FY27 budget assumptions). Projected shortfall is estimated at $1.6-1.7M.

(3) **FY 2026-27 Remissions Forecast** - Based on last year 19.8% actual tuition/remission ratio.

(4) **FY 2026-27 Adjuncts and Admin/Faculty Other Pay Forecast** - Includes CBA-required Summer pay rate increase, settlement adjustments, adjuncts and overload spend based on prior year trend.

(5) **FY 2026-27 Service & Supplies -**Reflects spending of and remaining prior year's project specific appropriations (offset by corresponding transfer in), as well as structural deficit in ITS applications and increased operational costs across divisions due to rising prices for computer hardware and other expenses.

(6) **FY 2026-27 Utilities** - Reflects growing utilty costs driven by rate increases (identified structural deficit) and the impact of a random water leaks.

(7) **FY 2026-27 Total from Operations and Other Resources (Other) Adjusted Budget** - Includes FY26 Carryforward budget.

3.3

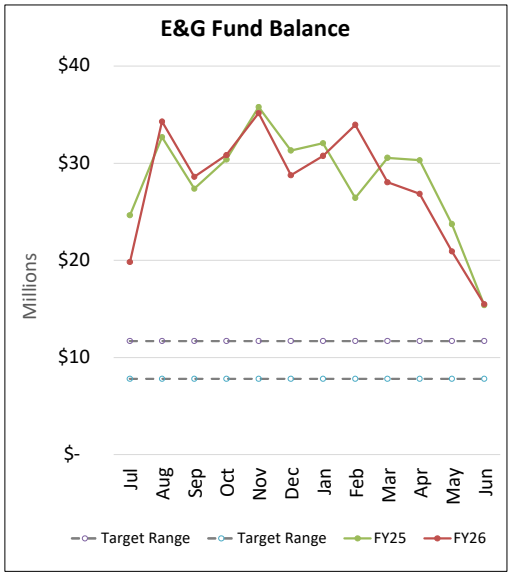
Q-4 FYE 2025-26 Financial Dashboard

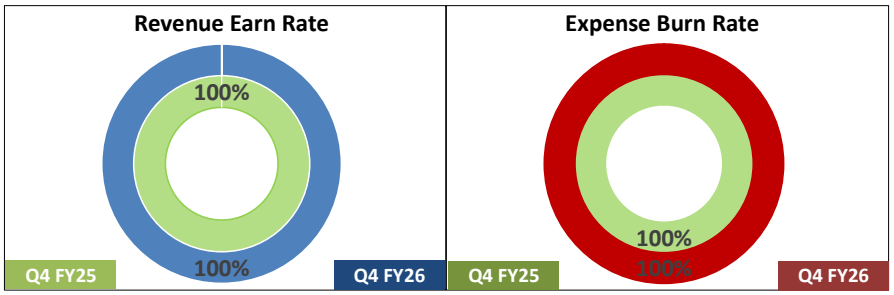
FF&A Item- 3.3

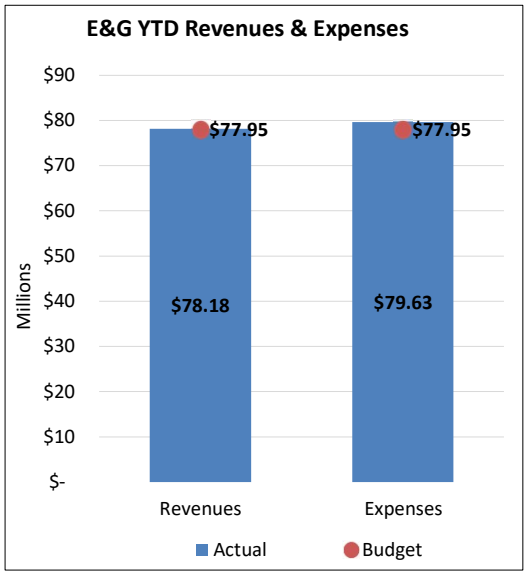
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Quarterly Financial Dashboard

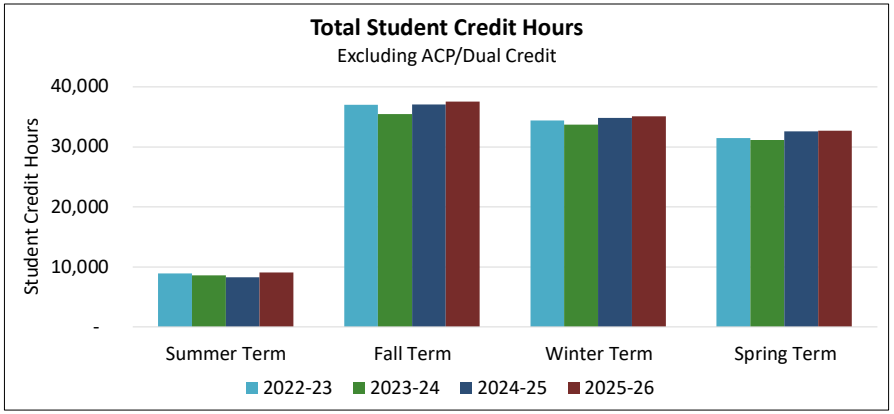
As of June 30, 2026

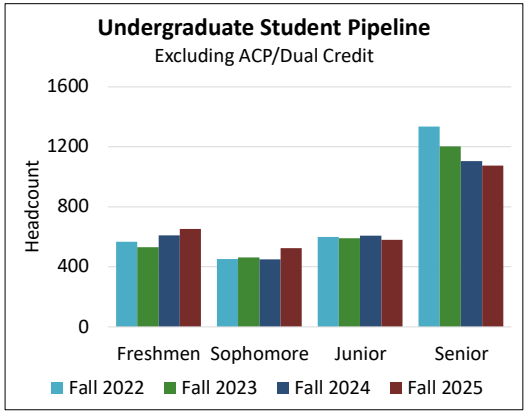






Key Financial Indicators		
E&G Fund Balance:	$15,489	As of June 30, 2026
Debt Burden Ratio*:	6.99%	As of June 30, 2025
Quasi Endowment:	$7,574	As of June 30, 2026
Foundation Assets:	$60,881	As of June 30, 2026





Student Tuition			
Undergraduate Tuition			
	2024-25		2025-26
Resident:	$10,964		$11,403
Non-Resident:	$34,900		$36,296
WUE:	$16,447		$17,105
Online:	$14,490		$15,075
Differential:	37%		37%
Graduate Tuition			
	2024-25		2025-26
Resident:	$20,174		$20,982
Non-Resident:	$33,868		$35,222
Online (MS-AH):	$16,488		$17,136
Online (MS-ET):	$24,012		$24,984
Resident (DPT):	$22,831		$23,744
Non-Resident(DPT):	$38,327		$39,860
Differential:	37%		37%

Degree Completions				
	2025-26	2024-25	2023-24	3 Year Δ
Undergraduate				
Resident:	461	458	477	-3.4%
Non-Resident:	191	185	207	-7.7%
Graduate				
Resident:	27	25	20	35.0%
Non-Resident:	33	20	19	73.7%

Notes:

(1) Student tuition rates are shown at 15 credits per term for undergraduates and 12 credits per term for graduates.

(2) Student Data for Fall 2025, Winter 2026, and Spring 2026 is final 4th week data.

**Debt Burden Ratio includes leases*

3.4

Q-4 FYE 2025-26 Investments Report

FY2026 Q4 Investment Report

BACKGROUND

The Oregon Tech (university) investment report for the fourth quarter (Q4) of FY2026 is presented in the following sections:

- **FY2026 Q4 Oregon Tech Investment Report** – This section includes a report on the investments of the operating and endowment assets of the university. This report reflects the university's operating assets that are invested in short and intermediate-term fixed income funds and the university's endowment assets managed by the Oregon State Treasury.

- **FY2026 Q4 Market Commentary** – This section provides a general discussion of the investment markets and related performance data for the fourth quarter of FY2026 (i.e., April 1 – June 30, 2026).

FY2026 Q4 OREGON TECH INVESTMENT REPORT

The schedule of Oregon Tech's investments is shown in the investment summary below.

Oregon Tech Operating Assets

The Oregon Short Term Fund (OSTF) increased 1.0% for the quarter and 4.3% for the fiscal year, outperforming its benchmark by 10 and 50 basis points, respectively. The Public University Fund Core Bond Fund (PUF) increased 0.5% for the quarter and 4.0% for the fiscal year, exceeding its benchmark by 10 and 90 basis points, respectively. The PUF's investment yield was 1.1% for the quarter. As of June 30, 2026, OIT had $13.3 million on deposit in the OSTF and $20.5 million invested in the PUF.

The Oregon State Treasury investment team added high-quality mortgage-backed securities in the PUF portfolio during the period due to expectations of rising long-term interest rates and their attractive relative yields compared to other spread product such as corporate bonds. Relative performance in the PUF was supported by the portfolio's overweight in mortgage-backed securities (7.2%).

Oregon Tech Quasi-Endowment Fund

The Oregon Tech Quasi-Endowment assets increased 0.5% for the quarter and 3.8% for the fiscal year. The Oregon Intermediate-Term Pool performance outperformed its benchmark for the quarter by 10 basis points and fiscal year by 70 basis points. The Endowment assets were valued at $7.6 million, as of June 30, 2026.

Oregon Tech
Investment Summary
as of June 30, 2026
(Net of Fees)

	Quarter Ended 6/30/2026	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation[1]
OIT Operating Assets								
Oregon Short - Term Fund	1.0%	4.3%	4.9%	4.7%	3.5%	2.6%	$ 13,321,851	39.4%
Benchmark - 91 day T-Bill	0.9%	3.8%	4.7%	4.6%	3.5%	2.3%		
PUF Core Bond Fund	0.5%	4.0%	6.7%	5.2%	1.8%	N/A	20,501,791	60.6%
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index[2]	0.4%	3.1%	6.7%	4.7%	1.2%	1.9%		
Investment Yield[3]	1.1%	4.3%	4.5%	4.5%	4.0%	N/A		
Total Operating Assets							$ 33,823,642	100.0%
OIT Endowment Assets								
Oregon Intermediate-Term Pool	0.5%	3.8%	6.7%	5.2%	1.7%	N/A	$ 7,574,098	100.0%
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index[4]	0.4%	3.1%	6.7%	4.7%	1.2%	1.8%		

[1] University operating asset allocations based upon liquidity needs as determined by rolling 12-month cash flow forecasts. Operating assets in excess of liquidity requirements are available for investment in the PUF Core Bond Fund and other long-term investments.

[2] 100% Bloomberg Barclays Intermediate U.S. Gov't./Credit Index as of February 1, 2021. From April 1, 2017 to January 31, 2021, the benchmark was 75% Bloomberg Barclay's Aggregate 3-5 Years Index, 25% Bloomberg Barclay's Aggregate 5-7 Years Index.

[3] The reported investment yields for the quarter and fiscal year-to-date represent earned yields for the period and are not annualized rates.

[4] 100% Bloomberg Barclays Intermediate U.S. Gov't./Credit Index as of January 1, 2021. From June 1, 2015 to December 31, 2020 the benchmark was Bloomberg Barclays 3-5 Year U.S. Aggregate Index.

Note: Outlined returns underperfomed their benchmark.

Oregon Short-Term Fund

June 30. 2026

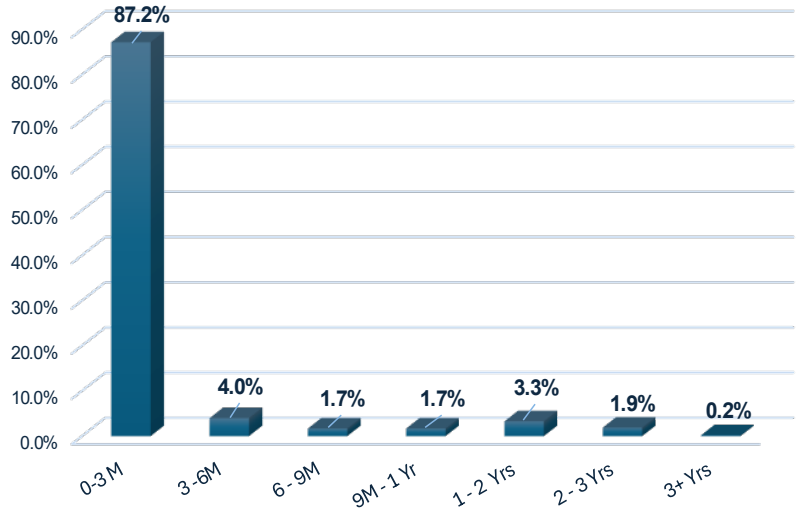
Portfolio Characteristics

Net Asset Value 6/30/2026	$ 34,077,516,344
Weighted Average Credit Quality	AA
Rate Paid (%)	4.0%
Weighted Average Maturity (days)	70 days
Duration (years)	0.20
Spread Duration (years)	0.86

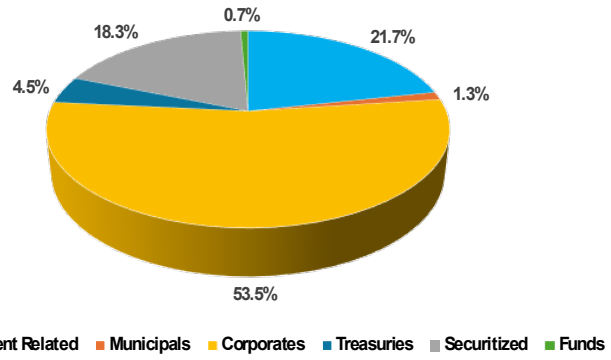
Top 10 Issuers

Federal Farm Credit Banks	5.2%
Canada Pension Plan Investment Board Capital Incorporated	4.5%
United States Treasury	4.5%
Bank of America Corporation	3.0%
Cantor Fitzgerald & Co.	2.9%
National Rural Utilities Cooperative Finance Corporation	2.7%
Federal Home Loan Banks	2.7%
JPMorgan Chase & Co.	2.2%
Royal Bank of Canada	2.1%
Caisse Des Depots ET Consignations	1.9%
Total	**31.8%**

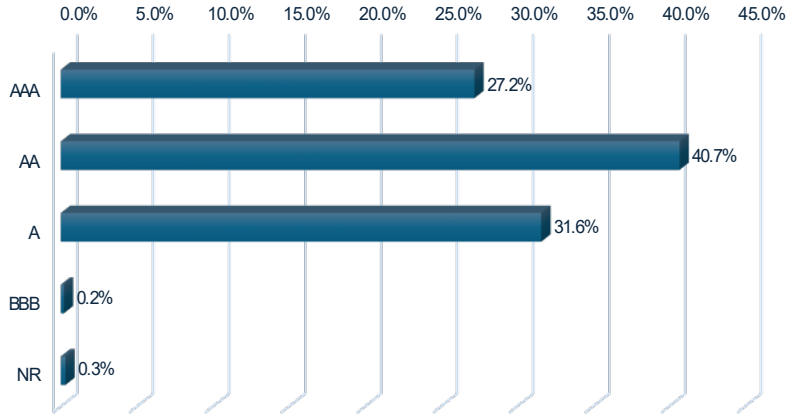
Maturity Breakdown



Sector Allocations



Credit Quality Distribution



Source: Oregon State Treasury

Core Bond Fund

June 30, 2026

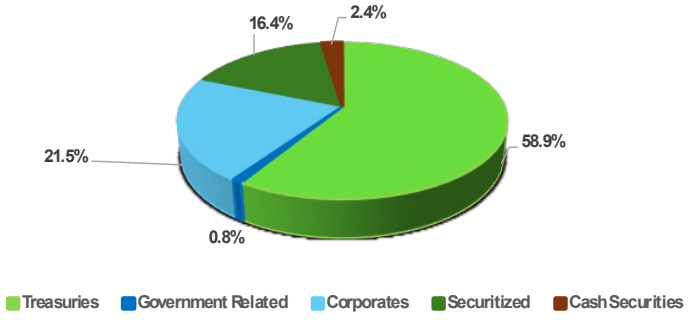
Portfolio Characteristics

Market Value 6/30/2026	$	261,991,866
Weighted Average Credit Quality		AA-
Book Yield (%)		4.62%
Weighted Average Maturity (years)		4.39
Duration (years)		3.68
Spread Duration (rate)		1.35

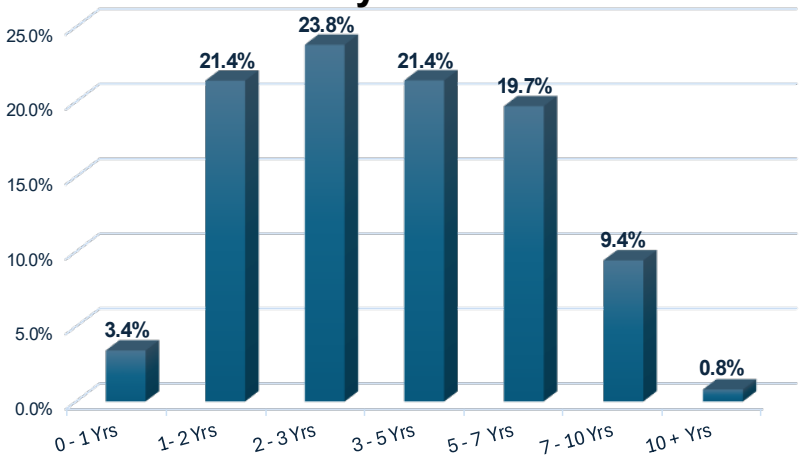
Top 10 Issuers

United States Treasury	59.3%
Wheels Fleet Lease Funding LLC 25-1	4.0%
Federal Home Loan Mortgage Corporation	3.8%
Federal National Mortgage Association	3.6%
Cash	2.4%
Rexford Industrial Realty Incorporated	1.9%
ICON plc	1.9%
Fideicomiso Fibro Uno	1.9%
Spirit Airlines Class A Pass Thru Certificate	1.6%
DT Midstream Incorporated	1.4%
Total	81.8%

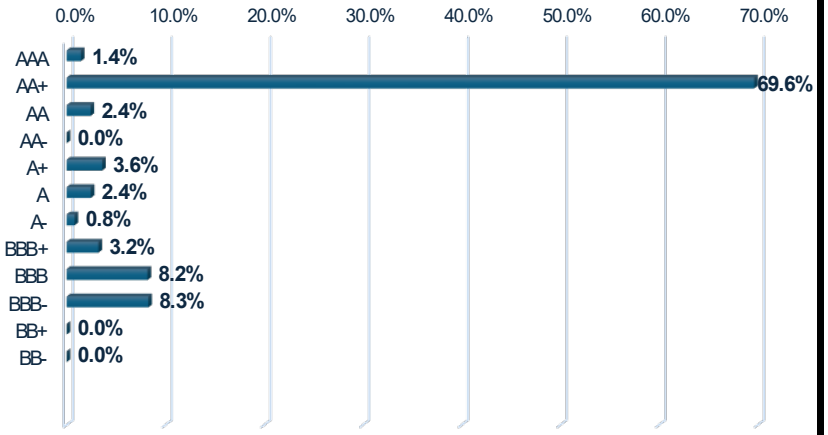
Sector Allocations



Maturity Breakdown



Credit Quality Distribution



Source: Oregon State Treasury

FY2026 Q4

MARKET COMMENTARY

(Prepared by Meketa Investment Group, consultants to the Oregon Investment Council)

Report on Investments – as of June 30, 2026

Economic and Market Update

Global equities posted strong returns in the second calendar quarter of 2026, led by emerging markets and U.S. small-cap stocks. Continued enthusiasm around artificial intelligence and a ceasefire in the Middle East helped support risk assets, while bonds benefited from the decline in energy lowering inflation concerns.

- U.S. equities (S&P 500) rose 15.2% in the second calendar quarter, recovering first calendar quarter losses and lifting the calendar year-to-date gain to 10.2%. Growth stocks led the rebound after lagging in the first calendar quarter, with the Russell 1000 Growth Index advancing 16.7% versus 13.9% for the Russell 1000 Value Index. Small cap stocks and strong performance from technology and Artificial Intelligence (AI)-related companies helped drive the recovery.
- Emerging markets (Morgan Stanley Capital Indices (MSCI) Emerging Markets +24.1%) led global equity markets in the second calendar quarter, significantly outperforming developed markets (MSCI Europe Australia Far-East (EAFE) +10.8%). Strong performance in several Asian markets driven by technology-related industries, particularly South Korea and Taiwan, helped drive returns, while China lagged amid continued economic challenges.
- Fixed income generated modest positive returns during the second calendar quarter, with credit-sensitive sectors outperforming the broader bond market. The Bloomberg U.S. Aggregate gained 0.7%, while emerging market debt (+3.9%) and high yield bonds (+2.5%) benefited from supportive credit conditions and continued investor demand for risk assets.
- Looking ahead, investors will be focused on whether inflation continues to moderate, if the Federal Reserve signals a shift in policy, how the AI-related technology tracks, and whether corporate earnings can support current equity valuations following the strong second calendar quarter rally.

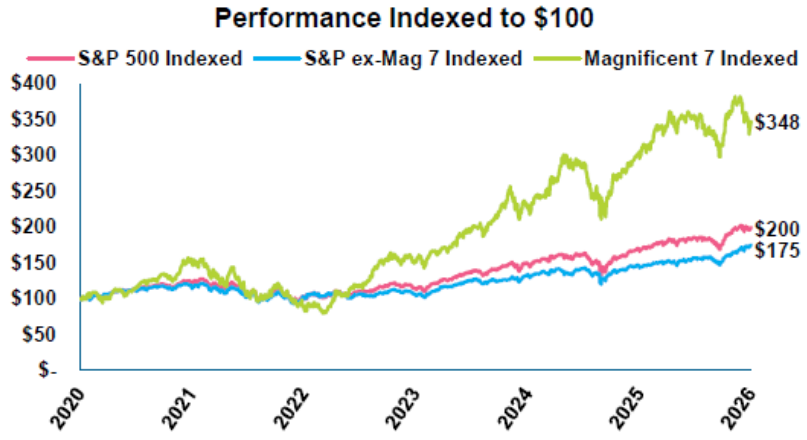
Market Returns[1]
June 30, 2026

	Month	Quarter	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
S&P 500	-1.0%	15.2%	10.2%	22.3%	20.6%	13.4%	16.1%	15.5%
MSCI EAFE-ND	0.1%	10.8%	9.4%	20.2%	16.4%	9.0%	9.9%	9.7%
MSCI EM-ND	-1.4%	24.1%	23.8%	43.5%	23.0%	7.2%	9.8%	10.1%
MSCI China-ND	-7.1%	-6.6%	-15.0%	-4.9%	7.8%	-6.6%	0.3%	4.3%
Bloomberg US Aggregate	0.2%	0.7%	0.6%	3.8%	4.2%	0.1%	1.2%	1.5%
Bloomberg US TIPS	-0.5%	0.9%	1.2%	3.4%	4.0%	1.0%	2.8%	2.6%
Bloomberg US Corporate High Yield	0.3%	2.5%	2.0%	5.9%	8.9%	4.2%	5.1%	5.8%
ICE BofAML US 3-Month Treasury Bill	0.3%	0.9%	1.7%	3.8%	4.6%	3.5%	2.8%	2.3%
ICE BofAML 1-3 Year US Treasury	0.1%	0.4%	0.7%	2.9%	4.4%	1.9%	2.0%	1.8%
ICE BofAML 10+ Year US Treasury	1.0%	0.8%	0.8%	3.0%	-0.2%	-5.2%	-2.2%	-1.2%

[1]Source: Oregon State Treasury

U.S. Equities: Growth stocks regained leadership in the second calendar quarter, with the Russell 1000 Growth Index advancing 16.7% compared to 13.9% for the Russell 1000 Value Index. Small-cap equities posted the strongest returns given the resilient U.S. economy, a lower likelihood of rate increases, and strong earnings. The Russell 2000 Index gained 21.5%, outperforming large-cap stocks (Russell 1000 15.1%).

Seven of the highest performing U.S. technology firms, also known as the “Magnificent Seven”, contributed meaningfully to the quarter’s gains given their substantial index weight, rebounding from first-quarter declines as demand for AI infrastructure and computing capacity supported mega-cap technology shares. Stock examples include Amazon, Alphabet, Nvidia, and Microsoft, to name a few. Investor confidence in the durability of AI-related revenue growth underpinning the group’s leadership through the quarter.



[1] Source: Bloomberg. Data is as of June 30, 2026.

Technology led all sectors, rising 29.9% as strength in cloud and AI-related earnings reinforced confidence in the capital-spending cycle. Industrials (+13.7%) and health care (+10.1%) also posted solid gains. Energy was the weakest sector, falling 12.9% as oil prices retreated sharply on easing Middle East tensions, reversing a portion of its strong first-calendar-quarter gains. Utilities (-1.1%) were the only other sector to decline. The remaining sectors advanced, led by

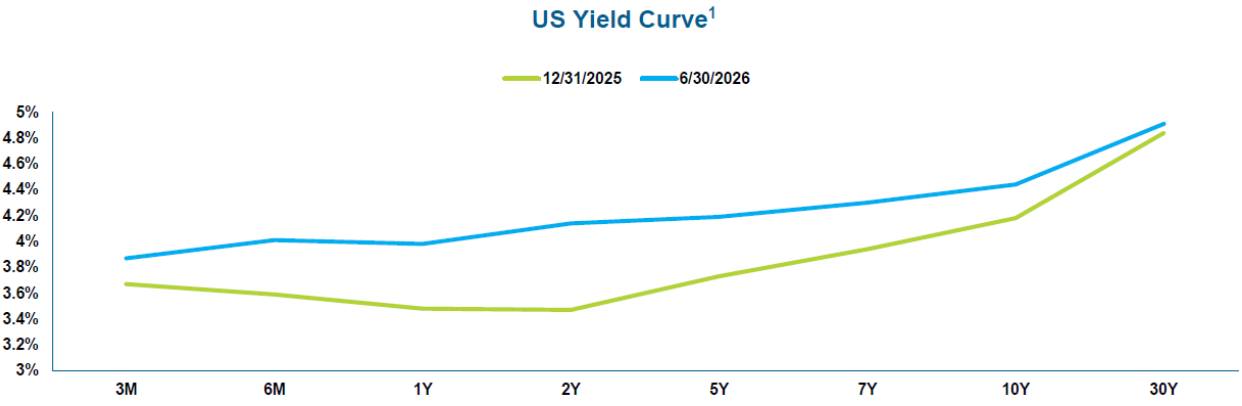
telecommunications (+9.5%) and financials (+8.8%). On a year-to-date basis, telecommunications (+21.2%) and energy (+18.6%) remain the top performers despite energy's second calendar quarter reversal.

Foreign Equity: Developed market equities rose over the quarter, supported by resilient corporate earnings, strength in semiconductor-related names, and a reduction of Middle East tensions. Europe and Japan both advanced, with Japan aided by firm AI-related hardware demand, though a stronger U.S. dollar trimmed returns for dollar-based investors, with the local-currency EAFE index returning 11.5% compared to 10.8% in USD terms.

Emerging markets substantially outperformed developed peers, led by South Korea and Taiwan on robust technology demand. The MSCI Emerging Markets ex-China index returned an impressive 34.5% for the quarter, while China (-6.6%) lagged sharply over the quarter amid continued economic weakness and challenges in the property sector.

Cyclically adjusted U.S. equity valuations rose over the second calendar quarter as strong market performance lifted the U.S. Cyclically Adjusted Price-Earnings Ratio (CAPE) to 39.7, well above its long-run average of 28.5. Non-U.S. developed market valuations (EAFE) also rose, reaching 24.5 versus a long-run average of 19.3. Despite trading above historical norms, EAFE valuations remain considerably less expensive than those in the U.S. Emerging market valuations increased to 23.1, moving further above their long-run average of 16.3. The continued multiple expansion reflects elevated investor confidence in AI-related hardware and semiconductor demand across developing markets.

Fixed Income: Fixed income posted modest gains over the second calendar quarter as inflation concerns eased and credit conditions remained supportive. The Federal Reserve held rates steady at its June meeting, with markets continuing to price a potential rate hike as inflation remains elevated despite recent declines in energy prices. Credit-oriented sectors led fixed income performance, with emerging market debt (+3.9%) and high yield bonds (+2.5%) posting the strongest returns. Longer-term Treasuries managed modest gains, with the Bloomberg U.S. Long Treasury index up 0.9% as yields at the long end of the curve held roughly steady. Treasury Inflation Protected Securities (TIPS) also posted modest positive returns (Bloomberg U.S. TIPS +0.9%; Bloomberg Short-term TIPS +0.6%), reflecting inflation that remained above long-term central bank targets despite some easing in inflation concerns during the quarter.



[1] Source: Bloomberg. Data is as of June 30, 2026.

Treasury yields continued to increase in the second calendar quarter across most of the curve as the Middle East conflict and resulting energy shock lifted inflation concerns and reduced expectations of interest rate cuts from the Federal Reserve. Yields did retreat modestly from their May highs though as oil prices fell and tensions eased into quarter-end. The policy-sensitive 2-year nominal Treasury yield rose from 3.80% at the end of the first calendar quarter to 4.18%,
reflecting growing expectations of a potential interest rate increase by the Fed. The 10-year nominal Treasury yield increased from 4.32% to 4.47%, while the 30-year nominal Treasury yield rose from 4.91% to 4.96%. As the front end of the curve rose more than longer-dated yields, the spread between the two-year and ten-year Treasury narrowed from 53 basis points to 30 basis points over the quarter.

In June, headline inflation fell from 4.2% to 3.5% YoY, below expectations for a 3.8% reading with an also below expectations monthly reading (-0.4% versus -0.1%). Energy declines on easing tensions in the Middle East were the main driver, falling 5.7% in June after three months of strong increases. Food prices increased 0.5% in April, 0.2% in May, and 0.2% in June with a YoY change through June of 3.0%. Core inflation fell from 2.9% YoY to 2.6% (also below expectations), with the monthly pace cooling further from 0.2% to 0.0%, suggesting underlying price pressures continue to moderate. Notably the monthly shelter rate declined over the quarter from 0.6% in April, to 0.3% in May, and 0.1% in June. Long-term inflation expectations largely tracked moves of energy over the quarter, with 10-year breakevens finishing June at 2.2% compared to the 2.5% peak in May that corresponded to oil prices peaking.

The U.S. dollar firmed over the second calendar quarter, with the dollar index rising from 100.0 at the end of March to 101.2 by quarter-end. The gain reflected a higher for longer interest rate backdrop as inflation remained above target and markets reduced expectations for near-term Federal Reserve rate cuts. A stronger dollar modestly reduced returns on unhedged international holdings for U.S.-based investors. The dollar remains sensitive to changes in monetary policy expectations, inflation trends, and geopolitical developments. Additionally, policy divergence across regions continues to play a central role in currency markets.

Summary-Key Trends:

- Global growth expectations remain subdued amid the conflict in the Middle East. The International Monetary Fund’s (IMF) April 2026 World Economic Outlook cut projected global growth to 3.1% (from 3.3%), and downside risks continue to dominate, with the renewed escalation capable of pushing growth materially lower.

- The dominant macro tension has shifted. The sharp reversal in oil prices late in the second calendar quarter and the below expectations jobs report has effectively taken a July rate hike off the table for the Fed, but it reflects a one-off energy round-trip rather than resolved underlying inflation. With the ceasefire already fraying and the committee split on the balance of risks, the question has moved from whether the energy spike would force the Fed's hand to whether June's disinflation holds into September, when a hike remains a coin flip. The leadership question, by contrast, is largely settled. Chair Warsh has anchored the Fed to an explicit price-stability mandate, with reduced forward guidance and a reaction function that leaves little tolerance for a renewed inflation impulse.

- U.S. consumers show increasing strain at the lower end, and although gasoline has fallen back below $4/gallon, a rising share of younger and rate-sensitive borrowers is

falling behind on debt. The unemployment rate has remained in a narrow band this year, but soft participation and widening dispersion in household financial health point to underlying weakness beneath a still-firm headline labor market.

- U.S. equity performance has been strong, with the rally led by technology and the largest mega-cap constituents and extended by robust emerging market gains in Asia. While leadership has broadened on a year-to-date basis, the second calendar quarter advance again leaned heavily on technology, while energy and other commodity-sensitive sectors gave background as oil prices fell. Into the third calendar quarter, that same concentration is the principal risk with scrutiny turning from AI enthusiasm to the gap between soaring capex and current low returns on AI related investment.

3.5

Q-1 FY 2026-27 Facilities and Capital Projects Report

FF&A Item 3.5

FF&A COMMITTEE OF THE BOARD OF TRUSTEES/ 10.26.2026

Oregon Tech's - Capital Projects Update

Brent Perrin | Executive Director, Facilities & Capital Planning

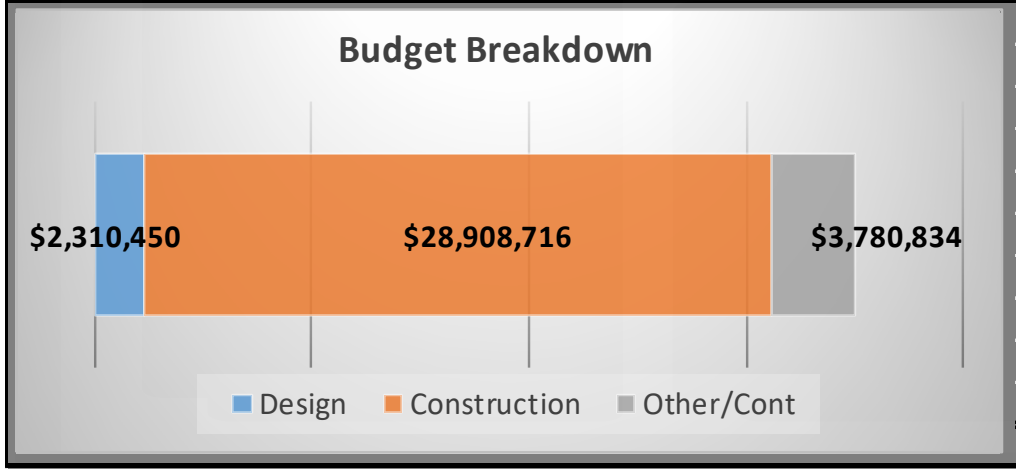
Presentation Outline

Capital Projects – Underway

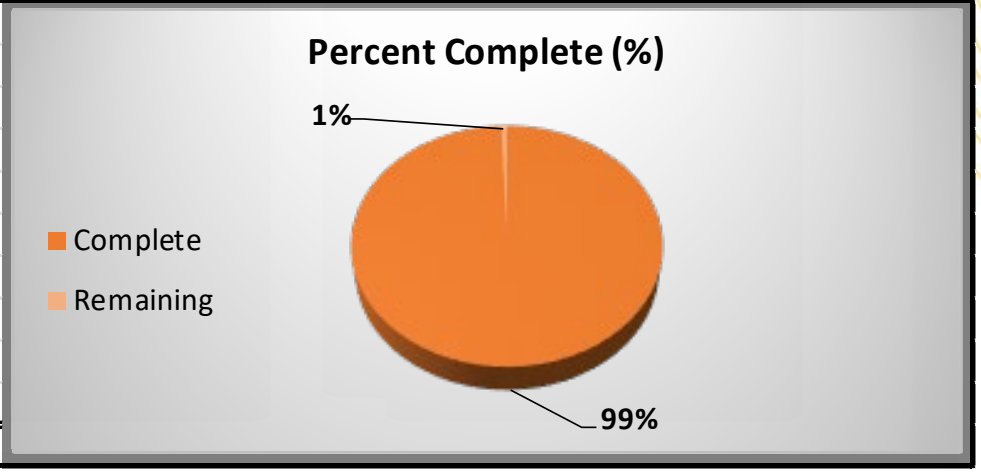
- New Student Housing
- Geothermal Systems Emergency Renovation
- Athletics Field House
- PM Elevator Renovation
- *Project status updates reflect progress through 8.31.26*

New Student Housing

New Student Housing (85,000 sq ft)									
Project Start: 4.01.2023						Project Completion: 6.19.2026			
Project	**Progress Highlights**					**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE 822 / FNRESH	Visioning: January 2023 - February 2023										
Bond Type: XI-F 2022	Design: March 2023 - April 2024										
	Construction: May 2024 - June 2026					Visioning/Design (7%):	$ 2,231,400	$ 2,310,450	$ 2,295,564	99%	$ 14,886
	Project closeout underway.					Construction (82%):	$ 28,000,000	$ 28,908,716	$ 28,880,283	100%	$ 28,433
Design: Mahlum Architects						Contingency/Other (11%):	$ 4,768,600	$ 3,780,834	$ 3,600,466	95%	$ 180,368
CM/GC: Bogatay Const.	Plan	Design	Bid	Build	Closeout	Project Totals:	$ 35,000,000	$ 35,000,000	$ 34,776,313	99%	$ 223,687



CO's / Amendments	
MA: Amd. 1	$ 32,500
MA: Amd. 2	$ 35,100
MA: Amd. 3	$ -
MA: Amd. 4	$ 11,450
BCI: Amd. 5	$ 72,645
BCI: Amd. 8	$ 211,905
BCI: Amd. 9	$ 124,137
	$ -
	$ -
Total:	$ 487,737



New Student Housing

Extended Project Highlights

- Early Work: 4.08.24 through 6.07.2024
- Project Construction: 6.10.2024 through 6. 18.2026
- Project Closeout: 6.19.2026 through 10.31.2026
- Project GMP of $28,500,000 approved on 5.23.2024
- Project Scope: New 85,000 sqft, four story building with 511 beds.
- 89% of work by firms within 100-mile radius of project. (57% Klamath Falls / 32% Southern Oregon)

New Student Housing





New Student Housing





New Student Housing





New Student Housing





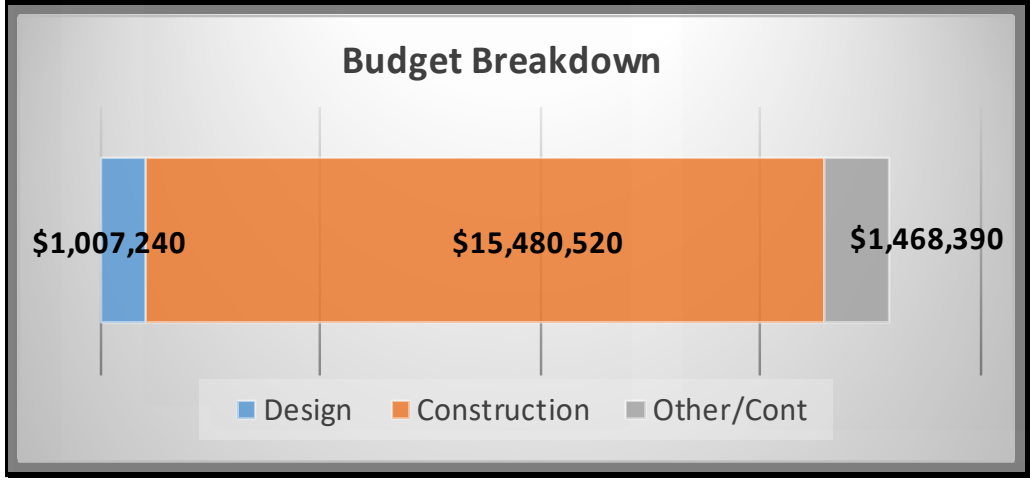
New Student Housing



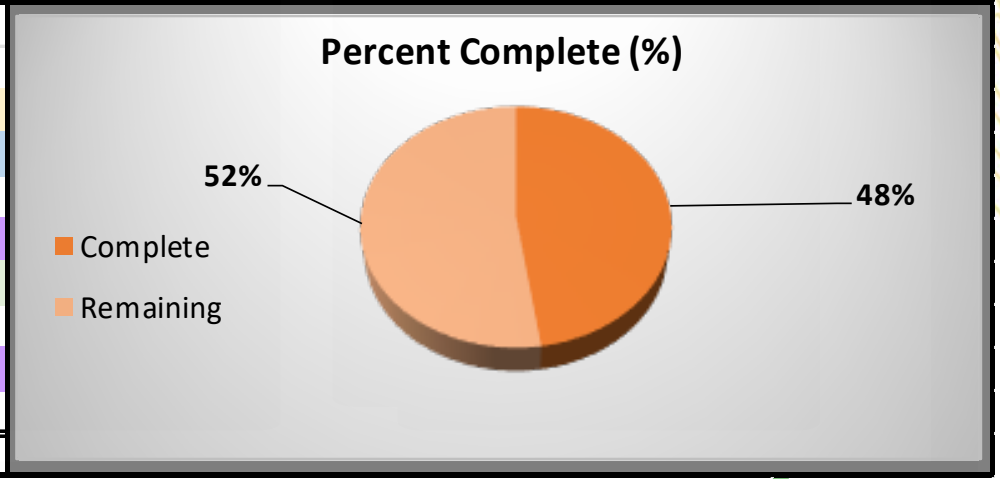


Geothermal Systems Emergency Renovation

Geothermal Systems Emergency Renovation											
Project Start: 11.06.23						Project Completion: 8.31.2028					
Project	**Progress Highlights**					**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE 830	Design: Phases 1 - 2 - 3 - 5 & 6 completed.										
Bond Type: XI-Q 2023K	Construction: Phase 1 completed -										
	Phases 2 - 3 - 5 & 6 underway.					Design (7%):	$ 1,295,615	$ 1,007,240	$ 848,282	84%	$ 158,958
	Project underway.					Construction (84%):	$ 2,018,747	$ 15,480,520	$ 7,606,151	49%	$ 7,874,369
Design: SHN						Contingency/Other (9%):	$ 14,641,788	$ 1,468,390	$ 101,368	7%	$ 1,367,022
CM/GC: Bogatay const.	Plan	Design	Bid	**Build**	Closeout	Project Totals:	$ 17,956,150	$ 17,956,150	$ 8,555,801	48%	$ 9,400,349



BCI - Amendments	
#1202948	$ 610,304
Amd. 1-3-5-8-9	$ 4,560,547
Amd. 4	$ 1,445,424
Amd. 6-7-13-14	$ 193,791
Amd. 10	*$ 337,737*
#1379320	$ 4,066,689
Amd. 16	$ 875,349
Amd. 17	$ 1,365,033
	$ -
Total:	$13,454,873



Geothermal Systems Emergency Renovation

Extended Project Highlights

Phase 1 - Geo HX Building Renovation
- New 20,000 gal. geo storage tank **COMPLETE**
- HX Renovation completed **COMPLETE**

Phase 2 - Geo Distribution Piping
- Direct bury & tunnel geo distribution piping completed

Phase 3 – Geo Wells
- Geo Well 6 renovation **COMPLETE**
- Geo injection Well 1 & 2 renovation underway

Phase 4 – Building Geo Renovations
- DOW geo renovations underway

Phase 5 – Geo Snowmelt Expansion
- Snowmelt expansion **COMPLETE**
- Misc. snowmelt renovations/repairs underway.

Phase 6 – Campus Electrical Distribution
- Electrical distribution underway

Stilwell Stadium Canopy (Foundation Funded)

Extended Project Highlights

- $825K project, donor funded
- Project Scope: Canopy over stadium bleachers
- Project Completion: Fall 2026

Stilwell Stadium Canopy





Stilwell Stadium Canopy





Athletics Field House (Foundation Funded)

Extended Project Highlights

- $3.5M project, donor funded.
- Project Scope: 155’ x 60’ x 28’ indoor practice facility.
- Project Completion: Fall 2026.

Athletics Field House





Athletics Field House





Portland-Metro Elevator Renovation

- Scope includes modernization of all three existing elevators.
- Work on-site scheduled to begin June 2026.
- Completion scheduled for November 2026.
- Project cost: $452,887.00

Contact Information

Brent Perrin, Executive Director, Facilities & Capital Planning
Phone: 541.885.0013
Email: brent.perrin@oit.edu

3.6

Eide Bailly LLP, Internal Audit Update

FF&A Item 3.6



INTERNAL AUDIT STATUS UPDATE

October 26, 2026

Eide Bailly

REMISSIONS CONSULTING ENGAGEMENT

OBJECTIVE & SCOPE

The **Objective** of this engagement was to evaluate Oregon Tech's tuition remission ecosystem and provide recommendations to strengthen strategic alignment, governance, reporting, budget development process and decision-making. The review focused on:

- Gaining clarity of institutional objectives for remissions in alignment with enrollment, retention, equity, and net tuition revenue goals and overall strategic plan;
- Assessing and mapping current institutional aid/tuition remission end-to-end processing, from eligibility determination, packaging policies, timelines, and reconciliations, through tracking and data collection; and
- Suggesting a decision framework and strategic recommendations for scholarship leveraging, awarding refinements, policy alignment, transparency, as well as a governance structure with decision rights, annual review cycle, and budget coordination aligned with performance objectives.

The **Scope** encompasses on remission-related activities and available data from July 1, 2021, through June 30, 2025. Procedures included stakeholder interviews, review of remission-related documentation and reports, analysis of selected student and remission cohorts, evaluation of available institutional data, and benchmarking of selected remission practices among comparator institutions identified by Oregon Tech. The review primarily focused on admissions and athletic remissions, which represent the largest and most significant categories of institutionally funded remission expenditures.

REMISSIONS CONSULTING ENGAGEMENT

Observations & Recommendations

#1 – Establish a Strategic Enrollment Management (SEM) Workgroup Structure

Enrollment and remission decisions span multiple areas of the University, but there is not currently a formal structure for coordinating these interconnected strategies and decisions.

Recommendation:

Create a standing, cross-functional SEM Workgroup with representation from key areas across the institution to provide a central forum for reviewing enrollment and remission strategies, financial assumptions and performance, and to recommend adjustments based on institutional priorities and data.

Greater coordination can better align enrollment, student success, and financial priorities, and strengthen shared accountability.

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REMISSIONS CONSULTING ENGAGEMENT

Observations & Recommendations

#2 – Develop a Comprehensive Remission Policy and Operation Framework

Policies and procedures governing remission strategy, administration, budgeting, oversight, reporting, and evaluation are currently limited, with practices and decision-making occurring across multiple areas.

Recommendation:

A comprehensive written remission framework through the SEM Workgroup that defines program objectives, roles and responsibilities, awarding and renewal standards, approval authority, budgeting and forecasting expectations, reporting requirements, annual review processes, and measures of student and institutional outcomes.

A common framework can improve consistency, transparency, accountability, and institutional knowledge.

REMISSIONS CONSULTING ENGAGEMENT

Observations & Recommendations

#3 – Strengthen Institutional Reporting, Dashboards and Analytics Capabilities

Significant remission, enrollment, financial aid, and student data is available across the University, but reporting is decentralized and often requires substantial manual effort.

Recommendation:

Develop a coordinated reporting and analytics framework using common definitions, standardized metrics, dashboards, and recurring reporting. Measures should include remission expenditures, discount rates, net tuition revenue, yield, retention and graduation, program-level effectiveness, athletic and WUE outcomes, and student population analyses, with results routinely reviewed through the SEM Workgroup.

More consistent and comprehensive data is needed to evaluate outcomes, support forecasting, and inform strategic decisions.

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REMISSIONS CONSULTING ENGAGEMENT

Observations & Recommendations

#4 – Implement an Annual Remissions Review and Continuous Improvement Process

Remission programs represent a significant institutional investment, but there is not currently a formal, recurring process for evaluating their effectiveness, return on investment, and alignment with institutional objectives.

Recommendation:

Establish an annual review of major remission and institutional aid programs through the SEM Workgroup using defined measures such as enrollment and yield, retention and completion, net tuition revenue, program performance, budget utilization, ROI, and institutional alignment. Results should inform future scholarship design, budget planning, aid leveraging, and allocation decisions.

Regular review can identify which investments are producing desired enrollment, student success, and financial outcomes.

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REMISSIONS CONSULTING ENGAGEMENT

Observations & Recommendations

#5 – Expand Strategic Scholarship Leveraging Through Student Population and Program-Level Analysis

Analysis of first-year merit awards, engineering scholarships, athletics, and WUE awards indicates that remission strategies and outcomes vary across student populations and academic programs, while broad awarding practices can make the impact of individual aid investments difficult to isolate.

Recommendation:

Expand aid-leveraging analysis by specific student cohorts and academic program to evaluate resource investment using measures such as yield, retention and graduation, net tuition revenue, student need, program demand, cost per enrolled student, and ROI to guide future remission allocation and scholarship design.

More targeted analysis would help identify where institutional aid is most effectively supporting enrollment, affordability, student success, and net tuition revenue goals.

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EMERGENCY MANAGEMENT & BUSINESS CONTINUITY ASSESSMENT (EMBC)

OBJECTIVE & SCOPE

The **Objective** of this assessment was to evaluate the University's emergency management governance, response readiness, incident coordination, and crisis communication capabilities. The assessment also evaluated governance, coordination, resourcing, and planning related to continuity of critical operations during significant disruptions, as well as the University's threat assessment structure, coordination among responsible parties, documentation practices, and escalation protocols.

The **Scope** of the engagement covered the period from July 1, 2025, through current operations.

FINDING VS OBSERVATION

FINDING

Findings are issues that represent a deviation from established policies, procedures, regulatory requirements, or best practices. These issues may pose risks to the University, such as noncompliance, financial inaccuracies, security vulnerabilities, or operational inefficiencies. Findings require management's attention and corrective action to mitigate potential impacts. Each finding includes a description of the issue, the criteria or standard that was not met, the root cause, the potential effect or risk, and a recommendation for resolution.

OBSERVATION

Observations are not necessarily violations of policies or regulations but represent areas where processes or controls could be enhanced to improve efficiency, effectiveness, or risk management. While observations do not require immediate corrective action, addressing them may lead to operational improvements, cost savings, or risk reduction. Observations are provided for management's awareness and consideration, with recommendations for potential enhancements where applicable.

EMBC – FINDINGS & RECOMMENDATIONS

#1 – Emergency Management Oversight and Program Maturity

Oregon Tech has built a strong foundation, including REMS and RSI coordination, departmental BCPs, tabletop exercises, and regular oversight meetings. Key pieces are still in development: the EOP update, enterprise policies, the threat assessment program, and documented incident roles, milestones, and target dates.

We recommend setting clear ownership, milestones, and status reporting for major initiatives, finalizing the EOP and policies, and developing a multi-year roadmap that includes resource needs.

#2 – BCP Participation and Organizational Resilience

Oregon Tech has invested in business continuity through BOLD Planning, staff training, departmental BCPs and BIAs, and recurring exercises. However, participation and plan completion vary across departments because of organizational changes, vacancies, competing priorities, and uneven engagement and advance notice for tabletop exercises.

We recommend setting milestones and target dates for incomplete plans, prioritizing support for higher-risk or lower-participation departments, and setting participation expectations and earlier notice for exercises and training.

EMBC – FINDINGS & RECOMMENDATIONS

#3 – Staffing Capacity, Specialized Knowledge, Succession Planning, and Operational Resilience

Critical emergency management, business continuity, disaster recovery, and crisis communication, and other essential operational responsibilities rely on a limited number of personnel with specialized knowledge. Departmental BCPs list successors, but cross-training, backup coverage, and surge capacity haven't been validated. Because of this, response and recovery could be delayed when key staff are unavailable.

We recommend a risk-based staffing assessment of critical functions, confirming that the designated alternates can perform their roles, expand cross-training and succession planning, and include key-person dependency reviews in BCP updates and management reporting.

EMBC – OBSERVATIONS & RECOMMENDATIONS

#1 – Disaster Recovery Planning and Technology Recovery Readiness

ITS has cybersecurity and infrastructure practices in place, including cloud-hosted solutions, daily backups, vulnerability assessments, and penetration testing. However, the Disaster Recovery Plan (DRP) is still being revised from its 2023 version. Recovery priorities, RTOs, RPOs, recovery sequencing, and testing aren't fully documented yet, and there's no set timeline for completing the plan.

We recommend a resource and implementation plan with owners and target dates, setting recovery priorities and objectives with business owners, finalizing and approving the DRP, and putting a recurring restoration testing schedule in place.

#2 – Corrective Action Tracking and Continuous Improvement

Oregon Tech's tabletop exercises and RSI after-action reports provide valuable insight into preparedness gaps and improvement opportunities. However, the University doesn't have a formal process to assign, track, and close the resulting recommendations, which limits visibility into whether identified risks are being addressed.

We recommend establishing centralized oversight of corrective actions, with clear ownership, target dates, periodic reporting to leadership, and escalation of overdue or higher-risk items.

OBSERVATIONS & RECOMMENDATIONS

#3 – Crisis Communications and Third-Party Resilience

Crisis Communication Resilience

Oregon Tech has established crisis communication capabilities through emergency notifications, pre-approved message templates, and an updated Crisis Communication Management Plan. However, the function depends on a small number of personnel and on electronic systems, and the approval chain could slow urgent notifications. The 2024 termination of the University's county dispatch agreement has also limited direct coordination with emergency services during an incident.

We recommend finalizing and distributing the communication plan, establishing backup personnel and alternate notification methods, providing role-based training, and testing the full communication process in hands-on exercises.

Third-Party Resilience

Departments manage their own vendor relationships, and Procurement supports contracting, insurance, and compliance. However, the University doesn't maintain an enterprise inventory of critical vendors and their continuity capabilities, which limits leadership's visibility into recovery commitments, alternate providers, and key dependencies.

We recommend to establish and maintain enterprise-level inventory of critical third-party vendors, periodically evaluating their continuity and recovery commitments, and using that review to inform insurance coverage and future contract terms.

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Open Cases - 2

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OREGON INSTITUTE OF TECHNOLOGY

October 2026

EMERGENCY MANAGEMENT & BUSINESS CONTINUITY ASSESSMENT

Submitted By:

Eide Bailly



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Executive Summary

Eide Bailly performed an Emergency Management & Business Continuity ("EMBC") assessment of the Oregon Institute of Technology ("Oregon Tech," "Institution," or "University"). The engagement was identified as part of the Risk Assessment Update & FY26/27 Proposed Audits performed September 2025.

The audit assessed whether Oregon Tech has established a coordinated emergency management and business continuity framework that supports institutional resilience, including emergency preparedness, response, crisis communications, continuity planning, technology recovery, and operational resilience.

Fieldwork included interviews and walkthroughs with stakeholders from Resilience, Emergency Management and Safety (REMS); Academic Affairs; Information Technology Services (ITS); Procurement and Contract Services (PACS); Risk Management; Marketing, Communications and Public Affairs (MarCoPa), and other key functions. Supporting documentation, including emergency management, business continuity, disaster recovery, and tabletop exercise materials, was reviewed.

The audit identified that Oregon Tech has made meaningful progress in developing its emergency management and business continuity program through engagement with Risk Solutions International (RSI), implementation of the BOLD Planning platform, development of departmental Business Continuity Plans (BCPs), Business Impact Analyses (BIAs), crisis communication planning, and recurring tabletop exercises. However, several elements of the program remain under development, and opportunities exist to further strengthen program oversight, documentation, corrective action tracking, continuity planning participation, disaster recovery readiness, and overall program maturity.

We identified three (3) findings and three (3) observations, each accompanied by recommendations designed to promote greater consistency, efficiency, and strategic alignment. These recommendations provide enhancements intended to support EMBC across the University in better aligning with institutional goals and recognized best practices for a higher education institution. A collaborative assessment of resource capacity, required expertise, level of effort, priorities and implementation timelines will help establish reasonable milestones while prioritizing actions that address higher-risk areas.

We extend our appreciation to John Harman, Senior Vice President for Finance and Administration; Michelle Meyer, Director of Audit and Compliance; Doug Tripp, Executive Director of Resilience, Emergency Management and Safety (REMS); and the numerous stakeholders from Information Technology Services (ITS), Academic Affairs, Procurement, Risk Management, MarCoPa, and other University functions who participated throughout this audit. Their openness, collaboration, and commitment to enhancing institutional resilience was instrumental in supporting our understanding of the University's emergency management and business continuity efforts and in developing the recommendations included within this report.

Background Information

Resilience, Emergency Management and Safety (REMS) serves as Oregon Tech's primary coordinating function for emergency preparedness, incident response, business continuity, campus safety, threat management, and institutional resilience. Emergency Management and Business Continuity started out as a strategic initiative which is evolving into a sustainable program, intended to support the University's ability to prepare for, respond to, recover from, and continue critical operations during adverse events such as disruptions, emergencies, and disasters. These responsibilities require coordination among REMS, ITS, Academic Affairs, Student Affairs, MarCoPa, PACS, Risk Management, and other administrative and operational units throughout the University.

Emergency management activities focus on preparedness, response, crisis communications, emergency notifications, and coordination during incidents. Business continuity activities focus on restoring and sustaining critical operations following significant disruptions through continuity planning, disaster recovery, training, testing, and corrective action management.

Business continuity planning at Oregon Tech is supported through Business Impact Analyses (BIAs), Business Continuity Plans (BCPs), testing and training exercises including tabletop exercises and department level focused trainings during the year. BIAs identify critical functions, operational impacts, dependencies, and recovery priorities. BCPs document the procedures, personnel, communication protocols, succession arrangements, and recovery activities necessary to continue or restore critical operations. Tabletop exercises provide an opportunity to evaluate these plans through simulated scenarios, identify preparedness gaps, and develop corrective actions intended to strengthen future response and recovery capabilities. Department trainings are developed and are in the process of being expanded to have deeper training for specific risk areas related to EMBC for certain departments.

The University's emergency management and business continuity activities operate within a framework of federal regulations, state requirements, and higher education leading practices designed to promote preparedness, response, recovery, and resilience. Relevant authorities considered during this review included the Clery Act, Higher Education Act reporting requirements, Americans with Disabilities Act (ADA), Family Educational Rights and Privacy Act (FERPA), Gramm-Leach-Bliley Act (GLBA) Safeguards Rule, and Occupational Safety and Health Administration (OSHA) emergency preparedness standards. These requirements establish expectations for emergency notifications, emergency response testing, accessibility, emergency information sharing, cybersecurity incident response, and employee safety.

The audit also considered State of Oregon emergency management requirements, public university governance responsibilities, cybersecurity breach notification requirements, records retention expectations, and coordination requirements involving Klamath County Emergency Management, local law enforcement agencies, fire services, and other regional response partners.

In addition to regulatory requirements, the assessment considered recognized leading-practice frameworks including the Federal Emergency Management Agency (FEMA) Comprehensive Preparedness Guide (CPG 101), FEMA Continuity Guidance Circular (CGC), Homeland Security Exercise and Evaluation Program (HSEEP), National Incident Management System (NIMS), National Fire Protection Association (NFPA) 1600, ISO 22301 Business Continuity Management Systems, NIST SP 800-34 Contingency Planning Guidance, and the NIST Cybersecurity Framework. These frameworks served as criteria for evaluating emergency management governance, continuity planning, disaster recovery planning, crisis communications, training, testing, corrective action processes, and overall program maturity.

Walkthrough discussions specifically identified the University's efforts to align crisis communications and emergency notification activities with Clery Act requirements, FERPA privacy requirements, NIMS public information principles, accessibility obligations, and legal review processes for sensitive communications. MarCoPa personnel indicated that emergency messages are reviewed with leadership and legal counsel as appropriate and that privacy, accessibility, and compliance considerations are incorporated into emergency notification processes.

Objective & Scope

The **Objective** of this assessment was to evaluate the University's emergency management governance, response readiness, incident coordination, and crisis communication capabilities. The assessment also evaluated governance, coordination, resourcing, and planning related to continuity of critical operations during significant disruptions, as well as the University's threat assessment structure, coordination among responsible parties, documentation practices, and escalation protocols.

The **Scope** of the engagement covered the period from July 1, 2025, through current operations.

The assessment was conducted in accordance with the Statements on Standards for Consulting Services issued by the American Institute of Certified Public Accountants (AICPA).

Methodology

To achieve the stated objectives of the assessment, we performed procedures designed to evaluate the effectiveness, maturity, governance, coordination, and compliance of the University's emergency management, business continuity, disaster recovery, threat assessment, and crisis communication activities. These activities included:

1. Reviewed organizational information, policies, procedures, emergency management documentation, business continuity plans, disaster recovery plans, continuity planning records, exercise documentation, and supporting governance materials. As well as recent audits relevant to IT and the EMBC areas.
2. Conducted walkthroughs with agreed upon stakeholders from 16 departments and functions, including REMS, Academic Affairs, ITS, MarCoPa, Procurement, Contract Services, Risk Management, and other key administrative and operational functions.
3. Evaluated emergency management governance, organizational oversight, communication protocols, escalation procedures, resource allocation, decision-making authority, and the extent to which roles and responsibilities were documented, communicated, and understood by responsible personnel for appropriate coordination and accountability.
4. Evaluated tabletop exercise documentation, After-Action Reports (AARs), remediation activities, and lessons learned to assess exercise maturity, stakeholder participation, corrective action processes, and continuous improvement efforts.
5. Analyzed departmental BCPs and associated BIAs maintained within the BOLD Planning platform and evaluated key planning elements, including:
    a. For BCP's, plan existence and status, current version and approval information, plans, design ownership, critical functions, operational dependencies, roles & responsibilities, communication and escalation procedures, succession arrangements, and recovery strategies.
    b. For BIA's, documentation of critical functions, operational impacts, personnel, system, facility and third-party dependencies, recovery priorities, Recovery Time Objectives (RTOs), and overall documentation maturity.
6. Assessed corrective action tracking processes to determine whether recommendations and improvement opportunities identified through incidents, exercises, tests, and reviews were documented, assigned, monitored, and tracked through completion.
7. Evaluated disaster recovery planning and technology resilience documentation, including plan status, identification of critical systems, system dependencies, recovery priorities, backup practices, restoration testing activities, and coordination between Information Technology, REMS, and other stakeholders.
8. Considered applicable federal and state requirements, including the Clery Act, FERPA, ADA, NIMS, FEMA guidance, business continuity leading practices, and higher education emergency management standards to evaluate program alignment with regulatory expectations and recognized practices.

Results of the EMBC Assessment

The EMBC Assessment conducted for Oregon Institute of Technology found that the University has demonstrated meaningful progress in strengthening its emergency management, business continuity, disaster recovery, crisis communications, and institutional resiliency capabilities. Over the past several years, Oregon Tech has continued to invest in program development through its partnership with Risk Solutions International (RSI), implementation of the BOLD Planning platform, development of departmental BCPs and BIAs, execution of tabletop exercises, and expansion of continuity planning activities across key operational areas of the University. These initiatives reflect a commitment to improving preparedness, enhancing coordination among stakeholders, and establishing a more sustainable framework for responding to and recovering from significant disruptions.

Significant efforts are currently underway to further mature the University's resiliency program. Management has continued development of its Business Continuity Plans (BCP), Emergency Operations Plan (EOP), Disaster Recovery Plan (DRP), crisis communication capabilities, and enterprise continuity planning activities. The University has also expanded training and exercise activities, enhanced coordination among departments, and continued collaboration with RSI to support program oversight, planning, testing, and program administration. Recent initiatives, including establishment of departmental continuity plans, after-action review processes, and a Crisis Communication Management Plan, provide a foundation for continued advancement of the EMBC program.

In addition, the University has engaged and is actively collaborating with Bolante.NET to assist in establishing a Behavioral Threat Assessment and Management (BTAM) program. A comprehensive BTAM initiative that will include training, governance documentation, policies and procedures, implementation roadmaps, and program development activities intended to support a formalized behavioral threat assessment capability across the University.

To evaluate the current maturity of the University's business continuity program, we analyzed the population of departmental BCPs, and associated BIAs maintained within the BOLD Planning platform. Testing included evaluation of plan status, ownership, documented critical functions, dependencies, recovery priorities, communication and escalation procedures, succession arrangements, and other key continuity planning elements. The following table summarizes the population analyzed, testing performed, and the current status of selected business continuity and recovery planning components.

As presented in **Table 1: Summary of Departmental BCP Results**, four (4) of the 16 BCPs (25%) are complete, while 12 plans (75%) remained in-progress. Although the University has established a BCP for each unit included in its continuity-planning inventory, the number of plans remaining in draft form indicates that plan development, validation, approval, and formalization are ongoing.

Table 1: Summary of Departmental BCP Results

BCP Status	Number of Plans	Percentage %	Departments/Divisions
Complete	4	25%	AA – Office of the Provost; FA – Finance; FA – REMS; UA – Development
In-progress	12	75%	Strategic Enrollment Management; Facilities Services; Human Resources; Information Technology Services; Payroll; OMIC; President's Office; Student Life; Athletics; Dean of Students; Portland Metro Campus; MarCoPa
Total	**16**	**100%**	

Source: OT Department Business Continuity Plans

As presented in **Table 2: Summary of Departmental BIA Results**, 11 of the 16 BIAs (69%) were substantively documented, while five (31%) remained in-progress. All BIAs identified critical functions and established recovery time objectives; however, the completeness of operational-impact and dependency documentation varied among departments. A BIA could receive a defined maturity rating while its overall status remained draft when core planning elements were established but certain required fields or formal approval steps remained incomplete.

Table 2: Summary of Departmental BIA Results

BIA Status	Number of BIAs	Percentage %	Departments/Divisions
Defined	11	69%	Provost; Strategic Enrollment Management; Finance; Facilities Services; Office of Human Resources; ITS; Payroll Services; REMS; Dean of Students; Portland Metro Campus; UA Development
Developing	5	31%	OMIC; President's Office; Student Life; Athletics; MarCoPa
Total	**16**	**100%**	

Source: OT Department Business Continuity Plans

Overall, Oregon Tech has established a foundational framework for departmental business continuity planning. However, the predominance of underdeveloped BCPs and incomplete BIA documentation demonstrate that the program remains in development. Continued management attention is needed to complete, validate, approve, periodically test, and formally maintain departmental plans.

The testing results summarized above were considered in conjunction with walkthroughs, document reviews and analysis, and exercise evaluations to assess the overall maturity of Oregon Tech's emergency management and business continuity program. Although the University has made meaningful progress in establishing continuity planning processes, the testing identified opportunities to further strengthen governance, planning completeness, accountability, participation, and program sustainability. These results contributed to the findings and observations presented in this report.

These efforts demonstrate the University's commitment to continuous improvement and alignment with recognized emergency management and business continuity leading practices. At the same time, this assessment identified opportunities to further strengthen program oversight and accountability, continuity planning participation, disaster recovery readiness, staffing resiliency, corrective action monitoring, and crisis communication processes. Continued focus in these areas will help enhance program sustainability, increase organizational preparedness, and support the University's ability to effectively respond to and recover from future disruptions.

In total, the assessment identified **three findings** and **three observations**, each accompanied by recommendations designed to strengthen institutional resilience, improve coordination and accountability, and support continued maturation of Oregon Tech's emergency management and business continuity program. Addressing these items will help reduce operational risk, improve preparedness and recovery capabilities, and further align the University's practices with established regulatory requirements and recognized higher education leading practices.

To provide clarity and actionable guidance, identified issues have been categorized as **Findings** and **Observations**. This distinction helps differentiate matters requiring corrective action from those representing opportunities for enhancement, supporting Oregon Tech's ongoing commitment to continuous improvement and organizational resilience.

Findings

Findings are issues that represent a deviation from established policies, procedures, regulatory requirements, or best practices. These issues may pose risks to the University, such as noncompliance, financial inaccuracies, security vulnerabilities, or operational inefficiencies. Findings require management's attention and corrective action to mitigate potential impacts. Each finding includes a description of the issue, the criteria or standard that was not met, the underlying cause, the potential effect or risk, and a recommendation for resolution.

Observations

Observations are not necessarily violations of policies or regulations but represent areas where processes or controls could be enhanced to improve efficiency, effectiveness, or risk management. While observations do not require immediate corrective action, addressing them may lead to operational improvements, cost savings, or risk reduction. Observations are provided for management's awareness and consideration, with recommendations for potential enhancements where applicable.

Based on interviews, walkthroughs, documentation reviews and analysis, and comparison to applicable regulatory requirements and leading practices, the following findings and observations were identified.

FINDING #1 – Emergency Management Oversight and Program Maturity

The University has demonstrated a significant commitment to developing its emergency management, business continuity, disaster recovery, and threat assessment capabilities. Through coordination among Resilience, Emergency Management and Safety (REMS), University stakeholders, and Risk Solutions International (RSI), Oregon Tech has implemented continuity planning tools, developed departmental BCPs, performed tabletop exercises, and established a foundation for a more mature resiliency program.

The University has also established oversight and coordination practices to oversee these efforts. Management indicated that enterprise oversight activities are reviewed annually and that an advisory group of key internal stakeholders and RSI meets every other week to discuss program expectations, timing, and anticipated outcomes.

As the program continues to mature, several foundational program components remain under development. The Emergency Operations Plan (EOP) dated from 2018 is being updated to reflect current operations, roles, and response processes before formal approval and implementation, formal enterprise emergency management policies are still being developed, and the University's threat assessment program is a newly initiated effort and is currently in its early stages of development. Additionally, walkthroughs identified instances where incident response roles, escalation authority, and decision-making responsibilities were not consistently documented across participating departments. While the existing oversight activities support coordination, the evidence analyzed did not consistently identify specified completion milestones, target dates, or consolidated status reporting for all major initiatives.

Without clearly documented authority, accountability, and completion expectations, the University may experience inconsistent incident management, delayed escalation, or limited visibility into program progress. The underlying cause appears to be the program's ongoing maturation and the need for more formal ownership, with identified and consistent milestones and timelines from leadership, and program-wide monitoring in alignment with those parameters as the program continues to mature.

Recommendation 1:

We recommend that the University strengthen its emergency management oversight structure by establishing clear accountability and implementation expectations for critical emergency management, business continuity, disaster recovery, and threat assessment initiatives. Specifically, the University should:

a. Define milestones, target completion dates, and periodic status reporting for major resiliency initiatives.

b. Clearly define and communicate incident response roles, escalation authority, decision-making responsibilities, and handoffs among responsible parties.

c. Finalize and formally approve the Emergency Operations Plan (EOP).

d. Complete and approve enterprise emergency management, business continuity, and threat assessment policies.

e. Implement formal review and update requirements for emergency management documentation and oversight materials.

f. Develop a multi-year roadmap to guide implementation priorities, resource planning, and program maturity objectives, including identification of resource and funding needs necessary to support program sustainability and maturity.

These actions can help strengthen oversight, improve accountability and transparency, and support the continued maturation of the University's emergency management and business continuity program.

Management Response

Management respectfully agrees with the finding and recommendations. The University concurs with the need for a more coordinated and comprehensive approach to the continued maturation of its enterprise emergency management framework. Management is committed to strengthening emergency management accountability, oversight, and monitoring through the following actions:

a. Milestones, Target Completion Dates and Periodic Status Reporting

Resilience, Emergency Management and Safety (REMS) with support from Risk Solutions International (RSI) and in collaboration with key stakeholders will continue to refine critical program milestones, establish target completion dates, and implement periodic status reporting.

b. Incident Response Roles, Escalation Authority, Decision-making Responsibilities and Handoffs

REMS in collaboration with key stakeholders and with support from RSI, will continue revising the Emergency Operations Plan which, by its nature, defines incident response roles, escalation authority, decision-making responsibilities and coordination and handoffs between responsible parties. These elements will be reinforced through the development of emergency management specific training, tested through drills and exercises, and refined through a continuous improvement process.

b. Emergency Operations Plan (EOP)

REMS will continue to work with RSI in updating the 2018 Emergency Operations Plan (EOP). Campus partners will be engaged to review the EOP prior to formal approval and implementation. Thereafter, REMS will establish a maintenance cycle to ensure the EOP remains current.

c. Enterprise Emergency Management, Business Continuity, and Threat Assessment Policies

REMS will collaborate with its campus partners as well as RSI to develop organization-wide policies related to emergency management and business continuity. REMS will use a similar approach in working with its campus partners and Bolante.NET to develop an enterprise-wide policy related to threat management. The proposed policies will be introduced to the university's formal policy approval process prior to finalization.

d. Requirements for Emergency Management Documentation and Governance Materials

The EOP and associated policies will establish requirements for the review and updating of all emergency management documents and related program materials. This review and revision process will be led by REMS, with participation from appropriate stakeholders and support from RSI. A consistent version control methodology will be applied to program documentation to support document integrity and maintenance. Division and department leadership will be informed of all significant revisions.

e. Roadmap to Guide Implementation Priorities, Resource Planning and Program Maturity

REMS, in collaboration with division leadership and support from RSI, will develop a roadmap to support long-term programmatic sustainability, identify strategic priorities, and resource needs, and present material resource needs to senior leadership for consideration and decision-making.

Implementation Timeline
These actions will be implemented in phases beginning Fall 2026 through November 30, 2029, under the oversight of REMS with direct support from RSI and input from division and department leadership. Progress will be monitored by REMS through semi-annual updates.

Responsible Party: *REMS, with support from RSI.*

Target Completion Date*: November 30, 2029.*

FINDING #2 – BCP Participation and Organizational Resilience

The University has invested in business continuity program development and associate planning through implementation of the BOLD Planning software solution, staff support and training, development of departmental BCPs and BIAs, and recurring continuity exercises. These activities represent meaningful progress toward establishing a coordinated business continuity program.

However, continuity program participation remains inconsistent across departments. Participation and completion levels varied across departments despite established continuity-planning resources, training opportunities, and outreach. Organizational changes, vacancies, competing priorities, and varying levels of participant engagement have affected the pace of continuity-plan development and maturity in certain areas. The University uses an established planning hierarchy to identify appropriate participants and responsible personnel for EMBC activities. Within that framework, opportunities remain to strengthen participation, timely completion of continuity-planning activities, and advance communication for exercises and training.

Walkthroughs also identified organizational changes, vacancies, and competing priorities that have affected participation and continuity planning maturity in certain areas. As summarized in **Table 3: Tabletop Exercise Participation Summary**, the timing of documented communications, attendance and engagement during tabletop exercises have also varied among departments.

Table 3: Tabletop Exercise Participation Summary

Tabletop Exercise	Exercise Date	Participation Summary
2024 Operation Phoenix	February 15, 2024	More than 60 participants, including both in-person and virtual attendees, representing academic, administrative, student support, facilities, REMS, OHR, finance, ITS, and leadership functions; 21 feedback forms were returned. Communication was distributed 14 business days before the exercise.
2026 Operation Resilient Owl	March 18, 2026	Total of 27 participants, including both in-person and virtual attendees. Participation was planned across executive leadership and key operational functions. Communication was distributed eight (8) business days before the exercise.

Without consistent participation from process owners and department leadership, continuity planning efforts may not accurately reflect operational dependencies, recovery priorities, staffing requirements, or recovery procedures necessary during a significant disruption.

The underlying cause appears to be the continuing maturation of the program without clearly defined milestones and required completion dates, as well as the challenge of establishing consistent ownership and accountability across multiple departments and operational areas.

Recommendation 2:
We recommend that REMS and University leadership establish consistent requirements, accountability, and implementation expectations for departmental business continuity planning. Specifically, the University should:

a. Establish milestones and target completion dates for incomplete or developing plans.

b. Prioritize outreach and support for departments with incomplete continuity documentation, lower participation, significant organizational changes, or higher operational risk.

c. Establish participation expectations for tabletop exercises and continuity training activities, including appropriate representation from critical functions with clearly defined communication protocols providing advanced notice to support stronger participation. Initiative examples could include: confirmation with consultants to avoid known University events that may conflict with potential exercise dates, a shared calendar with advanced date notification, “save the date” notifications a couple of months in advance,

These actions can help improve program consistency and ensure continuity planning is integrated throughout the institution.

Management Response
Management respectfully agrees with the finding and recommendations. Management has begun incorporating audit feedback into current EMBC activities to strengthen advanced communication, participation and plan development. For example, the Hazardous Risk Assessment Work Session scheduled for October 9, 2026, was scheduled approximately five weeks in advance to provide participants additional time for scheduling and planning. Management will continue using targeted outreach and advance notice, where practical, to support participation and prioritize areas with greater continuity-planning or operational risk.

Responsible Parties: *REMS, in collaboration with responsible division and department leadership and critical-function owners with support from RSI and/or other external professional resources, as appropriate.*

Implementation Milestones:

- ***January 31, 2027:*** *REMS, in collaboration with division and department leadership and critical-function owners and with support from RSI, will develop and implement an annual EMBC planning, exercise and training calendar to provide advance notice to relevant stakeholders and to establish expectations for completion and participation. Communication milestones will be included to support timely information sharing. Once finalized, the calendar will be communicated on an annualized basis to division and department leadership and critical-function owners. Participation results will be shared with associated division and department leadership to reinforce expectations and support accountability and continuous improvement.*

FINDING #3 – Staffing Capacity, Specialized Knowledge, Succession Planning, and Operational Resilience

Walkthroughs identified reliance on a limited number of personnel to perform critical emergency management, business continuity, disaster recovery, crisis communication, and other essential operational responsibilities. Similar concerns have reportedly been identified through prior external reviews. In addition, dependency risks were identified within emergency communications, information technology, and selected administrative functions where specialized knowledge, succession planning, and backup coverage remain important considerations.

While departmental BCPs contain certain succession and delegation information, documented succession alone does not demonstrate sufficient staffing capacity, cross-training, specialized knowledge transfer, or surge coverage during a disruption. These concerns become more significant during prolonged incidents, concurrent events, employee absences, or turnover of key personnel.

Limited staffing resilience and concentrated institutional knowledge may delay emergency response, communications, technology recovery, or restoration of critical services when key personnel are unavailable. The underlying causes include the University's lean staffing model, budget constraints, and the developing maturity of cross-training, succession, and backup arrangements.

Recommendation 3:

We recommend that the University assess and strengthen staffing resiliency for critical emergency response and continuity functions. Specifically, the University should:

a) Perform a risk-based staffing and resiliency assessment for critical emergency management, campus safety, technology recovery, communications, and other essential functions.
b) Validate that primary and alternate responsibilities, backup coverage, escalation points, succession arrangements, and surge support resources documented within departmental continuity plans are complete, current, and operationally feasible during emergency response and continuity scenarios.
c) Expand cross-training and periodically validate that alternate personnel can perform assigned responsibilities.
d) Develop formal succession and knowledge-transfer plans for positions with concentrated institutional or technical knowledge.
e) Incorporate staffing resiliency and key-person dependency reviews into BCP updates, exercises, and management reporting.

These actions will help reduce key-person dependency and strengthen operational continuity during disruptions.

Management Response

Management respectfully agrees with the finding and recommendations. Management further agrees that staffing resiliency, cross-training, succession planning, and the retention and transfer of institutional knowledge are important to the University's emergency management, business continuity, and enterprise resilience framework. Given Oregon Tech's lean staffing model and available resources, management will evaluate staffing resiliency using a risk-based and cost-benefit approach, considering the criticality of functions, key-person dependencies, specialized knowledge requirements, existing backup coverage, and available mitigation alternatives.

Management will evaluate mitigation strategies in phases to strengthen the University's capacity to prepare for, respond to, and recover from adverse events. Mitigation strategies may include enhanced cross-training and knowledge transfer, strengthened succession and backup arrangements, internal or cross-departmental support, temporary or surge resources, additional staffing where warranted, and supplemental external professional support.

Management will also evaluate opportunities to expand the University's existing professional relationship with Risk Solutions International (RSI)and/or other specialized resources where additional capacity or expertise provides an appropriate balance of risk reduction, operational effectiveness, and cost.

REMS, in collaboration with responsible division and department leadership and supported by RSI and/or other external professional resources, will assess key-person dependencies and staffing resiliency for critical functions and incorporate appropriate mitigation strategies into business continuity planning and periodic plan reviews. Material resource needs will be evaluated through the University's established resource prioritization and budget processes.

Responsible Parties: *REMS, in collaboration with responsible division and department leadership and critical-function owners, with support from RSI and/or other external professional resources, as appropriate.*

Implementation Milestones:

- ***April 30, 2027:*** *Identify and assess significant key-person dependencies, specialized knowledge requirements, backup coverage, cross-training, and succession needs for critical functions.*
- ***June 30, 2027:*** *Prioritize identified resiliency gaps and evaluate mitigation alternatives, including internal resources, additional staffing where warranted, and expanded RSI or other external professional support.*
- ***October 31, 2027:*** *Establish mitigation strategies for higher-priority gaps, including responsible parties, resource requirements, cost-benefit considerations, and implementation priorities.*
- ***January 31, 2028:*** *Implement feasible priority mitigation actions and incorporate staffing resiliency and key-person dependency considerations into applicable BCP reviews and ongoing EMBC program monitoring.*

Target Completion Date: *January 31, 2028*

OBSERVATION #1 – Disaster Recovery Planning and Technology Recovery Readiness

The University's Information Technology Services (ITS) department maintains several cybersecurity and infrastructure practices, including cloud-hosted technology solutions, daily backup processes, vulnerability assessments, penetration testing, and coordination with REMS on enterprise resilience initiatives.

However, our audit found that the University's Disaster Recovery Plan (DRP) remains under revision, with the most recent plan on the 2023 version. Walkthroughs identified that formal system recovery priorities, Recovery Time Objectives (RTOs), Recovery Point Objectives (RPOs), and recovery sequencing have not been fully established or documented. Evidence of comprehensive disaster recovery testing and validation was also limited, and no documented timeline for completion and approval of the revised DRP was identified.

Until the Disaster Recovery Plan is updated, formally approved, and supported by documented testing, the University may have limited assurance that critical systems can be restored within established expectations following a significant disruption.

The underlying cause appears to be that the disaster recovery planning initiative remains in process without clearly defined completion milestones and target dates, formally assigned accountability, or approved business-defined recovery objectives to guide plan development, vendor recovery expectations, and testing activities.

Recommendation 4:

We recommend that ITS, REMS, and responsible business owners continue strengthening the University's disaster recovery program by establishing clear accountability, defined milestones, and target completion dates for completing the DRP. Specifically, management should:

a) Develop a documented resource and implementation plan that identifies the work remaining, estimated level of effort, required skillsets, responsible parties, target timeline, and any resource gaps that may affect completion of the DRP. If additional support is needed, the plan should identify potential internal, temporary, consultant, or budgeted resource options for leadership review, prioritization, and funding consideration
b) Identify critical systems and document recovery priorities, Recovery Time Objectives (RTOs), and Recovery Point Objectives (RPOs) in coordination with responsible business owners, including prioritizing the critical vendor list development and communication.
c) Document technology, operational, and third-party dependencies, including recovery sequence, alternate procedures, and key personnel responsibilities.
d) Evaluate vendor service-level commitments and recovery capabilities to ensure they align with the University's recovery expectations and business requirements.
e) Finalize, formally approve, and communicate the Disaster Recovery Plan to appropriate stakeholders.
f) Develop and perform a recurring disaster recovery testing schedule that includes restoration testing and scenario-based exercises.
g) Document test results and formally track remediation of issues through completion.

Implementing these actions can help strengthen technology resiliency, improve recovery preparedness, and provide greater assurance that critical technology services can be restored effectively following a significant disruption.

Management Response

Management respectfully agrees with the observation and recommendations. ITS will continue updating and finalizing the IT Disaster Recovery Plan (DRP) by December 31, 2026, in collaboration with REMS and with support from RSI. As part of this effort, RTOs and RPOs will be established and confirmed with business owners, and relevant vendor service-level commitments and recovery capabilities will be evaluation in relation to documented recovery requirements.

An internal tabletop session will be conducted within ITS, with support from REMS and RSI, prior to finalization of the DRP, to validate key elements of the updated plan and identify additional improvements, as appropriate.

Responsible Party: ITS, in collaboration with REMS, with support from RSI.

Target Completion Date: December 31, 2026

OBSERVATION #2 – Corrective Action Tracking and Continuous Improvement

The University conducts tabletop exercises and receives after-action reports from RSI to identify lessons learned and opportunities to improve preparedness. The after-action reports reviewed included findings, recommendations, and, in the more recent report, a phased roadmap for continued program development.

However, corrective action tracking is not yet consistently formalized. The 2024 and 2026 exercise documentation did not consistently identify assigned owners, target completion dates, current implementation status, or evidence demonstrating closure of recommended actions. Walkthroughs also indicated that ownership for monitoring and resolving after-action items was not consistently understood across participating departments.

Without a centralized process to assign, monitor, escalate, and close corrective actions, recommendations may remain unresolved and the University may not fully realize the benefits of its exercises and after-action reviews.

The underlying cause is that a consistent, centralized process for corrective action ownership, monitoring, target dates, escalation, and closure has not yet been fully established, across the developing EMBC program.

Recommendation 5:
We recommend that the University take the following steps:

a) Establish a centralized corrective action tracker for recommendations arising from exercises, incidents, tests, and after-action reviews.
b) Assign a responsible owner and target completion date for each action item.
c) Document action status, management follow-up, supporting evidence, and closure approval.
d) Establish a recurring review and escalation process for overdue or higher-risk items.
e) Use trends from corrective actions to inform future training, exercises, plan updates, resource decisions, and program priorities.

A formal corrective action process can help strengthen accountability, preserve lessons learned, and support continuous improvement of the University's emergency management and continuity capabilities.

Management Response
Management respectfully agrees with the observation and recommendations. REMS will collaborate with ITS and RSI to develop a continuous improvement planning process that categorizes and prioritizes post-exercise, incident, and resiliency-testing findings. This process will include establishing ownership, assigning completion dates, documenting actions taken through resolution and closure, and integrating results into existing policies, plans, procedures, exercises/tests, and incident response protocols.

Implementation Timeline:
This action will be initiated in Fall 2026, with continued integration into practice with the completion of future after action reports. REMS and ITS will retain oversight for their respective after-action reports and associated continuous improvement activities with direct support from RSI and input from division and department leadership. Progress will be reviewed as after-action reports are completed and associated corrective actions are identified, monitored, and closed.

***Responsible Parties**: REMS and ITS for their respective after-action and continuous improvement activities, with support from RSI and appropriate University stakeholders.*

***Target Completion Date:** June 30, 2027 , with ongoing monitoring thereafter.*

OBSERVATION #3 – Crisis Communications and Third-Party Resilience

Crisis Communication Resilience

The University has established emergency notification and crisis communication capabilities through the Everbridge platform, 30 to 40 pre-approved message templates, multi-channel distribution, and a Crisis Communication Management Plan updated in 2026. Marketing, Communications and Public Affairs also participates in exercises and coordinates sensitive communications with leadership, Legal, REMS, and other stakeholders.

Opportunities remain to further strengthen the resiliency of emergency communications. Two individuals primarily manage the function, the notification process relies heavily on electronic communication platforms, and responsible personnel identified the potential for delays during urgent scenarios because of the notification and approval chain. The updated Crisis Communication Management Plan was also still being finalized for internal distribution, and recent formal FEMA-related training had not been refreshed. Stakeholders indicated that hands-on, scenario-based exercises would provide additional value by testing message development, approval, and distribution under time pressure or system limitations.

On July 1, 2024, the Klamath 911 Emergency Communications District terminated the university's *Intergovernmental Agreement for Limited Dispatch Services,* effectively ending direct radio communications between Campus Safety and county-wide emergency services. The intergovernmental agreement was not renewed following changes affecting campus security operations under Oregon's Kaylee's Law (ORS 181A.970–181A.972) and the resulting limitations applicable to Oregon Tech's non-sworn Campus Safety function, including its access to restricted criminal justice information systems and ability to support emergency response requests.

The loss of this key emergency communications service directly impacts incident coordination and response. Oregon Tech does not maintain its own communications and emergency response center to collect calls for service, dispatch Campus Safety Officers and coordinate a response to critical incidents. The current modality is for the on-call Campus Safety Officer to receive calls for service through a cell phone they carry while on duty which limits the officers ability to communicate and coordinate a response to a campus emergency.

Third-Party Resilience

The University also does not maintain a centralized inventory of critical vendors and their continuity capabilities. Departments manage vendor relationships and service interruptions, while Procurement, Contract Services and Risk Management supports contracting, insurance, and procurement compliance. Without an enterprise view of critical third parties, the University may have limited visibility into vendor recovery capabilities, alternate providers, notification requirements, and dependencies that could affect priority operations.

These conditions may result in delayed or inconsistent emergency communications or reduced preparedness for a disruption involving a critical third-party service provider.

Recommendation 6:

We recommend that the University strengthen critical third-party and crisis communication resiliency by taking the following actions:

a) Establish and maintain an enterprise-level inventory within the existing BOLD Planning platform of critical third-party vendors, the University functions they support, responsible relationship owners, key dependencies, and available alternate providers or workarounds.
b) For critical vendors, document and periodically evaluate continuity expectations, incident notification requirements, recovery commitments, escalation procedures, and relevant contractual protections.
c) Document backup communication personnel and alternate notification methods if primary personnel or electronic systems are unavailable.
d) Finalize, distribute, and periodically update the Crisis Communication Management Plan, including decision authority, approval thresholds, primary and alternate responsibilities, and external coordination protocols.
e) Provide recurring training appropriate to assigned communication roles, including applicable emergency public information, incident coordination, privacy, accessibility, and regulatory expectations.
f) Conduct hands-on communication exercises that test the end-to-end process under urgent conditions and technology limitations.
g) As an additional consideration, once the critical vendors are reviewed, management should consider reviewing insurance coverage for potential and appropriate adjustments, as well as any consideration of future contract enhancements for vendor responsibilities in these areas.

These enhancements will further strengthen the University's ability to communicate during emergencies and manage disruptions affecting critical third-party services.

Management Response
Management respectfully agrees with the observation and recommendations and will address the identified opportunities through the University's existing Emergency Management and Business Continuity framework, with responsibilities assigned to the areas best positioned to maintain the underlying information and manage the related operational risks.

Critical Third-Party Resilience, Recommendations 6(a) and 6(b)
Individual departments will continue to be responsible for identifying critical third-party providers and maintaining complete, accurate, and current vendor information within the existing BOLD planning software solution. Through their identified representatives in the Business Continuity hierarchy, departments will identify third-party vendors critical to their respective operations and document the University functions supported, responsible relationship owners, key dependencies, alternate providers or workarounds, continuity expectations, incident notification requirements, recovery commitments, escalation procedures, and other relevant continuity considerations, as applicable.

This approach will support the enterprise-level third-party vendor inventory within the existing BOLD planning software solution while appropriately retaining responsibility for the underlying information with individual departments. As subject matter experts for their respective operations, departments are best positioned to identify critical third-party vendors and ensure related information is accurate, complete, and updated on a timely basis.

REMS, in partnership with Risk Solutions International (RSI), will continue to support departments in maintaining critical third-party vendor information within BOLD Planning. This support will focus on promoting consistent and timely completion and periodic review of third-party vendor information as part of the University's broader business continuity planning process.

Responsible Parties: *Individual departments and their identified Business Continuity hierarchy representatives, with support from REMS and RSI.*

Target Completion Date: *June 30, 2027*

Crisis Communication Resilience, Recommendations 6(c) through 6(f)
Management will address crisis communication resiliency through a phased effort led by REMS in collaboration with MarCoPa and supported by RSI. This work will include:

- *Documenting primary and backup communication personnel and alternate notification methods;*
- *Finalizing, distributing, and establishing a process for periodically updating the Crisis Communication Management Plan;*
- *Clarifying decision authority, approval thresholds, primary and alternate responsibilities, and external coordination protocols;*
- *Identifying and providing recurring training appropriate to assigned emergency communication roles; and*
- *Conducting functional exercises that test message development, approval, and distribution under urgent conditions and potential technology limitations.*

Initial planning, assignment of responsibilities, and development of implementation milestones will be completed by June 30, 2027. Priority plan enhancements, training activities, and communication exercises will be completed by December 31, 2027. Management will provide semiannual internal updates to monitor progress, address implementation barriers, and determine whether additional actions or adjustments are warranted.

Responsible Parties: *REMS and MarCoPa, with support from RSI.*

Interim Milestone: *June 30, 2027*

Target Completion Date: *December 31, 2027*

Departmental Third-Party Vendor and Insurance Considerations, Recommendation 6(g)
Individual departments will remain responsible for identifying critical third-party vendors and evaluating whether third-party vendor arrangements appropriately address departmental operational needs, identified key dependencies, and continuity risks related to critical goods and services. This evaluation will be informed by each department's knowledge of the operational functions supported, the criticality of the goods or services provided, and the potential effect of a vendor disruption on respective departmental operations.

PACS will continue to evaluate applicable University insurance coverage through the regular insurance renewal process and will also continue to consider whether coverage adjustments may be appropriate based on identified University risks.

Responsible Parties: Individual departments for critical-vendor identification and evaluation of operational dependencies; PACS for insurance coverage review.

Interim Milestone: *Departments will address critical third-party vendor considerations as part of the June 30, 2027, milestone established for Recommendations 6(a) and 6(b).*

Target Completion Date: *December 31, 2027, and ongoing through departmental continuity planning and the University's regular insurance renewal process.*

OREGON INSTITUTE OF TECHNOLOGY

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EMERGENCY MANAGEMENT & BUSINESS CONTINUITY ASSESSMENT

Submitted By:

Eide Bailly



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Executive Summary

Eide Bailly performed an Emergency Management & Business Continuity ("EMBC") assessment of the Oregon Institute of Technology ("Oregon Tech," "Institution," or "University"). The engagement was identified as part of the Risk Assessment Update & FY26/27 Proposed Audits performed September 2025.

The audit assessed whether Oregon Tech has established a coordinated emergency management and business continuity framework that supports institutional resilience, including emergency preparedness, response, crisis communications, continuity planning, technology recovery, and operational resilience.

Fieldwork included interviews and walkthroughs with stakeholders from Resilience, Emergency Management and Safety (REMS); Academic Affairs; Information Technology Services (ITS); Procurement and Contract Services (PACS); Risk Management; Marketing, Communications and Public Affairs (MarCoPa), and other key functions. Supporting documentation, including emergency management, business continuity, disaster recovery, and tabletop exercise materials, was reviewed.

The audit identified that Oregon Tech has made meaningful progress in developing its emergency management and business continuity program through engagement with Risk Solutions International (RSI), implementation of the BOLD Planning platform, development of departmental Business Continuity Plans (BCPs), Business Impact Analyses (BIAs), crisis communication planning, and recurring tabletop exercises. However, several elements of the program remain under development, and opportunities exist to further strengthen program oversight, documentation, corrective action tracking, continuity planning participation, disaster recovery readiness, and overall program maturity.

We identified three (3) findings and three (3) observations, each accompanied by recommendations designed to promote greater consistency, efficiency, and strategic alignment. These recommendations provide enhancements intended to support EMBC across the University in better aligning with institutional goals and recognized best practices for a higher education institution. A collaborative assessment of resource capacity, required expertise, level of effort, priorities and implementation timelines will help establish reasonable milestones while prioritizing actions that address higher-risk areas.

We extend our appreciation to John Harman, Senior Vice President for Finance and Administration; Michelle Meyer, Director of Audit and Compliance; Doug Tripp, Executive Director of Resilience, Emergency Management and Safety (REMS); and the numerous stakeholders from Information Technology Services (ITS), Academic Affairs, Procurement, Risk Management, MarCoPa, and other University functions who participated throughout this audit. Their openness, collaboration, and commitment to enhancing institutional resilience was instrumental in supporting our understanding of the University's emergency management and business continuity efforts and in developing the recommendations included within this report.

Background Information

Resilience, Emergency Management and Safety (REMS) serves as Oregon Tech's primary coordinating function for emergency preparedness, incident response, business continuity, campus safety, threat management, and institutional resilience. Emergency Management and Business Continuity started out as a strategic initiative which is evolving into a sustainable program, intended to support the University's ability to prepare for, respond to, recover from, and continue critical operations during adverse events such as disruptions, emergencies, and disasters. These responsibilities require coordination among REMS, ITS, Academic Affairs, Student Affairs, MarCoPa, PACS, Risk Management, and other administrative and operational units throughout the University.

Emergency management activities focus on preparedness, response, crisis communications, emergency notifications, and coordination during incidents. Business continuity activities focus on restoring and sustaining critical operations following significant disruptions through continuity planning, disaster recovery, training, testing, and corrective action management.

Business continuity planning at Oregon Tech is supported through Business Impact Analyses (BIAs), Business Continuity Plans (BCPs), testing and training exercises including tabletop exercises and department level focused trainings during the year. BIAs identify critical functions, operational impacts, dependencies, and recovery priorities. BCPs document the procedures, personnel, communication protocols, succession arrangements, and recovery activities necessary to continue or restore critical operations. Tabletop exercises provide an opportunity to evaluate these plans through simulated scenarios, identify preparedness gaps, and develop corrective actions intended to strengthen future response and recovery capabilities. Department trainings are developed and are in the process of being expanded to have deeper training for specific risk areas related to EMBC for certain departments.

The University's emergency management and business continuity activities operate within a framework of federal regulations, state requirements, and higher education leading practices designed to promote preparedness, response, recovery, and resilience. Relevant authorities considered during this review included the Clery Act, Higher Education Act reporting requirements, Americans with Disabilities Act (ADA), Family Educational Rights and Privacy Act (FERPA), Gramm-Leach-Bliley Act (GLBA) Safeguards Rule, and Occupational Safety and Health Administration (OSHA) emergency preparedness standards. These requirements establish expectations for emergency notifications, emergency response testing, accessibility, emergency information sharing, cybersecurity incident response, and employee safety.

The audit also considered State of Oregon emergency management requirements, public university governance responsibilities, cybersecurity breach notification requirements, records retention expectations, and coordination requirements involving Klamath County Emergency Management, local law enforcement agencies, fire services, and other regional response partners.

In addition to regulatory requirements, the assessment considered recognized leading-practice frameworks including the Federal Emergency Management Agency (FEMA) Comprehensive Preparedness Guide (CPG 101), FEMA Continuity Guidance Circular (CGC), Homeland Security Exercise and Evaluation Program (HSEEP), National Incident Management System (NIMS), National Fire Protection Association (NFPA) 1600, ISO 22301 Business Continuity Management Systems, NIST SP 800-34 Contingency Planning Guidance, and the NIST Cybersecurity Framework. These frameworks served as criteria for evaluating emergency management governance, continuity planning, disaster recovery planning, crisis communications, training, testing, corrective action processes, and overall program maturity.

Walkthrough discussions specifically identified the University's efforts to align crisis communications and emergency notification activities with Clery Act requirements, FERPA privacy requirements, NIMS public information principles, accessibility obligations, and legal review processes for sensitive communications. MarCoPa personnel indicated that emergency messages are reviewed with leadership and legal counsel as appropriate and that privacy, accessibility, and compliance considerations are incorporated into emergency notification processes.

Objective & Scope

The **Objective** of this assessment was to evaluate the University's emergency management governance, response readiness, incident coordination, and crisis communication capabilities. The assessment also evaluated governance, coordination, resourcing, and planning related to continuity of critical operations during significant disruptions, as well as the University's threat assessment structure, coordination among responsible parties, documentation practices, and escalation protocols.

The **Scope** of the engagement covered the period from July 1, 2025, through current operations.

The assessment was conducted in accordance with the Statements on Standards for Consulting Services issued by the American Institute of Certified Public Accountants (AICPA).

Methodology

To achieve the stated objectives of the assessment, we performed procedures designed to evaluate the effectiveness, maturity, governance, coordination, and compliance of the University's emergency management, business continuity, disaster recovery, threat assessment, and crisis communication activities. These activities included:

1. Reviewed organizational information, policies, procedures, emergency management documentation, business continuity plans, disaster recovery plans, continuity planning records, exercise documentation, and supporting governance materials. As well as recent audits relevant to IT and the EMBC areas.
2. Conducted walkthroughs with agreed upon stakeholders from 16 departments and functions, including REMS, Academic Affairs, ITS, MarCoPa, Procurement, Contract Services, Risk Management, and other key administrative and operational functions.
3. Evaluated emergency management governance, organizational oversight, communication protocols, escalation procedures, resource allocation, decision-making authority, and the extent to which roles and responsibilities were documented, communicated, and understood by responsible personnel for appropriate coordination and accountability.
4. Evaluated tabletop exercise documentation, After-Action Reports (AARs), remediation activities, and lessons learned to assess exercise maturity, stakeholder participation, corrective action processes, and continuous improvement efforts.
5. Analyzed departmental BCPs and associated BIAs maintained within the BOLD Planning platform and evaluated key planning elements, including:
    a. For BCP's, plan existence and status, current version and approval information, plans, design ownership, critical functions, operational dependencies, roles & responsibilities, communication and escalation procedures, succession arrangements, and recovery strategies.
    b. For BIA's, documentation of critical functions, operational impacts, personnel, system, facility and third-party dependencies, recovery priorities, Recovery Time Objectives (RTOs), and overall documentation maturity.
6. Assessed corrective action tracking processes to determine whether recommendations and improvement opportunities identified through incidents, exercises, tests, and reviews were documented, assigned, monitored, and tracked through completion.
7. Evaluated disaster recovery planning and technology resilience documentation, including plan status, identification of critical systems, system dependencies, recovery priorities, backup practices, restoration testing activities, and coordination between Information Technology, REMS, and other stakeholders.
8. Considered applicable federal and state requirements, including the Clery Act, FERPA, ADA, NIMS, FEMA guidance, business continuity leading practices, and higher education emergency management standards to evaluate program alignment with regulatory expectations and recognized practices.

Results of the EMBC Assessment

The EMBC Assessment conducted for Oregon Institute of Technology found that the University has demonstrated meaningful progress in strengthening its emergency management, business continuity, disaster recovery, crisis communications, and institutional resiliency capabilities. Over the past several years, Oregon Tech has continued to invest in program development through its partnership with Risk Solutions International (RSI), implementation of the BOLD Planning platform, development of departmental BCPs and BIAs, execution of tabletop exercises, and expansion of continuity planning activities across key operational areas of the University. These initiatives reflect a commitment to improving preparedness, enhancing coordination among stakeholders, and establishing a more sustainable framework for responding to and recovering from significant disruptions.

Significant efforts are currently underway to further mature the University's resiliency program. Management has continued development of its Business Continuity Plans (BCP), Emergency Operations Plan (EOP), Disaster Recovery Plan (DRP), crisis communication capabilities, and enterprise continuity planning activities. The University has also expanded training and exercise activities, enhanced coordination among departments, and continued collaboration with RSI to support program oversight, planning, testing, and program administration. Recent initiatives, including establishment of departmental continuity plans, after-action review processes, and a Crisis Communication Management Plan, provide a foundation for continued advancement of the EMBC program.

In addition, the University has engaged and is actively collaborating with Bolante.NET to assist in establishing a Behavioral Threat Assessment and Management (BTAM) program. A comprehensive BTAM initiative that will include training, governance documentation, policies and procedures, implementation roadmaps, and program development activities intended to support a formalized behavioral threat assessment capability across the University.

To evaluate the current maturity of the University's business continuity program, we analyzed the population of departmental BCPs, and associated BIAs maintained within the BOLD Planning platform. Testing included evaluation of plan status, ownership, documented critical functions, dependencies, recovery priorities, communication and escalation procedures, succession arrangements, and other key continuity planning elements. The following table summarizes the population analyzed, testing performed, and the current status of selected business continuity and recovery planning components.

As presented in **Table 1: Summary of Departmental BCP Results**, four (4) of the 16 BCPs (25%) are complete, while 12 plans (75%) remained in-progress. Although the University has established a BCP for each unit included in its continuity-planning inventory, the number of plans remaining in draft form indicates that plan development, validation, approval, and formalization are ongoing.

Table 1: Summary of Departmental BCP Results

BCP Status	Number of Plans	Percentage %	Departments/Divisions
Complete	4	25%	AA – Office of the Provost; FA – Finance; FA – REMS; UA – Development
In-progress	12	75%	Strategic Enrollment Management; Facilities Services; Human Resources; Information Technology Services; Payroll; OMIC; President's Office; Student Life; Athletics; Dean of Students; Portland Metro Campus; MarCoPa
Total	**16**	**100%**	

Source: OT Department Business Continuity Plans

As presented in **Table 2: Summary of Departmental BIA Results**, 11 of the 16 BIAs (69%) were substantively documented, while five (31%) remained in-progress. All BIAs identified critical functions and established recovery time objectives; however, the completeness of operational-impact and dependency documentation varied among departments. A BIA could receive a defined maturity rating while its overall status remained draft when core planning elements were established but certain required fields or formal approval steps remained incomplete.

Table 2: Summary of Departmental BIA Results

BIA Status	Number of BIAs	Percentage %	Departments/Divisions
Defined	11	69%	Provost; Strategic Enrollment Management; Finance; Facilities Services; Office of Human Resources; ITS; Payroll Services; REMS; Dean of Students; Portland Metro Campus; UA Development
Developing	5	31%	OMIC; President's Office; Student Life; Athletics; MarCoPa
Total	**16**	**100%**	

Source: OT Department Business Continuity Plans

Overall, Oregon Tech has established a foundational framework for departmental business continuity planning. However, the predominance of underdeveloped BCPs and incomplete BIA documentation demonstrate that the program remains in development. Continued management attention is needed to complete, validate, approve, periodically test, and formally maintain departmental plans.

The testing results summarized above were considered in conjunction with walkthroughs, document reviews and analysis, and exercise evaluations to assess the overall maturity of Oregon Tech's emergency management and business continuity program. Although the University has made meaningful progress in establishing continuity planning processes, the testing identified opportunities to further strengthen governance, planning completeness, accountability, participation, and program sustainability. These results contributed to the findings and observations presented in this report.

These efforts demonstrate the University's commitment to continuous improvement and alignment with recognized emergency management and business continuity leading practices. At the same time, this assessment identified opportunities to further strengthen program oversight and accountability, continuity planning participation, disaster recovery readiness, staffing resiliency, corrective action monitoring, and crisis communication processes. Continued focus in these areas will help enhance program sustainability, increase organizational preparedness, and support the University's ability to effectively respond to and recover from future disruptions.

In total, the assessment identified **three findings** and **three observations**, each accompanied by recommendations designed to strengthen institutional resilience, improve coordination and accountability, and support continued maturation of Oregon Tech's emergency management and business continuity program. Addressing these items will help reduce operational risk, improve preparedness and recovery capabilities, and further align the University's practices with established regulatory requirements and recognized higher education leading practices.

To provide clarity and actionable guidance, identified issues have been categorized as **Findings** and **Observations**. This distinction helps differentiate matters requiring corrective action from those representing opportunities for enhancement, supporting Oregon Tech's ongoing commitment to continuous improvement and organizational resilience.

Findings

Findings are issues that represent a deviation from established policies, procedures, regulatory requirements, or best practices. These issues may pose risks to the University, such as noncompliance, financial inaccuracies, security vulnerabilities, or operational inefficiencies. Findings require management's attention and corrective action to mitigate potential impacts. Each finding includes a description of the issue, the criteria or standard that was not met, the underlying cause, the potential effect or risk, and a recommendation for resolution.

Observations

Observations are not necessarily violations of policies or regulations but represent areas where processes or controls could be enhanced to improve efficiency, effectiveness, or risk management. While observations do not require immediate corrective action, addressing them may lead to operational improvements, cost savings, or risk reduction. Observations are provided for management's awareness and consideration, with recommendations for potential enhancements where applicable.

Based on interviews, walkthroughs, documentation reviews and analysis, and comparison to applicable regulatory requirements and leading practices, the following findings and observations were identified.

FINDING #1 – Emergency Management Oversight and Program Maturity

The University has demonstrated a significant commitment to developing its emergency management, business continuity, disaster recovery, and threat assessment capabilities. Through coordination among Resilience, Emergency Management and Safety (REMS), University stakeholders, and Risk Solutions International (RSI), Oregon Tech has implemented continuity planning tools, developed departmental BCPs, performed tabletop exercises, and established a foundation for a more mature resiliency program.

The University has also established oversight and coordination practices to oversee these efforts. Management indicated that enterprise oversight activities are reviewed annually and that an advisory group of key internal stakeholders and RSI meets every other week to discuss program expectations, timing, and anticipated outcomes.

As the program continues to mature, several foundational program components remain under development. The Emergency Operations Plan (EOP) dated from 2018 is being updated to reflect current operations, roles, and response processes before formal approval and implementation, formal enterprise emergency management policies are still being developed, and the University's threat assessment program is a newly initiated effort and is currently in its early stages of development. Additionally, walkthroughs identified instances where incident response roles, escalation authority, and decision-making responsibilities were not consistently documented across participating departments. While the existing oversight activities support coordination, the evidence analyzed did not consistently identify specified completion milestones, target dates, or consolidated status reporting for all major initiatives.

Without clearly documented authority, accountability, and completion expectations, the University may experience inconsistent incident management, delayed escalation, or limited visibility into program progress. The underlying cause appears to be the program's ongoing maturation and the need for more formal ownership, with identified and consistent milestones and timelines from leadership, and program-wide monitoring in alignment with those parameters as the program continues to mature.

Recommendation 1:

We recommend that the University strengthen its emergency management oversight structure by establishing clear accountability and implementation expectations for critical emergency management, business continuity, disaster recovery, and threat assessment initiatives. Specifically, the University should:

a. Define milestones, target completion dates, and periodic status reporting for major resiliency initiatives.

b. Clearly define and communicate incident response roles, escalation authority, decision-making responsibilities, and handoffs among responsible parties.

c. Finalize and formally approve the Emergency Operations Plan (EOP).

d. Complete and approve enterprise emergency management, business continuity, and threat assessment policies.

e. Implement formal review and update requirements for emergency management documentation and oversight materials.

f. Develop a multi-year roadmap to guide implementation priorities, resource planning, and program maturity objectives, including identification of resource and funding needs necessary to support program sustainability and maturity.

These actions can help strengthen oversight, improve accountability and transparency, and support the continued maturation of the University's emergency management and business continuity program.

Management Response

Management respectfully agrees with the finding and recommendations. The University concurs with the need for a more coordinated and comprehensive approach to the continued maturation of its enterprise emergency management framework. Management is committed to strengthening emergency management accountability, oversight, and monitoring through the following actions:

a. Milestones, Target Completion Dates and Periodic Status Reporting

Resilience, Emergency Management and Safety (REMS) with support from Risk Solutions International (RSI) and in collaboration with key stakeholders will continue to refine critical program milestones, establish target completion dates, and implement periodic status reporting.

b. Incident Response Roles, Escalation Authority, Decision-making Responsibilities and Handoffs

REMS in collaboration with key stakeholders and with support from RSI, will continue revising the Emergency Operations Plan which, by its nature, defines incident response roles, escalation authority, decision-making responsibilities and coordination and handoffs between responsible parties. These elements will be reinforced through the development of emergency management specific training, tested through drills and exercises, and refined through a continuous improvement process.

b. Emergency Operations Plan (EOP)

REMS will continue to work with RSI in updating the 2018 Emergency Operations Plan (EOP). Campus partners will be engaged to review the EOP prior to formal approval and implementation. Thereafter, REMS will establish a maintenance cycle to ensure the EOP remains current.

c. Enterprise Emergency Management, Business Continuity, and Threat Assessment Policies

REMS will collaborate with its campus partners as well as RSI to develop organization-wide policies related to emergency management and business continuity. REMS will use a similar approach in working with its campus partners and Bolante.NET to develop an enterprise-wide policy related to threat management. The proposed policies will be introduced to the university's formal policy approval process prior to finalization.

d. Requirements for Emergency Management Documentation and Governance Materials

The EOP and associated policies will establish requirements for the review and updating of all emergency management documents and related program materials. This review and revision process will be led by REMS, with participation from appropriate stakeholders and support from RSI. A consistent version control methodology will be applied to program documentation to support document integrity and maintenance. Division and department leadership will be informed of all significant revisions.

e. Roadmap to Guide Implementation Priorities, Resource Planning and Program Maturity

REMS, in collaboration with division leadership and support from RSI, will develop a roadmap to support long-term programmatic sustainability, identify strategic priorities, and resource needs, and present material resource needs to senior leadership for consideration and decision-making.

Implementation Timeline
These actions will be implemented in phases beginning Fall 2026 through November 30, 2029, under the oversight of REMS with direct support from RSI and input from division and department leadership. Progress will be monitored by REMS through semi-annual updates.

Responsible Party: *REMS, with support from RSI.*

Target Completion Date*: November 30, 2029.*

FINDING #2 – BCP Participation and Organizational Resilience

The University has invested in business continuity program development and associate planning through implementation of the BOLD Planning software solution, staff support and training, development of departmental BCPs and BIAs, and recurring continuity exercises. These activities represent meaningful progress toward establishing a coordinated business continuity program.

However, continuity program participation remains inconsistent across departments. Participation and completion levels varied across departments despite established continuity-planning resources, training opportunities, and outreach. Organizational changes, vacancies, competing priorities, and varying levels of participant engagement have affected the pace of continuity-plan development and maturity in certain areas. The University uses an established planning hierarchy to identify appropriate participants and responsible personnel for EMBC activities. Within that framework, opportunities remain to strengthen participation, timely completion of continuity-planning activities, and advance communication for exercises and training.

Walkthroughs also identified organizational changes, vacancies, and competing priorities that have affected participation and continuity planning maturity in certain areas. As summarized in **Table 3: Tabletop Exercise Participation Summary**, the timing of documented communications, attendance and engagement during tabletop exercises have also varied among departments.

Table 3: Tabletop Exercise Participation Summary

Tabletop Exercise	Exercise Date	Participation Summary
2024 Operation Phoenix	February 15, 2024	More than 60 participants, including both in-person and virtual attendees, representing academic, administrative, student support, facilities, REMS, OHR, finance, ITS, and leadership functions; 21 feedback forms were returned. Communication was distributed 14 business days before the exercise.
2026 Operation Resilient Owl	March 18, 2026	Total of 27 participants, including both in-person and virtual attendees. Participation was planned across executive leadership and key operational functions. Communication was distributed eight (8) business days before the exercise.

Without consistent participation from process owners and department leadership, continuity planning efforts may not accurately reflect operational dependencies, recovery priorities, staffing requirements, or recovery procedures necessary during a significant disruption.

The underlying cause appears to be the continuing maturation of the program without clearly defined milestones and required completion dates, as well as the challenge of establishing consistent ownership and accountability across multiple departments and operational areas.

Recommendation 2:
We recommend that REMS and University leadership establish consistent requirements, accountability, and implementation expectations for departmental business continuity planning. Specifically, the University should:

a. Establish milestones and target completion dates for incomplete or developing plans.

b. Prioritize outreach and support for departments with incomplete continuity documentation, lower participation, significant organizational changes, or higher operational risk.

c. Establish participation expectations for tabletop exercises and continuity training activities, including appropriate representation from critical functions with clearly defined communication protocols providing advanced notice to support stronger participation. Initiative examples could include: confirmation with consultants to avoid known University events that may conflict with potential exercise dates, a shared calendar with advanced date notification, “save the date” notifications a couple of months in advance,

These actions can help improve program consistency and ensure continuity planning is integrated throughout the institution.

Management Response
Management respectfully agrees with the finding and recommendations. Management has begun incorporating audit feedback into current EMBC activities to strengthen advanced communication, participation and plan development. For example, the Hazardous Risk Assessment Work Session scheduled for October 9, 2026, was scheduled approximately five weeks in advance to provide participants additional time for scheduling and planning. Management will continue using targeted outreach and advance notice, where practical, to support participation and prioritize areas with greater continuity-planning or operational risk.

Responsible Parties: *REMS, in collaboration with responsible division and department leadership and critical-function owners with support from RSI and/or other external professional resources, as appropriate.*

Implementation Milestones:

- ***January 31, 2027:*** *REMS, in collaboration with division and department leadership and critical-function owners and with support from RSI, will develop and implement an annual EMBC planning, exercise and training calendar to provide advance notice to relevant stakeholders and to establish expectations for completion and participation. Communication milestones will be included to support timely information sharing. Once finalized, the calendar will be communicated on an annualized basis to division and department leadership and critical-function owners. Participation results will be shared with associated division and department leadership to reinforce expectations and support accountability and continuous improvement.*

FINDING #3 – Staffing Capacity, Specialized Knowledge, Succession Planning, and Operational Resilience

Walkthroughs identified reliance on a limited number of personnel to perform critical emergency management, business continuity, disaster recovery, crisis communication, and other essential operational responsibilities. Similar concerns have reportedly been identified through prior external reviews. In addition, dependency risks were identified within emergency communications, information technology, and selected administrative functions where specialized knowledge, succession planning, and backup coverage remain important considerations.

While departmental BCPs contain certain succession and delegation information, documented succession alone does not demonstrate sufficient staffing capacity, cross-training, specialized knowledge transfer, or surge coverage during a disruption. These concerns become more significant during prolonged incidents, concurrent events, employee absences, or turnover of key personnel.

Limited staffing resilience and concentrated institutional knowledge may delay emergency response, communications, technology recovery, or restoration of critical services when key personnel are unavailable. The underlying causes include the University's lean staffing model, budget constraints, and the developing maturity of cross-training, succession, and backup arrangements.

Recommendation 3:

We recommend that the University assess and strengthen staffing resiliency for critical emergency response and continuity functions. Specifically, the University should:

a) Perform a risk-based staffing and resiliency assessment for critical emergency management, campus safety, technology recovery, communications, and other essential functions.
b) Validate that primary and alternate responsibilities, backup coverage, escalation points, succession arrangements, and surge support resources documented within departmental continuity plans are complete, current, and operationally feasible during emergency response and continuity scenarios.
c) Expand cross-training and periodically validate that alternate personnel can perform assigned responsibilities.
d) Develop formal succession and knowledge-transfer plans for positions with concentrated institutional or technical knowledge.
e) Incorporate staffing resiliency and key-person dependency reviews into BCP updates, exercises, and management reporting.

These actions will help reduce key-person dependency and strengthen operational continuity during disruptions.

Management Response

Management respectfully agrees with the finding and recommendations. Management further agrees that staffing resiliency, cross-training, succession planning, and the retention and transfer of institutional knowledge are important to the University's emergency management, business continuity, and enterprise resilience framework. Given Oregon Tech's lean staffing model and available resources, management will evaluate staffing resiliency using a risk-based and cost-benefit approach, considering the criticality of functions, key-person dependencies, specialized knowledge requirements, existing backup coverage, and available mitigation alternatives.

Management will evaluate mitigation strategies in phases to strengthen the University's capacity to prepare for, respond to, and recover from adverse events. Mitigation strategies may include enhanced cross-training and knowledge transfer, strengthened succession and backup arrangements, internal or cross-departmental support, temporary or surge resources, additional staffing where warranted, and supplemental external professional support.

Management will also evaluate opportunities to expand the University's existing professional relationship with Risk Solutions International (RSI)and/or other specialized resources where additional capacity or expertise provides an appropriate balance of risk reduction, operational effectiveness, and cost.

REMS, in collaboration with responsible division and department leadership and supported by RSI and/or other external professional resources, will assess key-person dependencies and staffing resiliency for critical functions and incorporate appropriate mitigation strategies into business continuity planning and periodic plan reviews. Material resource needs will be evaluated through the University's established resource prioritization and budget processes.

Responsible Parties: *REMS, in collaboration with responsible division and department leadership and critical-function owners, with support from RSI and/or other external professional resources, as appropriate.*

Implementation Milestones:

- ***April 30, 2027:*** *Identify and assess significant key-person dependencies, specialized knowledge requirements, backup coverage, cross-training, and succession needs for critical functions.*
- ***June 30, 2027:*** *Prioritize identified resiliency gaps and evaluate mitigation alternatives, including internal resources, additional staffing where warranted, and expanded RSI or other external professional support.*
- ***October 31, 2027:*** *Establish mitigation strategies for higher-priority gaps, including responsible parties, resource requirements, cost-benefit considerations, and implementation priorities.*
- ***January 31, 2028:*** *Implement feasible priority mitigation actions and incorporate staffing resiliency and key-person dependency considerations into applicable BCP reviews and ongoing EMBC program monitoring.*

Target Completion Date: *January 31, 2028*

OBSERVATION #1 – Disaster Recovery Planning and Technology Recovery Readiness

The University's Information Technology Services (ITS) department maintains several cybersecurity and infrastructure practices, including cloud-hosted technology solutions, daily backup processes, vulnerability assessments, penetration testing, and coordination with REMS on enterprise resilience initiatives.

However, our audit found that the University's Disaster Recovery Plan (DRP) remains under revision, with the most recent plan on the 2023 version. Walkthroughs identified that formal system recovery priorities, Recovery Time Objectives (RTOs), Recovery Point Objectives (RPOs), and recovery sequencing have not been fully established or documented. Evidence of comprehensive disaster recovery testing and validation was also limited, and no documented timeline for completion and approval of the revised DRP was identified.

Until the Disaster Recovery Plan is updated, formally approved, and supported by documented testing, the University may have limited assurance that critical systems can be restored within established expectations following a significant disruption.

The underlying cause appears to be that the disaster recovery planning initiative remains in process without clearly defined completion milestones and target dates, formally assigned accountability, or approved business-defined recovery objectives to guide plan development, vendor recovery expectations, and testing activities.

Recommendation 4:

We recommend that ITS, REMS, and responsible business owners continue strengthening the University's disaster recovery program by establishing clear accountability, defined milestones, and target completion dates for completing the DRP. Specifically, management should:

a) Develop a documented resource and implementation plan that identifies the work remaining, estimated level of effort, required skillsets, responsible parties, target timeline, and any resource gaps that may affect completion of the DRP. If additional support is needed, the plan should identify potential internal, temporary, consultant, or budgeted resource options for leadership review, prioritization, and funding consideration
b) Identify critical systems and document recovery priorities, Recovery Time Objectives (RTOs), and Recovery Point Objectives (RPOs) in coordination with responsible business owners, including prioritizing the critical vendor list development and communication.
c) Document technology, operational, and third-party dependencies, including recovery sequence, alternate procedures, and key personnel responsibilities.
d) Evaluate vendor service-level commitments and recovery capabilities to ensure they align with the University's recovery expectations and business requirements.
e) Finalize, formally approve, and communicate the Disaster Recovery Plan to appropriate stakeholders.
f) Develop and perform a recurring disaster recovery testing schedule that includes restoration testing and scenario-based exercises.
g) Document test results and formally track remediation of issues through completion.

Implementing these actions can help strengthen technology resiliency, improve recovery preparedness, and provide greater assurance that critical technology services can be restored effectively following a significant disruption.

Management Response

Management respectfully agrees with the observation and recommendations. ITS will continue updating and finalizing the IT Disaster Recovery Plan (DRP) by December 31, 2026, in collaboration with REMS and with support from RSI. As part of this effort, RTOs and RPOs will be established and confirmed with business owners, and relevant vendor service-level commitments and recovery capabilities will be evaluation in relation to documented recovery requirements.

An internal tabletop session will be conducted within ITS, with support from REMS and RSI, prior to finalization of the DRP, to validate key elements of the updated plan and identify additional improvements, as appropriate.

Responsible Party: ITS, in collaboration with REMS, with support from RSI.

Target Completion Date: December 31, 2026

OBSERVATION #2 – Corrective Action Tracking and Continuous Improvement

The University conducts tabletop exercises and receives after-action reports from RSI to identify lessons learned and opportunities to improve preparedness. The after-action reports reviewed included findings, recommendations, and, in the more recent report, a phased roadmap for continued program development.

However, corrective action tracking is not yet consistently formalized. The 2024 and 2026 exercise documentation did not consistently identify assigned owners, target completion dates, current implementation status, or evidence demonstrating closure of recommended actions. Walkthroughs also indicated that ownership for monitoring and resolving after-action items was not consistently understood across participating departments.

Without a centralized process to assign, monitor, escalate, and close corrective actions, recommendations may remain unresolved and the University may not fully realize the benefits of its exercises and after-action reviews.

The underlying cause is that a consistent, centralized process for corrective action ownership, monitoring, target dates, escalation, and closure has not yet been fully established, across the developing EMBC program.

Recommendation 5:
We recommend that the University take the following steps:

a) Establish a centralized corrective action tracker for recommendations arising from exercises, incidents, tests, and after-action reviews.
b) Assign a responsible owner and target completion date for each action item.
c) Document action status, management follow-up, supporting evidence, and closure approval.
d) Establish a recurring review and escalation process for overdue or higher-risk items.
e) Use trends from corrective actions to inform future training, exercises, plan updates, resource decisions, and program priorities.

A formal corrective action process can help strengthen accountability, preserve lessons learned, and support continuous improvement of the University's emergency management and continuity capabilities.

Management Response
Management respectfully agrees with the observation and recommendations. REMS will collaborate with ITS and RSI to develop a continuous improvement planning process that categorizes and prioritizes post-exercise, incident, and resiliency-testing findings. This process will include establishing ownership, assigning completion dates, documenting actions taken through resolution and closure, and integrating results into existing policies, plans, procedures, exercises/tests, and incident response protocols.

Implementation Timeline:
This action will be initiated in Fall 2026, with continued integration into practice with the completion of future after action reports. REMS and ITS will retain oversight for their respective after-action reports and associated continuous improvement activities with direct support from RSI and input from division and department leadership. Progress will be reviewed as after-action reports are completed and associated corrective actions are identified, monitored, and closed.

***Responsible Parties**: REMS and ITS for their respective after-action and continuous improvement activities, with support from RSI and appropriate University stakeholders.*

***Target Completion Date:** June 30, 2027 , with ongoing monitoring thereafter.*

OBSERVATION #3 – Crisis Communications and Third-Party Resilience

Crisis Communication Resilience

The University has established emergency notification and crisis communication capabilities through the Everbridge platform, 30 to 40 pre-approved message templates, multi-channel distribution, and a Crisis Communication Management Plan updated in 2026. Marketing, Communications and Public Affairs also participates in exercises and coordinates sensitive communications with leadership, Legal, REMS, and other stakeholders.

Opportunities remain to further strengthen the resiliency of emergency communications. Two individuals primarily manage the function, the notification process relies heavily on electronic communication platforms, and responsible personnel identified the potential for delays during urgent scenarios because of the notification and approval chain. The updated Crisis Communication Management Plan was also still being finalized for internal distribution, and recent formal FEMA-related training had not been refreshed. Stakeholders indicated that hands-on, scenario-based exercises would provide additional value by testing message development, approval, and distribution under time pressure or system limitations.

On July 1, 2024, the Klamath 911 Emergency Communications District terminated the university's *Intergovernmental Agreement for Limited Dispatch Services,* effectively ending direct radio communications between Campus Safety and county-wide emergency services. The intergovernmental agreement was not renewed following changes affecting campus security operations under Oregon's Kaylee's Law (ORS 181A.970–181A.972) and the resulting limitations applicable to Oregon Tech's non-sworn Campus Safety function, including its access to restricted criminal justice information systems and ability to support emergency response requests.

The loss of this key emergency communications service directly impacts incident coordination and response. Oregon Tech does not maintain its own communications and emergency response center to collect calls for service, dispatch Campus Safety Officers and coordinate a response to critical incidents. The current modality is for the on-call Campus Safety Officer to receive calls for service through a cell phone they carry while on duty which limits the officers ability to communicate and coordinate a response to a campus emergency.

Third-Party Resilience

The University also does not maintain a centralized inventory of critical vendors and their continuity capabilities. Departments manage vendor relationships and service interruptions, while Procurement, Contract Services and Risk Management supports contracting, insurance, and procurement compliance. Without an enterprise view of critical third parties, the University may have limited visibility into vendor recovery capabilities, alternate providers, notification requirements, and dependencies that could affect priority operations.

These conditions may result in delayed or inconsistent emergency communications or reduced preparedness for a disruption involving a critical third-party service provider.

Recommendation 6:

We recommend that the University strengthen critical third-party and crisis communication resiliency by taking the following actions:

a) Establish and maintain an enterprise-level inventory within the existing BOLD Planning platform of critical third-party vendors, the University functions they support, responsible relationship owners, key dependencies, and available alternate providers or workarounds.
b) For critical vendors, document and periodically evaluate continuity expectations, incident notification requirements, recovery commitments, escalation procedures, and relevant contractual protections.
c) Document backup communication personnel and alternate notification methods if primary personnel or electronic systems are unavailable.
d) Finalize, distribute, and periodically update the Crisis Communication Management Plan, including decision authority, approval thresholds, primary and alternate responsibilities, and external coordination protocols.
e) Provide recurring training appropriate to assigned communication roles, including applicable emergency public information, incident coordination, privacy, accessibility, and regulatory expectations.
f) Conduct hands-on communication exercises that test the end-to-end process under urgent conditions and technology limitations.
g) As an additional consideration, once the critical vendors are reviewed, management should consider reviewing insurance coverage for potential and appropriate adjustments, as well as any consideration of future contract enhancements for vendor responsibilities in these areas.

These enhancements will further strengthen the University's ability to communicate during emergencies and manage disruptions affecting critical third-party services.

Management Response
Management respectfully agrees with the observation and recommendations and will address the identified opportunities through the University's existing Emergency Management and Business Continuity framework, with responsibilities assigned to the areas best positioned to maintain the underlying information and manage the related operational risks.

Critical Third-Party Resilience, Recommendations 6(a) and 6(b)
Individual departments will continue to be responsible for identifying critical third-party providers and maintaining complete, accurate, and current vendor information within the existing BOLD planning software solution. Through their identified representatives in the Business Continuity hierarchy, departments will identify third-party vendors critical to their respective operations and document the University functions supported, responsible relationship owners, key dependencies, alternate providers or workarounds, continuity expectations, incident notification requirements, recovery commitments, escalation procedures, and other relevant continuity considerations, as applicable.

This approach will support the enterprise-level third-party vendor inventory within the existing BOLD planning software solution while appropriately retaining responsibility for the underlying information with individual departments. As subject matter experts for their respective operations, departments are best positioned to identify critical third-party vendors and ensure related information is accurate, complete, and updated on a timely basis.

REMS, in partnership with Risk Solutions International (RSI), will continue to support departments in maintaining critical third-party vendor information within BOLD Planning. This support will focus on promoting consistent and timely completion and periodic review of third-party vendor information as part of the University's broader business continuity planning process.

Responsible Parties: *Individual departments and their identified Business Continuity hierarchy representatives, with support from REMS and RSI.*

Target Completion Date: *June 30, 2027*

Crisis Communication Resilience, Recommendations 6(c) through 6(f)
Management will address crisis communication resiliency through a phased effort led by REMS in collaboration with MarCoPa and supported by RSI. This work will include:

- *Documenting primary and backup communication personnel and alternate notification methods;*
- *Finalizing, distributing, and establishing a process for periodically updating the Crisis Communication Management Plan;*
- *Clarifying decision authority, approval thresholds, primary and alternate responsibilities, and external coordination protocols;*
- *Identifying and providing recurring training appropriate to assigned emergency communication roles; and*
- *Conducting functional exercises that test message development, approval, and distribution under urgent conditions and potential technology limitations.*

Initial planning, assignment of responsibilities, and development of implementation milestones will be completed by June 30, 2027. Priority plan enhancements, training activities, and communication exercises will be completed by December 31, 2027. Management will provide semiannual internal updates to monitor progress, address implementation barriers, and determine whether additional actions or adjustments are warranted.

Responsible Parties: *REMS and MarCoPa, with support from RSI.*

Interim Milestone: *June 30, 2027*

Target Completion Date: *December 31, 2027*

Departmental Third-Party Vendor and Insurance Considerations, Recommendation 6(g)
Individual departments will remain responsible for identifying critical third-party vendors and evaluating whether third-party vendor arrangements appropriately address departmental operational needs, identified key dependencies, and continuity risks related to critical goods and services. This evaluation will be informed by each department's knowledge of the operational functions supported, the criticality of the goods or services provided, and the potential effect of a vendor disruption on respective departmental operations.

PACS will continue to evaluate applicable University insurance coverage through the regular insurance renewal process and will also continue to consider whether coverage adjustments may be appropriate based on identified University risks.

Responsible Parties: Individual departments for critical-vendor identification and evaluation of operational dependencies; PACS for insurance coverage review.

Interim Milestone: *Departments will address critical third-party vendor considerations as part of the June 30, 2027, milestone established for Recommendations 6(a) and 6(b).*

Target Completion Date: *December 31, 2027, and ongoing through departmental continuity planning and the University's regular insurance renewal process.*

FF&A Item 3.6
Attachment B

Remissions Consulting Engagement Report

July 17, 2026

OREGON INSTITUTE OF TECHNOLOGY

Submitted By:

Eide Bailly LLP

Eide Bailly

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Executive Summary

Eide Bailly LLP (referred to as "we," "our," or "us") was engaged by Oregon Institute of Technology ("OT," "Oregon Tech," "University") to perform a consulting engagement to evaluate the University's tuition remission ecosystem and identify opportunities to strengthen oversight, strategic alignment, and data-informed decision-making. The engagement included stakeholder interviews, process review, data analysis, and benchmarking of selected practices against comparator institutions.

Like many public institutions, Oregon Tech relies on institutional aid and tuition remissions to support access and affordability, attract targeted student populations, influence enrollment behavior, and attain mission-driven objectives. As remission expenditures grow, institutions face increasing pressure to balance enrollment goals with financial sustainability, strategic prioritization, and accountability for outcomes.

Through stakeholder interviews, data analysis, and benchmarking activities, we observed that Oregon Tech has developed a variety of remission programs that support recruitment, retention, and student success objectives. However, remission-related responsibilities are distributed across multiple departments, creating challenges in evaluating the effectiveness of institutional aid investments. Stakeholders consistently expressed a desire for stronger reporting, forecasting, and a clearer framework for measuring remission outcomes relative to institutional goals.

Key themes identified in our review that affect the University's ability to strategically manage and evaluate tuition remissions include:

- The University currently lacks a centralized oversight structure responsible for establishing remission goals, coordinating decision-making, evaluating outcomes, and aligning remission spending with broader enrollment and financial objectives.
- Written policies, procedures, and documented decision-making frameworks related to remission strategy, budgeting, monitoring, and assessment are limited.
- Significant student, enrollment, and financial aid data exists within institutional systems; however, reporting remains decentralized and often requires substantial manual effort, limiting the University's ability to conduct routine strategic analyses and measure return on investment.
- Benchmarking and cohort analyses suggest opportunities to refine awarding practices and criteria, and strengthen alignment between remission expenditures and desired enrollment outcomes.
- Formal processes for developing remission assumptions, annual budget development, and ongoing monitoring of remission expenditures are limited. As a result, the University has reduced ability to evaluate future remission obligations, assess the financial impact of enrollment and awarding strategies, and ensure remission expenditures remain aligned with approved budgets, enrollment objectives, and long-term financial sustainability goals.

Collectively, these themes limit the University's ability to evaluate remission effectiveness, forecast future remission obligations, and align institutional aid investments with enrollment, student success, and financial sustainability objectives.

Based on these observations, we recommend that Oregon Tech establish a formal workgroup and oversight framework for tuition remissions supported by cross-functional participation from Enrollment Management, Financial Aid, Academic Affairs, Student Affairs, Athletics, Institutional Research (IR), Budget and Planning Office (BPO) and other key stakeholders. This framework should be supported by written policies and procedures, recurring reporting and analytics, and a structured annual review process to evaluate program effectiveness, improve accountability, and strengthen alignment between remission investments, enrollment goals, student success outcomes, and financial stability.

The recommendations in this report are intended to help Oregon Tech transition from a decentralized operational approach to a more strategic and evidence-based remission framework that supports student success and long-term institutional strength.

Acknowledgement

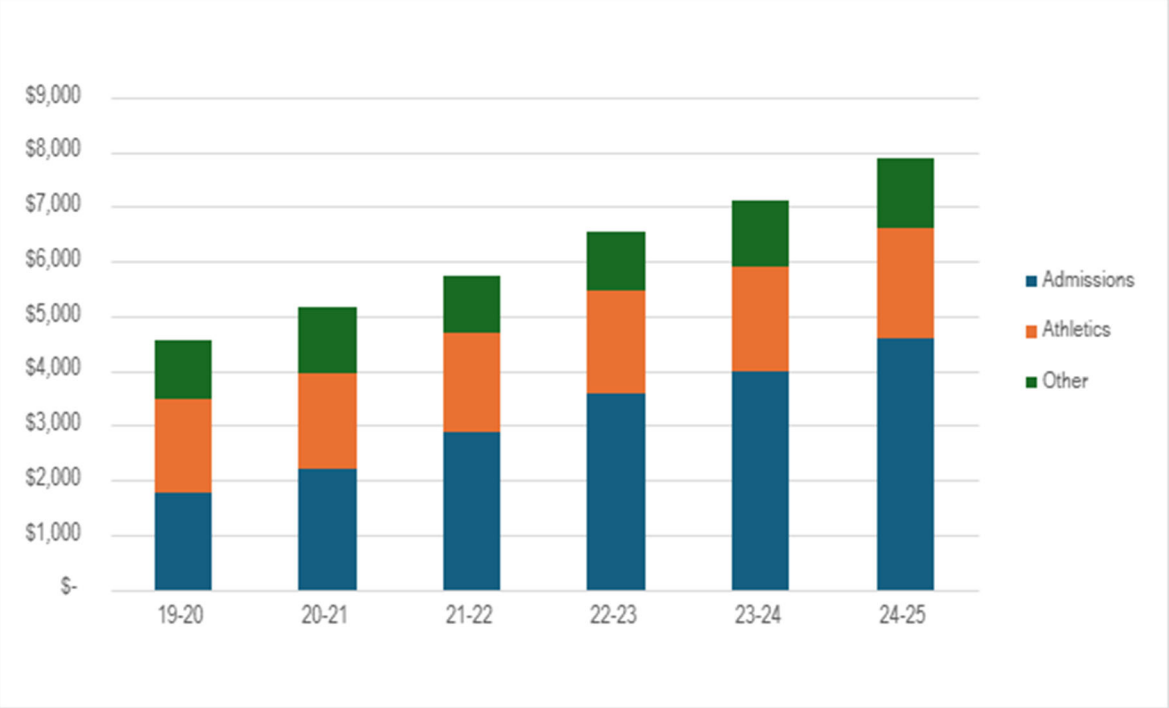
This engagement benefitted greatly from the active participation and collaboration of Oregon Tech leadership and stakeholders across Strategic Enrollment Management, Financial Aid, Student Affairs, Athletics, and Finance and Administration. We appreciate the time, expertise, and perspectives shared throughout the process. Their willingness to provide information, discuss current practices, and identify opportunities for improvement contributed significantly to our understanding of OT's remission programs and informed the observations and recommendations presented here.

Background Information

As competition for students has increased, institutional aid and tuition remission programs have become an increasingly important component of the University's enrollment strategy. Oregon Tech's remission programs encompass multiple award categories administered by various institutional stakeholders, including admissions-based merit awards, athletic remissions, and other institutional aid programs. While individual programs are designed to address specific enrollment and student success objectives, their collective impact extends to recruitment, retention, affordability, financial planning, and net tuition revenue management.

Over time, remission expenditures have grown and now represent a significant institutional investment:

Table 1: Remission Expenditures Growth over 2020 – 2025 Academic Years



Adapted from graph provided by OT's Budget and Planning Office

Stakeholders interviewed during this engagement estimated that institutional remissions currently represent approximately 19.5% of tuition revenue.

Table 2: Remissions Expenditures by Category for 2024 – 2025 Academic year:

Remission Category	Primary Purpose	Primary "Owner"	2024-25 AY Expenditures
Admissions Awards (e.g., Presidential, Engineering)	Overall recruitment & yield	Admissions	$4,579,159
Athletic Remissions	Student-athlete/ team recruitment	Athletics	$2,018,544
Need-Based/Completion Grants	Access, retention & completion	Financial Aid	$1,281,572
"Other" Institutional Awards	Specialized student populations	Various	
		Total:	**$7,879,275**

As illustrated above, Oregon Tech's remission programs support multiple objectives across the student lifecycle and involve numerous stakeholders responsible for awarding, administering, monitoring, and reporting various forms of institutional aid. Information related to remission programs is maintained across multiple systems and functional areas,

with responsibility distributed among several departments. While this structure allows individual units to support specific institutional goals, it can also create challenges related to coordination, reporting, budgeting, and comprehensive program evaluation including return on investment (ROI). These themes emerged consistently throughout stakeholder interviews and data analysis and are discussed further in this report.

Growth in remission expenditures has been driven by a combination of changes to remission strategies, tuition increases, and renewal obligations associated with previously awarded scholarships, partially offset by limited enrollment growth. As a result, stakeholders expressed interest in developing more formal tools and processes to budget, monitor, and evaluate remission investments over time.

Objective & Scope

Objective: The objective of this engagement was to evaluate Oregon Tech's tuition remission ecosystem and provide recommendations to strengthen strategic alignment, oversight, reporting, budget development process and decision-making. The review focused on:

- Gaining clarity of institutional objectives for remissions in alignment with enrollment, retention, equity, and net tuition revenue goals and overall strategic plan.
- Assessing and mapping current institutional aid/tuition remission end-to-end processing, from eligibility determination, packaging policies, timelines, and reconciliations, through tracking and data collection; and
- Suggesting a decision framework and strategic recommendations for scholarship leveraging, awarding refinements, policy alignment, transparency, as well as an oversight structure with decision rights, annual review cycle, and budget coordination aligned with performance objectives.

Scope: The engagement focused on remission-related activities and available data from July 1, 2021, through June 30, 2025. Procedures included stakeholder interviews, review of remission-related documentation and reports, analysis of selected student and remission cohorts, evaluation of available institutional data, and benchmarking of selected remission practices among comparator institutions identified by Oregon Tech. The review primarily focused on admissions and athletic remissions, which represent the largest and most significant categories of institutionally funded remission expenditures.

It is important to note that the analyses performed as part of this engagement were primarily focused on available first-time student, remission, and program-specific data. While information regarding continuing students was reviewed where available, the data provided was not consistently structured or aligned with the first-year data sets used throughout the analysis. In addition, remission information was not consistently available within the continuing student data, limiting the ability to evaluate the relationship between remission awards, student persistence, retention, and graduation outcomes. As a result, the engagement was not able to fully assess the relationship between remission awards and longer-term student success outcomes or quantify the effectiveness of specific remission strategies across the full student lifecycle. Accordingly, opportunities related to long-term student success and return on investment should be considered areas for future analysis rather than definitive conclusions from this review.

The data elements identified above are critical to implementing several recommendations contained in this report, particularly those related to strategic enrollment management, remission effectiveness, retention and completion outcomes, net tuition revenue analysis, and ongoing program remissions evaluation. Establishing reliable access to these data elements and developing consistent reporting processes should be considered a foundational step toward implementing a more comprehensive, data-informed remission oversight framework.

Awards in the “other” category noted on the previous page (e.g., Completer Grant, Oregon Supplemental Grant, Close the Gap Grant, and other institutional or Foundation awards) were reviewed at a high level to provide context regarding the University's overall remission environment. These were not evaluated in detail since they represent less of the

overall remissions budget, are smaller awards per student than athletics or admissions, and some are mandated by state or federal agencies (e.g., Veteran Dependent Tuition Waiver or Foster Youth Tuition Waiver), so cannot be controlled or adjusted by the University.

Methodology

To evaluate Oregon Tech's tuition remission program and develop recommendations, Eide Bailly utilized a multi-faceted approach that included stakeholder interviews, process review, data analysis, and external benchmarking. Data sources included Banner student records, remission award information, enrollment reports, stakeholder-provided analysis, National Student Clearinghouse enrollment data, admitted student survey results, prior enrollment optimization analyses by third-party servicer EAB, and public external sources. These procedures were designed to provide both qualitative and quantitative perspectives regarding remission program objectives, administration, oversight, and outcomes.

1. **Stakeholder Interviews and Current-State Assessment**
   We conducted interviews and process walkthroughs with stakeholders representing Enrollment Management, Admissions, Financial Aid, Finance, Athletics, Institutional Research, Student Affairs, and other functional areas involved in the administration, oversight, and budgeting of remission programs. These discussions were used to:
   - Understand remission program objectives and decision-making processes.
   - Identify key stakeholder roles and responsibilities.
   - Assess workgroup oversight, budgeting, and reporting practices.
   - Evaluate how remission-related data is currently collected, maintained, and utilized.
   - Identify perceived strengths, challenges, and opportunities for improvement.

2. **Process and Workgroup Review**
   We reviewed the remission lifecycle from award development through student awarding, renewal, monitoring, reporting, and budgeting activities. Particular attention was given to:
   - Ownership and accountability structures.
   - Award approval processes.
   - Budget coordination and oversight.
   - Monitoring and renewal practices.
   - Documentation, policies, and procedural guidance.
   - Data oversight and reporting responsibilities.

3. **Benchmarking and Comparator Review**
   We performed a comparative review of remission and scholarship practices at selected comparator institutions within Oregon or identified as having a similar structure. Benchmarking focused on:
   - Merit scholarship structures.
   - GPA and eligibility requirements.
   - Award tiering approaches.
   - Renewal requirements.
   - Transfer student awarding practices.
   - Priority awarding timelines.
   - Need-based aid considerations.
   - Western Undergraduate Exchange (WUE) strategies.

   The purpose of benchmarking was not to identify a single "best" model, but rather to provide context for evaluating Oregon Tech's current practices and identifying opportunities for strategic refinement.

4. **Cohort and Data Analysis**
   We reviewed and analyzed available remission-related data covering the period from July 1, 2021, through June 30, 2025. Analysis focused on understanding awarding patterns, student outcomes, and potential opportunities for strategic optimization. Where data was available, analyses included:

   First-Year Student Analysis
   - Application, admission, and enrollment trends.
   - Remission awarding patterns.
   - Yield and conversion outcomes.
   - Academic performance comparisons.
   - Distribution of awards across remission tiers.

   Athletic Remission Analysis
   - Award allocation practices.
   - Budget utilization and distribution.
   - Student-athlete remission patterns.
   - Comparisons of student populations receiving athletic aid.

   Engineering Scholarship Analysis
   - Award penetration by program.
   - Enrollment yield comparisons.
   - Relationship between scholarship participation and enrollment outcomes.
   - Program-specific awarding practices.

Certain analyses were limited by the availability, consistency, and format of historical data. Where complete information was not available, conclusions and recommendations were based on the best information provided by stakeholders and data sources available during the engagement period. Future enhancements to reporting and data oversight may allow for more comprehensive analysis of student retention, persistence, graduation, and remission outcomes over time.

Our engagement service was performed under the *Statements on Standards for Consulting Services* issued by the American Institute of Certified Public Accountants (AICPA). This engagement did not include an audit, review, compilation, or financial statement preparation services to any historical or prospective financial information or provide any attestation services under the AICPA Statements on Standards for Attestation Engagements, and no responsibility is assumed for any such information outside the scope of this assessment.

Remissions Benchmarking

To provide context for evaluating Oregon Tech's remission strategy, Eide Bailly reviewed scholarship and remission practices among selected comparator institutions. The benchmarking group included public regional universities identified by stakeholders as primary competitors, Montana Technological University as a comparable public polytechnic institution, Oregon Tech's IPEDS-defined peer institutions and additional research and competitive market analyses.

The review incorporated publicly available scholarship information, competitor pricing and award structures, National Student Clearinghouse enrollment outcomes, admitted-student and deposit survey data, prior EAB financial aid optimization analyses, enrollment modeling, and stakeholder interviews. Together, these sources provided insight into how institutional aid, pricing, and scholarship strategies may influence student enrollment decisions and allowed Oregon Tech's remission practices to be evaluated within a broader competitive context.

The purpose of benchmarking was not to identify a single "best practice" model, but rather to understand common approaches, identify areas of differentiation, and evaluate to strengthen alignment between investments, enrollment strategy, and institutional investment in student aid.

Comparator Institutions

The following were identified by stakeholders as comparator Higher Education Institutions:

- Eastern Oregon University (EOU)
- Oregon State University (OSU)
- Southern Oregon University (SOU)
- University of Oregon (OU)
- Western Oregon University (WOU)
- Montana Technological University (MTU)

National Student Clearinghouse data further indicated that Oregon State University represented the largest known enrollment destination among students who applied to, but did not ultimately attend Oregon Tech, with additional enrollment activity observed across institutions throughout Oregon and the western United States.

Criteria Considered for Benchmarking

- Award (name, tier) and type (merit- and/or need-based)
- Resident Amounts/WUE/Non-Resident Amounts
- GPA and/or ACT, SAT criteria
- Credit Completion requirements
- Application Deadlines
- Renewability timeframe and criteria
- Awarding Department

Results and Considerations

Stakeholder interviews indicated that several significant admissions scholarship enhancements were implemented over the past five years as part of broader enrollment growth initiatives. These included increases to Presidential award amounts and the introduction of WUE-specific awards. While first-year enrollment trends generally improved during this period, overall enrollment showed limited growth, and a decline from pre-COVID years. Additionally, tuition revenue increases due to enrollment growth have been fully offset by unplanned/unbudgeted increases in remissions. Oregon Tech currently lacks a comprehensive framework for evaluating the relative effectiveness of individual remission strategies, making it difficult to determine which investments are producing the greatest enrollment,

retention, and net tuition revenue outcomes. Benchmarking therefore serves as an important tool for evaluating whether current award structures remain aligned with institutional goals and marketplace conditions.

Higher GPA Thresholds for Top-Tier Merit Awards

Many comparator institutions reserve their highest merit awards for a smaller percentage of incoming students through more selective GPA requirements. In several cases, the minimum GPA requirement for the highest award tier exceeded Oregon Tech's current threshold, which helps preserve the prestige and differentiation of top scholarship offerings.

Oregon Tech's current structure results in a comparatively large proportion of students qualifying for the highest Presidential scholarship tier, and Stakeholders noted concerns regarding broader trends in secondary-school grade inflation, which may further reduce differentiation among scholarship tiers over time. While this approach may support broad access and recruitment objectives, it may also reduce pricing differentiation and limit the University's ability to strategically leverage institutional aid.

Consideration for Oregon Tech: Evaluate whether modest adjustments to award thresholds could better align scholarship spending with recruitment and yield objectives while preserving the competitiveness of Oregon Tech's scholarship offerings. Examples of potential changes are shown in Appendix A: Presidential Scholarship Scenario Modeling.

Earlier Scholarship Priority Application Deadlines

Several comparator institutions utilize scholarship priority deadlines that occur earlier in the recruitment cycle – early to mid-February – than Oregon Tech's current March 1 timeline (August 15 for transfer students). Earlier deadlines may encourage prospective students to complete applications sooner, provide institutions with additional time to communicate award offers, and support earlier enrollment decision-making.

While application timing alone is unlikely to drive enrollment outcomes, it can serve as one component of a broader enrollment strategy designed to identify and engage highly interested students earlier in the recruitment process.

Consideration for Oregon Tech: Evaluate whether moving the scholarship priority deadline earlier could support recruitment planning and improve engagement with prospective students while maintaining equitable access to awards.

Transfer Scholarship Renewal Structures

Oregon Tech already differentiates transfer awards from first-year awards through lower eligibility thresholds and reduced award values, but allows renewals for up to four years. Several comparator institutions provide shorter scholarship renewal periods for transfer students than for first-time freshmen, recognizing that transfer students typically enter with previously earned credits and shorter anticipated time-to-degree.

While this approach may support transfer recruitment goals, it may also increase long-term remission commitments beyond what is necessary to support degree completion. Further review of transfer renewal periods may help determine whether current remission investments appropriately align with anticipated time-to-degree and institutional enrollment objectives.

Consideration for Oregon Tech: Stakeholders indicated that Oregon Tech's transfer population is significant —roughly 35-38% — and differs from many institutions because a significant percentage of students transfer before reaching junior standing or enroll in programs requiring additional time to degree completion. Any review of renewal periods should therefore consider student progression patterns by academic program rather than applying a uniform

institutional standard.

Western Undergraduate Exchange (WUE) Approaches

Many institutions participating in the Western Undergraduate Exchange (WUE) utilize the reduced tuition rate itself as the primary enrollment incentive and provide limited or no additional merit aid to WUE recipients. In these cases, WUE is treated primarily as a tuition-pricing strategy rather than stacking substantial additional merit awards on top of the discounted tuition rate, reserving institutional merit awards primarily for resident students or highly selective nonresident populations.

Oregon Tech currently utilizes both WUE pricing and certain merit award opportunities, creating additional levels of institutional support for some nonresident student populations.

Stakeholder interviews indicated that Oregon Tech historically did not award Presidential scholarships to WUE students. WUE-specific Presidential awards were introduced beginning with the Fall 2021 recruitment cycle as part of a broader enrollment strategy intended to support recruitment and enrollment growth. Additionally, multiple scholarship enhancements have occurred since that time, including increases to award amounts for certain scholarship tiers. While Admissions leadership indicated that these changes may have contributed to enrollment growth, particularly among WUE populations, the data reviewed during this engagement did not permit direct attribution of enrollment changes to specific scholarship modifications. Additional analysis would be needed to isolate the impact of WUE awards from other factors, including recruitment initiatives, market conditions, institutional reputation, program demand, and broader enrollment growth trends.

Given the potentially significant impact of WUE students on enrollment and net tuition revenue, Oregon Tech should consider conducting additional analysis before making substantial changes to WUE award structures.

Consideration for Oregon Tech: Rather than immediately reducing WUE awards, conduct a focused evaluation of WUE student outcomes and enrollment behavior to determine whether additional merit awards are generating sufficient enrollment, retention, and net tuition revenue benefits to justify the additional institutional investment.

Depending on the results, Oregon Tech could consider:

- Maintaining current WUE award structures if analysis demonstrates positive enrollment or revenue return.
- Limiting additional merit awards to the highest academic tiers.
- Adjusting award amounts for specific programs, WUE populations, or target markets.
- Utilizing WUE primarily as a tuition-pricing strategy while reserving additional merit awards for students who demonstrate higher likelihood of enrollment impact.

To move this from anecdotal evidence to a defensible recommendation, Oregon Tech could evaluate:

- WUE application, admission, deposit, and enrollment trends before and after award implantation/changes.
- Yield rates for WUE students receiving additional merit compared with WUE students receiving only the tuition benefit.
- Net tuition revenue generated by WUE students by scholarship tier.
- Retention and graduation outcomes of WUE recipients.
- Enrollment outcomes from key WUE states compared with non-WUE non-resident populations.
- National Student Clearinghouse "lost-out" data to identify competitor institutions attracting students from the same geographic markets.

Stakeholders also noted that WUE award eligibility and amounts vary by program, further supporting the need for a segmented analysis of enrollment, yield, and net tuition outcomes rather than evaluating WUE recipients as a single population.

Need-Based Aid Considerations

A number of comparator institutions incorporate financial need into at least a portion of their institutional aid strategy, either through dedicated need-based programs or through scholarship models that consider both academic achievement and financial circumstances.

At Oregon Tech, many of the largest remission programs are primarily merit-based or category-specific in nature. Stakeholders highlighted the value of need-based and completion-focused programs such as the Supplemental Grant, Close the Gap Grant, and Completer Grant. Several interview participants suggested that future evaluation of remission strategy should include not only recruitment-focused awards, but also funding designed to support persistence, degree completion, and assessing need gaps.

Consideration for Oregon Tech: As part of future SEM planning, evaluate the balance between recruitment-focused awards and student-success-focused investments to ensure remission funding is aligned with institutional priorities across the entire student lifecycle.

Given Oregon Tech's stated interest in improving student persistence and graduation outcomes, multiple stakeholders questioned whether additional institutional investment in need- and completion-focused aid may provide greater long-term value than equivalent investments in strictly merit- and recruitment-focused aid.

Scholarship Oversight and Annual Review

Many institutions routinely review scholarship criteria, award levels, enrollment outcomes, and budget alignment through Strategic Enrollment Management (SEM) or financial aid oversight processes. Stakeholder interviews suggested that Oregon Tech has historically made relatively few adjustments to major remission programs despite significant changes in enrollment conditions and remission expenditures.

Consideration for Oregon Tech: Charge the SEM Workgroup with conducting an annual review of major scholarship and remission programs. As part of its ongoing responsibilities, the workgroup should evaluate enrollment impact, affordability objectives, remission expenditures, net tuition outcomes, and alignment with institutional enrollment goals, and recommend adjustments as appropriate.

Strategic Enrollment Management Alignment

Benchmarking and industry practice increasingly demonstrate the importance of integrating scholarship strategy into broader enrollment planning efforts. Institutions with formal SEM structures are often better positioned to align financial aid, pricing, recruitment, retention, and academic planning decisions.

Consideration for Oregon Tech: Incorporate tuition remission planning into a broader SEM workgroup framework to ensure aid decisions are evaluated alongside institutional enrollment and financial objectives.

Benchmarking Summary:

Comparator institutions generally demonstrated:

- **More selective criteria for top-tier merit awards.**
- **Earlier scholarship deadlines and shorter transfer renewal periods.**
- **Greater reliance on WUE as a pricing strategy rather than stacking additional aid.**
- **More formal processes for reviewing scholarship effectiveness and alignment with enrollment goals.**
- **Increased use of recurring data review and enrollment effectiveness analyses to evaluate scholarship ROI.**

These observations suggest opportunities for Oregon Tech to further evaluate how remission resources are allocated and governed to support both enrollment objectives and long-term financial sustainability

While the benchmarking review identified several areas where Oregon Tech's practices differ from selected comparator institutions, the most significant opportunity is not necessarily the adoption of any single benchmarked practice. Rather, the review highlighted the importance of establishing a consistent framework for evaluating remission effectiveness, aligning aid strategies with enrollment and financial goals, and routinely assessing outcomes through oversight, reporting, and data-informed decision-making. The analyses that follow provide additional context regarding Oregon Tech's current remission patterns and opportunities for future refinement.

Remissions Program Data Analysis

Eide Bailly reviewed admission, enrollment, and remission patterns for first-time students over the 2021–2025 Academic Year review period. The purpose of this analysis was to evaluate how broadly admissions-based remissions are offered/awarded, identify trends in award distribution, and assess whether available data indicates opportunities to refine the University's scholarship leveraging strategy. The analysis focused primarily on Presidential scholarship awards, athletic remissions, and related institutional aid practices.

Table 3 focuses on the first-year student population and the associated first-year Presidential scholarship awards offered to eligible applicants. Summarizing total admissions, enrollments, and remissions dollars offered across the 2021–2025 Academic Year review period. Students are automatically offered remissions based on their application and meeting eligibility criteria, therefore there may not be a direct correlation for the total remissions offered vs. the total student applications and award year over year.

Table 3: First-Year Population Summary, 2021 – 2025 Academic Years

Academic Year (Fall entry term)	Total Student Applications A	Total Applicants Offered Remissions B	Total Students Enrolled* C	Total Remissions Offered $**	% Yield C ÷ A	% of Applicants Offered Remissions B ÷ A
2021	3,899	3,197	395	$13,622,000	10%	82%
2022	4,080	3,478	449	$14,998,000	11%	85%
2023	4,422	3,720	425	$17,562,000	10%	84%
2024	4,685	3,944	536	$19,117,500	11%	84%
2025	5,539	4,888	549	$32,475,000	10%	88%
Total	**22,625**	**19,227**	**2,354**	**$97,774,500**	**10%**	**85%**

Source: OT First Year Reports

* ***Note:*** *Amount includes students with an admission record with an active enrollment status who later withdrew.*

**Total Remissions offered increased in part due to more applications vs. total aid disbursed (Table 4)

First-Year Admissions Awards Student Data Analysis

Oregon Tech awards admissions-based remissions to a significant percentage of first-year students. During the review period and as shown in **Table 4**, the data indicates that approximately 80% of first-year students received Presidential scholarship awards, with annual award rates generally ranging from the high 70% to low 80% range. This broad awarding approach supports recruitment and access objectives, but also limits the University's ability to use merit aid as a more differentiated enrollment-shaping tool.

Table 4: First-Year Enrolled and Remission Summary, 2021 – 2025 Academic Years

Academic Year (Fall entry term)	Total Students Enrolled A	Total Students Receiving Remissions B	Remission/Enrolled % B ÷ A	Total Remission $ Disbursed
2021	395	318	81%	$1,301,000
2022	449	354	79%	$1,511,000
2023	425	349	82%	$1,684,000
2024	536	421	79%	$1,933,500
2025	549	418	76%	$ 2,086,500
Total	**2,354**	**1,860**	**79%**	**$ 8,516,000**

Source: OT First Year Reports

The analysis identified several key themes:

- **Presidential scholarships function primarily as a broad recruitment tool.** Nearly four out of five enrolled first-year students received a Presidential scholarship during the review period, indicating that the awards are widely distributed rather than highly selective.
- **Enrollment yield among awarded first-year students presents opportunities to further refine leveraging strategies.** Additional analysis would be needed to compare yield by award tier, student segment, program, residency, and competing enrollment options to determine options to increase enrollment.
- **Application and award timing does not appear to impact enrollment outcomes.** Additional analysis may help determine whether earlier awarding, priority deadlines, or targeted communication strategies influence student decision-making.
- **The highest Presidential scholarship tier represents a significant portion of awards.** The current award structure results in a large number of students qualifying for the top Presidential scholarship tier. This differs from many comparator institutions, which generally reserve top-tier merit awards for a smaller percentage of incoming students through higher GPA thresholds.
- **Award amount alone does not appear to consistently explain enrollment behavior.** Available analysis indicates that enrollment outcomes did not consistently improve as remission amounts increased. This suggests that award strategy should be evaluated alongside other enrollment drivers, such as academic program interest, institutional fit, location, student financial need, perceived value, and competing offers, any or all of which may also influence student enrollment decisions.
- **Program choice appears to be an important enrollment variable.** Program-level analysis indicates that remission expenditures and award penetration vary significantly by academic program, with a small number of programs accounting for a disproportionate share of total remission dollars. For example, Pre-Medical Imaging Technology accounted for approximately 27% of analyzed award dollars, while Mechanical Engineering and Software Engineering Technology represented approximately 16% and 10%, respectively. This suggests Oregon Tech may benefit from evaluating remission effectiveness at both the institution-wide and program-specific levels to better understand where aid investments are most effectively supporting enrollment, retention, student success, and institutional priorities.

- **Current data does not fully isolate remission impact.** While remission awards are clearly an important component of Oregon Tech's recruitment strategy, the available data does support attribution of enrollment outcomes to scholarship amounts independent of other enrollment factors.

Because admission GPA is used as an eligibility factor for Presidential scholarship awards, students receiving higher-tier awards generally met higher academic criteria at the point of admission. However, the analysis reviewed for this engagement did not include sufficient retention, progression, or completion data to determine whether higher award tiers are associated with stronger long-term student outcomes.

Scenario Modeling

To illustrate how adjustments to award criteria could affect scholarship distribution and estimated first-year remission expenditures, Eide Bailly modeled several potential changes to Presidential scholarship GPA thresholds and award tiers. These scenarios are intended for discussion purposes only and should not be interpreted as final recommended award structures. Any changes to scholarship criteria should be evaluated in conjunction with enrollment goals, student need, competitive positioning, renewal costs, and net tuition revenue impact.

Table 5: Scenario Modeling Examples

Scenario	Strategy	Scholarships Awarded	% of First-Year Students Awarded	Estimated Cost	Estimated First-Year Savings	Key Characteristic
Current Structure	Current GPA tiers and award amounts	393	77%	$1.774M	—	Broad access; large concentration in highest tier
Scenario 1	Increase GPA thresholds only	367	72%	$1.525M	~$250K	Improves selectivity and reduces top-tier concentration
Scenario 2	Add prestige tier and lower award amounts	393	77%	$1.444M	~$330K	Maintains same number of recipients while reducing cost
Scenario 3	Current planned modification	377	74%	$1.554M	~$221K	Moderate change with added prestige tier
Scenario 4	Larger GPA realignment	348	68%	$1.327M	~$447K	Greatest reduction in expenditures and eligibility

Data based on 2025-26 Academic Year Presidential scholarship modeling for first-year students using GPA information only; calculations do not incorporate test scores, enrollment behavior, retention, competing offers, or net tuition revenue impacts. See Appendix A for detailed breakdown of scenario strategies.

Consideration for Oregon Tech: Oregon Tech should continue to evaluate the impact of making modest adjustments to Presidential scholarship GPA thresholds and award tier design to improve differentiation among award levels, preserve the prestige of top-tier awards, and better align remission expenditures with enrollment and net tuition revenue goals. Any future changes should be modeled prospectively and should consider existing commitments to continuing students under previously awarded scholarship terms, subject to applicable eligibility and renewal requirements.

The first-year analysis provides useful insight into award distribution and enrollment patterns; however, the data reviewed did not fully assess student financial need, competing institutional offers, student decision drivers, retention, persistence, graduation outcomes, or net tuition revenue by award tier. As a result, the analysis should be used to identify opportunities for further evaluation rather than to draw definitive conclusions regarding the causal impact of specific award amounts on enrollment behavior.

Engineering Award Student Data Analysis

The Engineering Honors Scholarship is broadly awarded to students meeting established eligibility criteria and functions primarily as an automatic add-on award for engineering and engineering technology applicants. Because a substantial majority of eligible applicants and enrolled students receive the scholarship, the data reviewed during this engagement does not provide sufficient differentiation to determine the independent impact of the scholarship on enrollment decisions or program yield.

Table 6: Engineering Award Student Data Analysis Observations and Results

Observation	Review of data
Broad award penetration	Between 67% and 92% of applicants received an Engineering Honors Scholarship, depending on academic program.
High recipient concentration among enrolled students	Between 73% and 100% of enrolled students received the scholarship.
Yield varies significantly across programs	Program yield ranged from 0% to 33%, suggesting student enrollment behavior differs substantially by major.
Awarding is largely automatic	Awards are based primarily on declared major, GPA, and meeting the application deadline rather than a competitive review process.
Limited ability to measure ROI	Because most students receive the scholarship, it is difficult to determine whether the award meaningfully changes enrollment decisions.

Considerations for Oregon Tech:

Stakeholders shared that during the course of this engagement, Oregon Tech made the decision to discontinue the Engineering Honors Scholarship for entering students beginning with the 2027-28 Academic Year. Therefore, the recommendations below are not intended to evaluate that decision. Rather, they are intended to highlight broader observations from the historical analysis that may inform future engineering recruitment strategies, scholarship design, and enrollment investment decisions across academic programs.

1. **Align scholarship strategy with program goals**
   Evaluate whether Engineering Honors Scholarship criteria and award levels should vary by program based on enrollment objectives, student demand, workforce needs, program capacity, and historical enrollment yield. Programs experiencing strong demand may require a different scholarship strategy than programs targeted for enrollment growth.
2. **Move from universal to targeted awarding**
   Consider whether the scholarship should function as a broadly awarded enrollment incentive or as a more selective recognition program. Potential options include increasing academic eligibility requirements, establishing multiple award tiers, or limiting awards to specific student populations most likely to influence enrollment objectives. Any changes should be evaluated through enrollment modeling prior to implementation.
3. **Evaluate program-level return on investment**
   Future analysis should evaluate scholarship effectiveness at the academic program level. Metrics may include application volume, admission rate, yield, average award amount, retention, graduation, and net tuition revenue. Program yield and remission utilization varied across engineering disciplines, suggesting that scholarship effectiveness may differ by program and student population.

4. **Explore competitive or limited award structures**
   Oregon Tech may wish to evaluate whether a portion of Engineering Honors Scholarship funding could be awarded through a competitive process rather than automatically. A competitive structure could increase the

perceived value and prestige of the scholarship while allowing institutional resources to be focused on targeted enrollment objectives.

5. **Connect scholarship strategy with recruitment activities**
   Scholarship strategy should be considered alongside other enrollment activities, including faculty engagement, personalized outreach, engineering-specific recruitment efforts, career outcomes messaging, and experiential learning opportunities. For certain engineering disciplines with lower yield rates, coordinated recruitment efforts may provide greater enrollment impact than scholarship adjustments alone.

The analysis reviewed as part of this engagement was limited to available admissions, scholarship, and enrollment information. Additional evaluation of student financial need, competing enrollment offers, retention, persistence, graduation outcomes, and net tuition revenue would provide a more comprehensive understanding of the scholarship's effectiveness and return on investment

Athletic Award Student Data Analysis

Athletic Aid Overview

Athletics represents a significant component of the institution's overall remission strategy. Analysis of the 2024-25 Academic Year NAIA Report of Athletic Activity identified 237 student-athletes, of whom 193 (81.4%) received athletic aid totaling approximately $2.09 million, with an average award of $10,840 per recipient. Athletic aid recipients received substantially more total institutional support than student-athletes who did not receive athletic aid, with average total aid packages of $15,357 and $6,643, respectively.

Most student-athletes received assistance from multiple institutional funding sources. Approximately 70% received two or more aid types, and the most common award combination was Athletic + Academic + Other Institutional Aid, representing 66 students (27.8%). Students in this category received an average total aid package of approximately $18,136. These results indicate that award stacking is a significant component of the institution's overall investment in student-athletes.

No student-athletes in the dataset had need-based aid listed, while 121 received other institutional scholarships or remissions in addition to athletic aid, further illustrating the prevalence of award stacking within the athletic cohort.

Athletic Cohort Analysis Methodology

To better understand the role of athletics within Oregon Tech's overall remission strategy, Eide Bailly performed a cohort-based analysis of student-athletes using primarily 2024-25 athletic award data and related remission information. The analysis focused on identifying the prevalence and distribution of athletic aid, evaluating award-stacking practices across institutional aid categories, comparing aid patterns by residency status, and reviewing available student outcome data. Specific procedures included:

- Identifying the student-athlete population and determining the percentage of athletes receiving athletic aid and other institutional awards.
- Evaluating athletic aid distribution, average award amounts, and total institutional financial exposure.
- Analyzing award stacking patterns among athletic, academic, and other institutional aid programs.
- Comparing aid utilization among resident, non-resident, and WUE student-athletes.
- Reviewing available graduation outcomes for athletes receiving and not receiving athletic aid.
- Assessing available data related to academic eligibility monitoring and exemption practices.
- Identifying opportunities to strengthen reporting, oversight, and evaluation of athletic remission investments.

The analysis included 237 student-athletes participating across 13 sports programs, representing 265 total sport participations, including multi-sport athletes. Particular attention was given to understanding how athletic aid interacts

with other institutional funding sources and the extent to which available data supports evaluation of recruitment, retention, graduation, and return-on-investment outcomes.

Athletics represents a significant institutional investment within Oregon Tech's broader remission portfolio. The analysis was designed not only to quantify athletic aid expenditures, but also to evaluate how athletic awards interact with other institutional aid programs and to identify opportunities for improved reporting, oversight, and strategic decision-making. Findings from the analysis are intended to provide context for future discussions regarding athletic aid effectiveness, award practices, student outcomes, and overall remission management.

Observations

Athletic aid appears to be concentrated among non-resident populations

Out-of-state athletes received an average athletic award of approximately $17,049 compared to $9,923 for traditional in-state students, while WUE students averaged approximately $10,676. Given that WUE students already receive discounted tuition rates, the institution may wish to evaluate whether additional athletic awards align with current tuition discounting objectives and net tuition revenue goals.

Award stacking warrants continued review

Multiple examples were identified in which athletes received athletic aid alongside academic scholarships and additional institutional awards. While this may support recruitment objectives, the cumulative impact on total remission expense and net tuition revenue should be evaluated alongside enrollment and retention outcomes. Several students received total aid packages exceeding $30,000.

Graduation outcomes should be interpreted cautiously

Athletes receiving athletic aid demonstrated a higher graduation rate than athletes without aid (14.5% versus 4.5%); however, these rates are heavily influenced by enrollment timing. Approximately 87% of all athletes remain actively enrolled, and cohorts from the 2023-24 and 2024-25 Academic Years represent a large portion of the population. Earlier cohorts show substantially stronger completion rates, indicating that current graduation metrics are not yet mature enough to support definitive conclusions regarding student success outcomes.

Considerations

1. Establish athlete-level net tuition and return-on-investment analyses by sport to evaluate remission expenditures relative to enrollment and institutional objectives.
2. Review institutional award stacking practices and consider establishing maximum award thresholds, minimum student contribution expectations, or last-dollar athletic aid methodologies.
3. Evaluate the interaction between athletic aid and WUE/out-of-state pricing strategies to ensure institutional aid resources are aligned with recruitment priorities and net tuition goals.
4. Enhance reporting and data collection capabilities to track retention, continuation of awards, GPA outcomes, award modifications, and athlete-specific remission utilization over time.

Data limitations

The analysis was limited by several data constraints. Student-athlete records did not include GPA information, retention indicators, award continuation status, or a mechanism to distinguish athletic remissions from other institutional aid programs. Additionally, several fields were blank or inconsistently populated, including data necessary to evaluate attrition and award management practices. As a result, conclusions regarding academic success, policy compliance, retention outcomes, and long-term return on investment should be considered preliminary. Future reporting would benefit from enhanced data oversight practices and the ability to track student enrollment, retention, graduation, and remission outcomes across multiple years.

Remission Forecasting, Budget Development and Financial Oversight

Tuition remissions represent a significant and growing institutional investment that directly affects enrollment strategy, net tuition revenue, financial sustainability, and long-term budget planning. While Oregon Tech has established a variety of remission programs to support recruitment, retention, affordability, and student success objectives, the University does not currently maintain a comprehensive framework for forecasting remission expenditures, establishing annual remission budgets, or monitoring actual remission activity against approved budget targets.

Stakeholder interviews and data analysis indicated that remission-related decisions are distributed across multiple functional areas, including Strategic Enrollment Management (SEM), Financial Aid, Athletics, and Academic Affairs. However, the University does not currently maintain a formal process for developing, documenting, validating, and periodically updating the assumptions necessary to support institution-wide remission forecasting, annual budget development, and ongoing financial oversight.

Key assumptions include enrollment projections, scholarship awarding strategies, renewal obligations, retention and persistence expectations, academic program demand, athletic recruiting plans, WUE participation, and other significant drivers of remission expenditures.

Responsibility for developing, documenting and maintaining these assumptions should reside primarily with SEM, Admissions, Retention, Financial Aid, Athletics, and Academic Affairs, as these units oversee the enrollment, recruiting, awarding, retention, and programmatic activities that directly drive remission expenditures. Reliable remission forecasting and budget development depend upon the timely creation, documentation, and validation of these assumptions.

Without reliable and consistently maintained assumptions, the University has limited ability to develop accurate remission forecasts, establish annual remission budgets, evaluate the financial impact of proposed awarding strategies, or effectively monitor projected expenditures against approved budget targets. The absence of formally developed and validated remission assumptions also creates significant budgeting and financial oversight risks. Because remission expenditures are driven by enrollment decisions, scholarship award strategies, renewal commitments, retention patterns, academic program demand, and athletic recruiting activities, inaccurate or incomplete assumptions may result in material variances between projected and actual remission expenditures.

As a result, institutional leadership may have reduced visibility into future remission obligations, limiting its ability to proactively manage financial risk, evaluate the affordability of proposed aid strategies, and ensure remission investments remain aligned with enrollment objectives and long-term financial sustainability. Additionally, without reliable assumptions and recurring monitoring processes, the University may be unable to accurately estimate future remission obligations, establish reasonable budget targets, identify emerging financial risks in a timely manner, or ensure remission expenditures remain within approved budget parameters.

Several data elements commonly used to support remission forecasting and budget development, including student outcomes, award continuation rates, retention trends, enrollment yield by aid category, and net tuition revenue analyses, were unavailable, incomplete, inconsistently maintained, or not provided during the engagement. As a result, the University currently has limited ability to develop reliable remission expenditure forecasts or evaluate the long-term financial implications of remission decisions.

At many institutions, remission forecasting is integrated into the Strategic Enrollment Management process and serves as a critical component of annual budget development, enrollment planning, tuition revenue forecasting, and financial oversight. Without a formal forecasting and monitoring framework, institutional leadership may have limited visibility into future remission obligations and the financial impact of enrollment-related decisions.

Considerations for Oregon Tech:
Establish a formal remission forecasting, budgeting, and oversight process as part of Oregon Tech's Strategic Enrollment Management framework.

The framework should:

- Establish annual remission expenditure budgets through the institutional budget development process.
- Develop multi-year remission forecasts using documented assumptions related to:
    - New student enrollment targets
    - Awarding strategies and scholarship criteria
    - Renewal obligations
    - Retention and persistence rates
    - Academic program demand
    - Athletic recruiting plans
    - WUE participation
    - Other institutional aid programs.
- Implement recurring budget-to-actual monitoring and variance analysis throughout the fiscal year.
- Establish reporting protocols for reviewing projected and actual remission expenditures with institutional leadership.
- Define action thresholds and escalation procedures when projected expenditures are expected to exceed approved budget targets.
- Assign ownership and accountability for forecasting assumptions, budget monitoring, and reporting activities.

Strategic Enrollment Management, Financial Aid, Athletics, and Academic Affairs should be responsible for developing, documenting, validating, and maintaining the enrollment, awarding, retention, recruiting, and programmatic assumptions that drive remission expenditures. These assumptions should be reviewed annually and updated periodically to reflect changes in enrollment strategies, institutional priorities, and market conditions. Finance & Administration should utilize approved assumptions to support institutional forecasting, budget development, financial analysis, variance monitoring, and ongoing reporting activities.

The SEM Workgroup should serve as the primary institutional forum for reviewing and recommending remission assumptions, evaluating projected remission expenditures, monitoring budget-to-actual performance, and recommending corrective actions when projected expenditures are expected to exceed approved budget targets.

Establishing a formal forecasting and oversight framework will strengthen accountability, improve financial planning, enhance decision-making, and better align remission expenditures with institutional enrollment and financial objectives.

Remission Program Oversight Observations & Recommendations

Through stakeholder interviews, data analysis, process review, benchmarking activities, and evaluation of specific remission programs, several common themes emerged regarding Oregon Tech's tuition remission practices and enrollment-related decision-making. The review found that the University has developed a variety of remission strategies that support recruitment, affordability, access, enrollment growth, and student success objectives. At the same time, the analyses suggest that Oregon Tech's greatest opportunity may be to strengthen its ability to evaluate, prioritize, and strategically manage remission investments over time to ensure alignment with institutional goals and desired outcomes.

Stakeholders consistently expressed a desire for greater transparency, stronger data and reporting capabilities, improved coordination across functional areas, and a more structured approach to evaluating the effectiveness of institutional aid programs. While many current practices have evolved in response to enrollment needs and institutional priorities, opportunities exist to establish a more formal framework that supports oversight, accountability, continuous assessment, and alignment between remission strategies, enrollment objectives, student success outcomes, and long-term financial sustainability.

The observations and recommendations presented below are intended to build upon existing strengths while providing a framework for more coordinated, data-informed decision-making. Collectively, they focus on strengthening oversight, formalizing policies and procedures, enhancing reporting and analytics, establishing a culture of continuous improvement, and ensuring that remission resources are strategically aligned with Oregon Tech's mission, enrollment goals, and financial objectives.

Summary of Strategic Recommendations:

- **Establish a cross-functional Strategic Enrollment Management (SEM) Workgroup.**
- **Develop a comprehensive remission policy and operating framework.**
- **Strengthen institutional reporting, dashboards, and analytics capabilities.**
- **Implement an annual remission review and continuous improvement process.**
- **Expand strategic scholarship leveraging through student population and program-level analysis.**

Establish a Strategic Enrollment Management (SEM) Workgroup Structure

Observation: Oregon Tech administers a variety of remission and institutional aid programs that support recruitment, retention, affordability, and student success objectives. Responsibility for remission-related decisions, budgeting, administration, and monitoring is shared among multiple departments; however, the University does not currently maintain a formal Strategic Enrollment Management (SEM) structure responsible for coordinating enrollment strategy, remission planning, student success initiatives, and financial sustainability goals. Stakeholder interviews revealed a desire for greater coordination, more consistent use of data, and a broader student-lifecycle approach that integrates recruitment, retention, completion, and net tuition revenue considerations.

The SEM Workgroup should also serve as the University's primary forum for reviewing remission budgets, projected remissions expenditures, enrollment assumptions, scholarship leveraging strategies and renewal commitments. On an annual basis, the workgroup should recommend remission expenditure assumptions for inclusion in the University's budget development process and review budget-to-actual remission performance throughout the year. This process should ensure that enrollment objectives, financial aid strategies, academic program growth plans, and financial sustainability considerations are evaluated together and supported by documented data, assumptions, and accountability measures.

Recommendation: Create a standing, cross-functional SEM workgroup responsible for aligning enrollment, financial aid, pricing, retention, academic planning, marketing, athletics, and student success strategies with Oregon Tech's mission and strategic objectives.

Typical SEM workgroup duties include:

- Review enrollment, retention, and graduation outcomes.
- Evaluate remission and scholarship strategies.
- Monitor enrollment and net tuition revenue goals.
- Assess market trends and competitive positioning.
- Review academic program growth opportunities.
- Recommend adjustments based on institutional priorities and available data.
- Align remission planning with annual budget planning and long-term institutional sustainability objectives.
- Support strategic decision-making through documented assumptions and forward-looking evaluation of remission commitments and financial impacts.
- Enhance financial oversight through recurring assessment of remission spending trends, projected obligations, and significant variances.
- Establish clear accountability and decision-making processes to address emerging financial risks and significant deviations from approved financial plans.

For appropriate insight and representation, key membership should include representatives from Enrollment Management, Financial Aid, Academic Affairs, Student Affairs, Marketing, Athletics, IR, and BPO. See Appendix B for an illustrative SEM workgroup membership structure and suggested guardrails.

By creating a centralized workgroup for enrollment-related decision-making, Oregon Tech will be able to reduce siloed processes, improve coordination among stakeholders, and strengthen alignment between strategic objectives, institutional resources, and student success outcomes.

Develop a Comprehensive Remission Policy and Operating Framework

Observation: The University currently has limited formalized policies and procedures governing remission strategy, administration, oversight, budgeting, reporting, and evaluation. While remission programs support important institutional goals, stakeholders described varying practices across departments and limited documentation regarding award philosophies, workgroup structures, decision-making authority, and assessment expectations.

In addition, several significant scholarship modifications have occurred over time in response to enrollment objectives; however, institutional guidance regarding how remission programs should support broader enrollment, retention, affordability, and financial sustainability goals has not been formally documented.

Recommendation: Through the SEM workgroup, develop comprehensive written policies and procedures that establish a consistent institutional approach to remission oversight, administration, evaluation, and accountability.

The framework should address:

- Remission program objectives.
- Roles and responsibilities.
- Awarding and renewal standards.
- Approval authority and decision rights.
- Budgeting and forecasting expectations.
- Reporting requirements.

- Annual review processes.
- Student outcome measures and success criteria.

A formalized framework will allow Oregon Tech to improve consistency, transparency, institutional knowledge, and long-term sustainability while supporting alignment between remission investments and institutional priorities.

Strengthen Data, Reporting, & Analytics

Observation: Significant student, enrollment, financial aid, and remission data exists throughout the institution; however, reporting capabilities remain decentralized and often require substantial manual effort. Stakeholders consistently identified challenges related to accessing timely, consistent, and actionable information needed to support strategic planning, budgeting, forecasting, and program evaluation.

The analyses performed during this engagement were frequently limited by unavailable, incomplete, or inconsistent data elements, including retention tracking, net tuition revenue analysis, award continuation information, return-on-investment measures, and student outcomes tracked over multiple years.

Recommendation: Establish a coordinated institutional reporting framework supported by common definitions, standardized metrics, and recurring review processes.

Oregon Tech should consider developing dashboards and reporting tools that monitor:

- Total remission expenditures.
- Discount rate trends.
- Net tuition revenue.
- Enrollment yield.
- Retention and graduation outcomes.
- Program-level remission effectiveness.
- Athletic aid utilization.
- WUE outcomes.
- Student population segmentation analyses, including by program, demographics, and need.

Reporting should be routinely reviewed through the SEM Workgroup to support timely, data-informed decision-making and continuous improvement.

A successful analytics framework will require institutional commitment to maintaining accurate data, establishing ownership for key reports, and ensuring that data is produced consistently and on a timeline that supports planning and decision-making activities.

Implement an Annual Remission Review Process

Observation: While remission programs represent a significant institutional investment, Oregon Tech does not currently maintain a formal process for regularly evaluating remission effectiveness, return on investment, or alignment with strategic objectives. Stakeholders expressed interest in better understanding which remission programs are producing the strongest enrollment, retention, completion, and financial outcomes.

Benchmarking and program-specific analyses suggest that remission strategies have evolved over time, but there is limited evidence of a structured process for evaluating effectiveness, adjusting strategies, or assessing longer-term outcomes.

Recommendation: Through the SEM workgroup, establish a structured annual review process that evaluates all major remission and institutional aid programs against clearly defined objectives and performance measures.

As a best practice, the review should include:

- Enrollment impact.
- Yield outcomes.
- Student retention and completion.
- Net tuition revenue contribution.
- Program-level performance.
- Budget utilization.
- Return on investment.
- Alignment with institutional priorities.

As part of a comprehensive remissions framework, findings should be presented annually to institutional leadership to support strategic planning, budgeting, and future scholarship design decisions.

A formal review process will help Oregon Tech move from a reactive approach to a continuous improvement model supported by evidence and measurable outcomes. Results from the annual review should inform future scholarship leveraging analyses, student population evaluations, and remission allocation decisions.

Expand Strategic Aid Leveraging and Student Population Analysis

Observation: Program-specific analyses—including first-year merit scholarships, engineering scholarships, athletics, and WUE-related awards—identified opportunities to further refine how remission resources are allocated and evaluated. Current strategies often emphasize broad awarding structures, making it difficult to determine which investments are most influential in supporting enrollment, retention, student success, and net tuition revenue goals.

The data reviewed suggests that different student populations may respond differently to institutional aid and that a more targeted approach may enhance the University's ability to align remission expenditures with institutional objectives.

Recommendation: Develop a more intentional and data-informed approach to remission allocation by evaluating aid effectiveness across key student populations and academic programs. Those components should include the following elements for future analysis and metrics:

- First-year students.
- Transfer students.
- WUE recipients.
- Student-athletes.
- Engineering students.
- High-need students.
- Completion-focused grant recipients.
- Target enrollment-growth programs.

Evaluation metrics should include:

- Enrollment yield.
- Retention and graduation outcomes.
- Net tuition revenue.

- Program demand.
- Student need.
- Cost per enrolled student.
- Return on investment.

The goal should not be to reduce aid broadly, but rather to identify which investments most effectively support Oregon Tech's enrollment, affordability, student success, and financial sustainability goals.

Conclusion

Oregon Tech has developed a broad portfolio of remission programs that support recruitment, affordability, student access, and enrollment growth. As remission expenditures have increased and institutional priorities continue to evolve, there is an opportunity to strengthen oversight, improve data-informed decision-making, and establish a more formal process for evaluating program effectiveness. The recommendations presented in this report are intended to provide a comprehensive framework for aligning remission investments with enrollment goals, student success outcomes, and long-term financial sustainability while preserving Oregon Tech's commitment to student access and mission-focused education.

Appendix A: Presidential Scholarship Scenario Modeling

Appendix A1: Current Scholarship Distribution

Academic Year (Fall Entry Term)	First-Year Students	Presidential Recipients	% Awarded
2021	368	295	80.2%
2022	418	333	79.7%
2023	395	326	82.5%
2024	497	399	80.3%
2025	509	393	77.2%
Average	—	—	**80%**

Key Observation: Approximately 80% of first-year students received Presidential scholarships during the review period, indicating that admissions-based remissions are broadly awarded and function primarily as a recruitment tool.

Appendix A2: Current Presidential Tier Distribution

For 2025-26 Academic Year:

Tier	Students
Purvine	232
Crabtree	106
Foulon	55

Nearly 60% of Presidential scholarship recipients currently qualify for the highest scholarship tier.

Appendix A3: Benchmark GPA Comparison

School	Highest GPA Tier
WOU	3.95+
SOU	3.95+
UO	3.90+
OSU	3.85+
EOU	3.85+
OT	3.76+
MTU	3.75+

Appendix A: Presidential Scholarship Scenario Modeling (continued)

Appendix A4: Detailed Scenario Assumptions

Current award structure:

Presidential Scholarship	Resident Award	WUE Award	Non-Resident Award	Unweighted, Cumulative High School GPA
Winston Purvine	$5,000	$4,000	$10,000	3.76+
Jesse Crabtree	$4,000	$3,000	$8,000	3.51 to 3.75
Fred Foulon	$2,000	$2,000	$6,000	3.26 to 3.5

Scenario 1: Increase GPA cut points slightly

Purvine: **3.9+**
Crabtree: **3.7-3.89**
Foulon: **3.4-3.69**

Based on 2025 data, total number of awards and total first-year expenditure would be reduced:
367 total Presidential scholarships; 72% awarded

121 Purvine $606,000 instead of $1,175,000
139 Crabtree $567,000 instead of $449,000
107 Foulon $262,000 instead of $150,000

Total *approximate* difference: $1,525,000 instead of 1,774,000 (roughly $250,000 savings in first year).

This scenario maintains the prestige and competitiveness of the top selective scholarship, shrinking the highest award population and lowering the average award per enrolled student (i.e., serves as a direct discount-rate reducer). It also levels the number of awards per tier.

Scenario 2: Shifts GPA ranges slightly; lowers award amounts; adds new prestige tier

Award Tier	GPA ranges	Current structure adjustment	Resident/WUE/non-res amounts
New Prestige:	3.95+	*keep top award levels:*	$5,000 $4,000 $10,000
Purvine:	3.75-3.94	*change award amounts to:*	$4,000 $3,000 $8,000
Crabtree:	3.5-3.749	*change award amounts to:*	$3,000 $2,000 $6,000
Foulon:	3.25-3.49	*change award amounts to:*	$1,000 $1,000 $4,000

Based on 2025 data, the first-year expenditure would be reduced:

89 "Prestige" $451,000
143 Purvine $575,000 instead of $1,175,000
106 Crabtree $333,000 instead of $449,000
55 Foulon $85,000 instead of $150,000

Total *approximate* difference: $1,444,000 instead of $1,774,000 (roughly $330,000 savings in the first year).

Appendix A: Presidential Scholarship Scenario Modeling (continued)

Appendix A4: Detailed Scenario Assumptions (continued)

This scenario would award roughly the same number of students, but would reduce total expenditure due to lower award amounts per tier, while creating a top prestige award. While it saves more in the long run, it may leave students with more need.

Scenario 3: Change approved for 2027-2028 as indicated by key stakeholders

Award Tier	GPA ranges	Current structure adjustment	Resident/WUE/non-res amounts		
New Tier:	3.91+	Amounts unchanged from Purvine			
Purvine:	3.81-3.9	$500 more than Crabtree:	$3,500	$2,500	$6,500
Crabtree:	3.61-3.8	Amounts unchanged			
Foulon:	3.35-3.6	Amounts unchanged			

Based on 2025 data, the first-year expenditure would be reduced:
377 total Presidential scholarships; 74% awarded

113 new tier	$568,000
89 Purvine	$400,500 instead of $1,175,000
92 Crabtree	$383,000 instead of $449,000
83 Foulon	$202,000 instead of $150,000

Total *approximate* difference: $1,553,500 instead of $1,774,000 (roughly $220,500 savings in the first year).

This scenario increases GPA cut points slightly and adds a top tier prestige award while keeping award amounts predominantly the same, reducing the total number of awards slightly and reducing expenditures.

Scenario 4: Larger GPA adjustment; higher cut points than Scenario 1

Purvine:	**3.95+**
Crabtree:	**3.75-3.94**
Foulon:	**3.5-3.74**

Based on 2025 data, total number of awards and total first-year expenditure would be reduced:
348 total Presidential scholarships; 68% awarded

89 Purvine	$451,000 instead of $1,175,000
155 Crabtree	$620,000 instead of $449,000
104 Foulon	$256,000 instead of $150,000

Total *approximate* difference: $1,327,000 instead of 1,774,000 (roughly $447,000 savings in first year).

This is the most dramatic change of all the options, with the most cost savings.

Cost savings for all scenarios shown above are all estimates, and for first year awards only. As continuing students receive renewal awards under any option, expenditures will continue to decline year over year.

Appendix A: Presidential Scholarship Scenario Modeling (continued)

Appendix A5: Strategic Tradeoff Matrix

Evaluation Criteria	Current	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Preserves Current Structure	High	Moderate	Moderate	High	Low
Improves Award Differentiation	Low	Moderate	High	High	High
Creates Prestige / Flagship Award	No	No	Yes	Yes	No
Reduces Remission Spending	None	Moderate	Moderate-High	Moderate	High
Maintains Broad Access	High	Moderate	High	Moderate	Lower
Potential Enrollment Impact Requires Additional Modeling	Moderate	Moderate	Moderate	Moderate	High

Estimates in scenarios use GPA data only and do not incorporate test scores, student need, competitor offers, retention impacts, renewal obligations, or net tuition revenue outcomes. Changes should be evaluated prospectively before implementation.

Appendix B: SEM Workgroup Structure & Guardrails

Appendix B1: SEM Purpose

While members of the SEM Division should chair the team and be accountable for coordinating strategy, no single leader can manage the full span of interconnected functions that determine enrollment outcomes. Pricing and net tuition revenue, scholarship/remission policy, academic capacity and schedule, program mix, student support capacity, housing, and brand/market positioning are distributed across multiple divisions. A committee-based model ensures these interdependent decisions are made with the right expertise at the table, with clear decision rights, documented recommendations, and executive escalation when needed.

Appendix B2: Membership Considerations

Suggested key stakeholders

To be effective, SEM must include leaders who influence all areas shape enrollment and student success (pricing and aid, academic capacity, student experience, marketing, and data). Including these stakeholders ensures decisions are coordinated, financially responsible, and feasible to execute.

- **SEM leader/chair**: convenes the team, owns enrollment targets and reporting, and coordinates recommendations across recruitment, retention, and revenue strategy
  (Dr. Greg Stringer, Associate Vice President, Strategic Enrollment Management & Retention)
- **Admissions and SEM Co-Chair:** leads recruitment execution, pipeline management, yield strategy, and applicant experience.
  (Josephine Ness, Executive Director of Admissions)
- **Student Affairs:** connects student experience and support capacity to persistence, completion, and satisfaction.
  (Dr. Mandi Clark, Vice President for Student Affairs)

Appendix B: SEM Workgroup Structure & Guardrails (continued)

Appendix B2: Membership Considerations (continued)

- **Marketing/Communications:** aligns brand, messaging, and campaign investments with enrollment priorities and measurable outcomes.
  (Ashley VanEssen, Executive Director MarCoPa, or designee)
- **Advising and Retention:** ensures advising capacity and retention initiatives are integrated with enrollment goals.
  (Robert Evory, Director Academic Advising and Retention Director, or advising designee)
- **Institutional Research/Analytics:** provides trend analysis, forecasting, dashboards, and shared definitions for key metrics.
  (Farooq Sultan, Director of Institutional Research)
- **Financial Aid:** designs packaging and leveraging strategies that advance access, yield, and revenue goals, provides input on need vs merit initiatives.
  (Tracey Lehman, Director Financial Aid)
- **Athletics:** coordinates team recruitment and roster planning with enrollment targets, aid/remission implications, and capacity constraints.
  (John VanDyke, Director of Athletics)
- **Budget and Planning Office (BPO):** ensures alignment with budget, net tuition revenue, pricing decisions, and financial sustainability.
  (Alicia Dillon, Associate Vice President for Finance-Controller, or BPO designee)
- **Executive Sponsors:** Provides executive support and direction, ensures focus in on shared institutional goals, and as a pathway to elevate conflicts and decisions as needed.
  (Dr. Hesham El-Rewini, Provost and Senior Vice President for Academic Affairs and Strategic Enrollment Management; and John Harman, Senior Vice President for Finance and Administration)

Additional members to consider (standing, rotating, or agenda-based):

- Carleen Drago-Starr, Director of Educational Partnerships and Outreach: strengthens pipelines such as dual enrollment, community college transfer, and regional partnerships.
- Dr. Richard Besel, Vice Provost Academic Affairs: connects academic planning, faculty capacity, and program quality to enrollment strategy; aligns online/hybrid growth and market expansion with enrollment targets and support capacity.
- Wendy Ivie, Registrar and Assistant Vice Provost: supports accurate enrollment reporting, course scheduling implications, and pathway analytics (as needed).
- Deans, associate deans, department chairs, faculty: include leaders from programs targeted for growth or new program development; participation can be permanent, rotating, or invited for specific agenda items.
- Student voice: Include student representative(s) as standing members or as invited participants for agenda items where student input is essential (e.g., program changes, tuition/fee discussions, onboarding improvements, student service capacity).

Appendix B3: Guardrails

Because it is critical for SEM decisions to reflect institutional enrollment and net tuition goals rather than departmental priorities, it is critical for this group to have top-down support and be representative across multiple divisions. The intent behind the SEM workgroup is not to dilute SEM authority, but to *strengthen it* by ensuring better institutional alignment and execution. To do that effectively, the group will need a few critical guardrails:

- **Clear authority and decision rights:**
  The workgroup should be explicitly positioned as an *implementation and advisory body*, not a governing decision-making committee. SEM leadership should retain final authority for strategy and key decisions.

Appendix B: SEM Workgroup Structure & Guardrails (continued)

Appendix B3: Guardrails (continued)

- **Executive support and reinforcement:**
  Visible and consistent support from the Provost and Senior Vice President for Finance and Administration is essential. Their role is to reinforce that SEM priorities are institutional priorities and that participation in the workgroup is about advancing shared goals, not advocating for individual units. When there are competing priorities or resource conflicts, there should be a defined path to elevate those decisions rather than resolving them by committee consensus. This could be provided by the Executive Sponsor.
- **Defined roles and accountability:**
  Each member should be accountable for advancing specific SEM initiatives within their area, rather than representing or defending departmental interests. This helps shift the mindset from "ownership" to "institutional contribution."
- **Data-driven framework:**
  Decisions and recommendations should be anchored in agreed-upon metrics (enrollment, net tuition revenue, retention, etc.) and use the same data frameworks. This creates an objective foundation and reduces the influence of competing anecdotal perspectives.
- **Structured operating model:**
  Agendas, decision protocols, and documentation should be tightly managed—focused on progress, barriers, and regular adjustments to strategy—SEM plans are intended to be living documents. This helps maintain momentum and prevents conversations from becoming diffuse.

This workgroup should serve to increase SEM's institutional influence by creating transparency, shared accountability, and stronger alignment around outcomes.

3.7

CliftonLarsonAllen LLP, External Audit Activity (Staff Update)

FF&A Item 3.7- External Audit Activity- Staff Update

October 2026

Overview

Planning, year-end, and audit activities are well underway and remain on schedule. The Annual Financial Report is expected to be issued in mid-December 2026, with audit results presented to the Audit Committee at its first regularly scheduled meeting of 2027. Issuance of the Single Audit Report remains dependent on federal approval of the 2026 Compliance Supplement, which is still pending.

Current status: Oregon Tech continues to complete Single Audit supporting schedules so remaining compliance audit procedures can proceed promptly once the 2026 Compliance Supplement is approved.

Expanded Fiscal Year 2026 Single Audit Scope

The fiscal year 2026 Single Audit includes an expanded scope as several federally funded programs exceeded federal expenditure thresholds. In addition to the annual compliance audit of Federal Student Financial Aid, the university will undergo compliance audits of the Research and Development (R&D) Cluster and Coronavirus State and Local Fiscal Recovery Funds (SLFRF). Both are new audit areas for fiscal year 2026. The majority of compliance testing was completed during the summer, and Oregon Tech and CLA continue to complete applicable audit procedures while federal approval of the 2026 Compliance Supplement remains pending.

Audit Progress and Key Milestones

May 2026 | Planning and IT Audit

Audit planning was substantially completed, including establishing the audit scope, completing the risk assessment, and submitting prepared-by-client requests. IT audit work focused on key systems, access controls, and general IT controls, with preliminary conclusions communicated in late May.

June - August 2026 | Federal Student Financial Aid

Compliance testing began in June, with the majority of testing completed by the end of August.

July - September 2026 | R&D Cluster and SLFRF

Compliance testing addressed program classification, allowable costs, and applicable Uniform Guidance requirements.

October – November 2026 | Final Fieldwork

CLA is conducting final fieldwork, including remaining audit procedures and review of draft financial statements. Oregon Tech continues to complete Single Audit supporting schedules so remaining procedures can proceed promptly once the 2026 Compliance Supplement is approved.

November - December 2026 | Report Completion and Issuance

Final review and clearance procedures are planned for November. The Annual Financial Report is expected to be issued in mid-December 2026. Issuance of the Single Audit Report will follow federal approval of the 2026 Compliance Supplement and completion of the remaining audit procedures.

January 2027 | Audit Committee Presentation

CLA will present the audit results, audited financial statements, compliance reports, and auditor opinions at the first Audit Committee meeting of 2027.

Oversight and Coordination

The Office of the Senior Vice President for Finance and Administration oversees the annual financial and compliance audit process. The audit process is supported by Audit & Compliance, Business Affairs, Financial Aid, Office of Human Resources, Information Technology Services, Payroll Services, Sponsored Projects and Grants Administration, the Registrar's Office, and other campus partners.

4.1

Action Item: Recommendation to proceed with Capital Project Submission for Semon Hall Renovation and Expansion

ACTION ITEM

Agenda Item No. 4.1

Recommendation to Proceed with Capital Project Submission for Semon Hall Renovation and Expansion

Background

During the full session of the Oregon Legislature, in odd calendar years, the Legislature reviews and considers capital funding requests for the next biennium. Oregon Public Universities (OPU) submit their capital requests to the Higher Education Coordinating Commission (HECC) where they are ranked using the HECC Strategic Capital Development Plan and are then packaged in the Governor's Biennial Budget Request that is submitted to the Legislature.

At the April 2026 Finance and Facilities Committee meeting, staff provided an informational report on the submission to HECC of the Semon Hall Renovation and Expansion Project entitled *"Revitalizing Semon Hall: Advancing the Healthcare Workforce and Addressing Community Needs"*. The proposal was developed over several months through a collaborative process involving faculty, staff and students as well as academic and administrative leadership and considered current and future classroom and laboratory needs as well as degree program expansion.

Semon Hall is a 36,290 square-foot educational building on the Klamath Falls campus and was constructed in 1965, making it one of the oldest buildings on the campus. After 60 years, the building needs significant rehabilitation and renewal. The proposed $54 million project includes a complete renovation of the current building as well as a 13,500 square-foot expansion yielding a revised building footprint of 49,790 square-feet (see Attachment A).

The building is home to degree programs in Dental Hygiene, Marriage and Family Therapy, Physical Therapy, Physics and Communications and will also house the future Dental Therapy program. Funding for the project is outlined in the Capital Request and is summarized in the Table below.

Semon Hall Renovation and Expansion Funding				
Type of Funding Requested	Project State Funding Amount Requested	Univerity Project Funding Requested	Biennial Debt Service	Debt Service Funding Source
Oregon Tech Match (5%)	$ -	$ 2,700,000	$ -	Institutional Funds
General Funds/Lottery Funds	-	-	-	N/A
Article XI-F Bond Funds	-	-	-	Other Funds
Article XI-G Bond Funds	2,700,000	-	-	General Fund
Article XI-Q Bond Funds	48,600,000	-	-	General Fund
Lottery Revenue Bonds	-	-	-	Lottery Funds
Total	$ 51,300,000	$ 2,700,000	$ -	

Staff Recommendation

After discussion and review of the documents, **staff requests a Motion by the Committee Recommending Approval by the Full Board Authorizing the President or his Designee to Advance the Semon Hall Capital Project Submission to the Legislature for Funding Consideration, to Provide the Required University Match and to Accept State Bond Funding if Awarded.**

Attachments and Additional Information

Attachment A- *"Revitalizing Semon Hall: Advancing the Healthcare Workforce and Addressing Community Needs"*

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April 1, 2026

Higher Education Coordinating Commission
Attn: Dr. Greg Hamann, Chair
Ben Cannon, Executive Director
255 Capitol Street NE, 3rd Floor Salem, OR 97301

Re: 2027-29 Capital Project Submission for the Oregon Tech Semon Hall Revitalization Project

Dear Chair Hamann, Executive Director Cannon, Members of the Commission, and Staff,

It is with great pleasure that I provide the Higher Education Coordinating Commission (HECC) with the Oregon Institute of Technology (Oregon Tech) capital construction project request for the 2027-2029 biennium.

Oregon Tech appreciates the opportunity to propose a revitalization of Semon Hall, which is located on the Klamath Falls campus and is home to the Dental Hygiene program – which offers the only Bachelor of Science in Dental Hygiene degree at a public institution in the state of Oregon. The revitalized building will not only provide a much-needed modernization of the Dental Hygiene learning environment, it will also allow two other allied health graduate programs (Marriage and Family Therapy & Physical Therapy) to expand hands-on learning opportunities for students while providing support to our rural community.

The Semon Hall Revitalization Project is the university's only capital project for the 2027-2029 biennium. Oregon Tech is asking the State of Oregon to contribute $51.3 million towards this $54 million, 49,790-gross-square-foot project, which includes the construction of a modest 13,500 square foot addition and revitalization of the existing 36,290 square foot space.

As Oregon's designated Polytechnic University, Oregon Tech is committed to engaging students in the learning process through hands-on, applied experiences. This is especially true within our allied health curricula during which students work with actual patients in a supervised setting in order to hone their skills. Marriage and Family Therapy students must complete a Practicum experience in which they facilitate counseling with couples and families, while Physical Therapy students engage in Integrated Clinical Experiences (an accreditation requirement) with community members. Further, Dental Hygiene students provide low or no-cost oral hygiene services to at-risk populations (such as veterans, low income, and the elderly) as well as the community at large. The proposal includes the creation of Active Learning Labs ("A+ Labs" for short) in which students will engage in the hands-on experiences described above with real-

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world patients on the Klamath Falls campus. Revitalizing Semon Hall will provide the opportunity for the students in these allied health programs to put their skills into practice on campus while simultaneously addressing significant community healthcare needs.

These healthcare needs, caused by the statewide healthcare workforce shortage, are acutely experienced in Klamath Falls and its surrounding communities, given their location in rural, Southern Oregon. Klamath County is designated as a Health Care Provider Shortage Area (HPSA) for both Dental Health and Mental Health by the Health Resources and Services Administration[1], and the county routinely ranks the lowest of all Oregon counties in terms of unmet healthcare need.[2] Further, HECC's Strategic Capital Development Plan[3] notes that the *Health, Healthcare Administration, & Management* sector represented the third highest gap between Average Annual Job Openings and Average Annual Regional Program Area Completers (i.e. graduates in those fields).

There are simply not enough healthcare graduates to meet the need, which is only expected to worsen over time. The shortage, while most acutely experienced across rural Oregon also impacts urban communities as rural citizens must travel to urban areas to receive care. Although Oregon Tech graduates are employed across the state, the workforce gap continues. As a result, Oregon Tech is proposing to increase the Dental Hygiene class size by 20% and launch a Dental Therapy program to provide additional support to the dental workforce. Similarly, the Marriage and Family Therapy and Physical Therapy programs will increase their respective cohort sizes upon full accreditation to meet healthcare gaps. Thus, the Semon Hall revitalization project is critical not only at the programmatic level, but also at an institutional level, as Oregon Tech strives to meet its mission to provide professionally-focused higher education resulting in state-wide impact.

Further, the proposal aligns with state priorities as outlined in the Strategic Capital Development Plan[3], Equity Lens framework[4], Strategic Development Plan 4.0 (2024-2029)[5], and Strategic Roadmap[6] by supporting programs designed to:

- Focus on current and future state needs[6] by closing the healthcare workforce gap.[3]
- Increase information transfer through research endeavors[3] by promoting collaborative research among allied health programs and industry partners.
- Serve underserved populations[4], including rural communities and students who come from poverty.
- Break the cycle of poverty[4] by elevating income trajectories for graduates.
- Improve responsiveness and align Oregon's education and training systems to create straightforward pathways for learners[5] by establishing career pipelines with the local public schools, community college, and regional hospital system.
- Transform and innovate[6] by expanding current program offerings and modernizing the learning environment to engage today's learners.

---

[1] Health Resources and Services Administration. (2026). Health Provider Shortage Areas.
[2] Oregon Office of Rural Health. (September 2025). Oregon areas of unmet healthcare need report.
[3] HECC (2019). Strategic Capital Development Plan.
[4] HECC (2021). Equity Lens.
[5] HECC (2026). Strategic Development Plan 4.0.
[6] HECC (2021). Strategic Roadmap.

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As one example of modernization need, the Dental Hygiene space in Semon Hall has not been updated since it began in 1970. As a result, the learning environment has fallen behind industry standards with dental chair units so outdated that manufacturers are unable to provide replacement parts and service. The existing space fails to simulate dental environments of today, which is an obstacle to student learning, engagement, recruitment, and retention. As a result, the proposed revitalization includes a modest increase of student workspace in the Dental Hygiene lab to accommodate contemporary dental chairs and pass-through cabinetry to house radiology equipment accessible by adjacent workspaces, among other upgrades. Further upgrades described in-depth within the proposal support the Strategic Capital Development Plan priorities[3] and will include:

- Modern instructional modalities including the upgraded Dental Hygiene space and equipment as well as Active Learning Laboratories (A+ Labs).
- Flexible configurations to include classrooms and study areas with modular furniture to promote collaborative learning.
- Welcoming student-centered environment with additional outlets for portable devices and settings to engage learning communities throughout their cohort-based programs.
- ADA-compliant accessibility for ease of access by university community members and industry partners.

The revitalized learning environment will bring A+ Labs for Dental Hygiene, the future Dental Therapy program, Marriage and Family Therapy, and Physical Therapy together in Semon Hall, resulting in greater opportunity for interdisciplinary efforts. Allied health students benefit from Interprofessional Education (IPE) experiences as they enhance their understanding of other healthcare professions, promote professional collaboration, and mimic team-based care found in today's healthcare models. The revitalization project will enable IPE experiences, as well as research opportunities, and facilitate referrals for community members who might benefit from services offered by other allied health A+ Labs. Co-locating these spaces will bring students, industry healthcare professionals, faculty members, and community members into consistent proximity fostering interprofessional instruction, research efforts, and community-engaged service.

Thank you for your consideration of this proposal, and your ongoing commitment to supporting high-quality postsecondary education.[5] We recognize that there is a great deal of fiscal uncertainty both at the federal and state levels, and are honored for you to consider investing in the future of the allied health programs at Oregon Tech, and by extension, Klamath Falls and the surrounding rural communities which we serve. Throughout the submission you will read quotations from a variety of stakeholders across the state who support this proposal, thereby confirming the widespread impact the revitalization of Semon Hall can achieve.

Respectfully,

DocuSigned by:
Nagi Naganathan
6B9CA1E0D200440...

Dr. Nagi Naganathan, Ph.D., ASME Fellow
President

REVITALIZING SEMON HALL:

Advancing the Healthcare Workforce and Addressing Community Needs



Oregon TECH

2027-2029 Capital Project Request

April 6, 2026

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I. LEGISLATIVE EXECUTIVE BOND SUMMARY

The Semon Hall Revitalization Project at Oregon Institute of Technology (Oregon Tech) will renew and modernize a critical academic facility on the Klamath Falls campus that no longer meets current instructional, safety, seismic, or accessibility standards. Semon Hall: Advancing the Healthcare Workforce and Addressing Community Needs (Semon Hall Revitalization Project) / (Project) includes a comprehensive renovation of Semon Hall and a limited building addition of approximately 13,500 gross square feet. Together, these investments address functional deficiencies, code compliance and academic needs necessary to sustain and expand workforce-focused healthcare and allied health education.

Semon Hall is identified in Oregon Tech's January 2024 Facilities Master Plan as having a Facilities Condition Index (FCI) rating of "Poor." The building does not meet current seismic standards and contains significant accessibility deficiencies that cannot be addressed through incremental repairs, creating an increasing risk of loss of use for academic programs housed in the facility.

The project directly supports Oregon's healthcare and allied health workforce needs by enabling the expansion and modernization of high demand programs housed in Semon Hall, including Dental Hygiene, development of a new Dental Therapy program, Doctor of Physical Therapy, and Marriage and Family Therapy (Master's). These programs prepare graduates for licensed, in-state practice in fields experiencing persistent workforce shortages and accessibility for patients particularly in rural and underserved communities.

The Project advances student success for underserved populations by removing physical and instructional barriers that disproportionately affect rural students, first generation students, low-income students and students with disabilities. Modernized, accessible instructional and clinical education and training spaces will support inclusive, hands-on learning environments and strengthen equitable pathways from education to employment.

Consistent with the Higher Education Coordinating Commission's (the HECC) Strategic Capital Development Plan (SCDP), the Semon Hall Revitalization Project prioritizes capital renewal over new construction, reinvesting in an existing Education & General (E&G) facility while minimizing long-term operating and maintenance impacts. The Project represents a strategic use of state bond capacity and institutional resources to reduce deferred maintenance, improve safety and accessibility, mitigate loss of use risk and preserve a vital academic asset aligned with Oregon Tech's polytechnic mission and statewide workforce priorities.

II. INSTITUTION CAPITAL PLAN INFORMATION

1. Facilities Master Plan

Oregon Tech adopted a comprehensive Facilities Master Plan in January 2024, which serves as the foundational planning document for the university's capital investments and facilities stewardship strategy. The 2024 Facilities Master Plan includes the Klamath Falls and Portland-Metro campuses and integrates long-range space planning with a detailed Facilities Condition Assessment (FCA) prepared by an interdisciplinary team of architects and consulting engineers experienced with Oregon Tech's facilities portfolio.

The 2027–29 Capital Project Request, Semon Hall Revitalization Project, is directly informed by and consistent with the priorities established in the 2024 Facilities Master Plan.

Key findings of the 2024 Facilities Master Plan include the identification of multiple campus facilities requiring renewal based on FCI analysis, a nationally recognized metric used to assess the relative condition and reinvestment need of existing buildings. Semon Hall is classified as having an FCI rating of "Poor," indicating that the building has exceeded its intended service life for major systems and requires comprehensive reinvestment to remain viable for academic use.

The FCA underlying the Facilities Master Plan was conducted in accordance with ASTM International *(formerly American Society for Testing and Materials)* (ASTM) E2018 – Standard Guide for Property Condition Assessments, which evaluates the physical condition and expected remaining useful life of major building systems and infrastructure. The assessment identified components anticipated to require repair or replacement within short-, mid- and long-term planning horizons (approximately two, 10, and 15 years), with associated cost estimates expressed in constant dollars.

Consistent with ASTM E2018 standards, the FCA focuses on physical condition and does not assign costs for deficiencies related to seismic performance or accessibility where those conditions reflect changes in current code requirements rather than deferred maintenance. However, the 2024 Facilities Master Plan documents that Semon Hall does not meet current seismic design standards and contains pervasive accessibility deficiencies, reinforcing the need for a comprehensive renovation approach rather than incremental repairs.

The 2024 Facilities Master Plan was developed through a collaborative process ensuring alignment with Oregon Tech's academic mission, workforce-oriented programs, and long-term stewardship responsibilities. The 2024 Facilities Master Plan, including supporting appendices and visual documentation, is maintained by Oregon Tech Finance and Administration and is publicly available through the university's Facilities Management and Capital Planning resources.

2. Deferred Maintenance: Education & General Needs

2.1. Deferred Maintenance: Managing Facilities and Addressing Future Needs

Oregon Tech manages E&G facilities through a preventive maintenance and capital renewal framework informed by objective facility condition data and long-range planning. The university utilizes FCA and the FCI to evaluate building condition, identify deferred maintenance and renewal needs, and prioritize reinvestment across its facilities portfolio, as documented in the January 2024 Facilities Master Plan, and is reviewed annually through the institution's Capital Improvement and Renewal (CIR) inventory assessment process.

The university maintains a two-tiered deferred maintenance strategy designed to make efficient use of limited operating and state capital resources:

1. Targeted investments in maintaining and extending the useful life of major building systems, including Mechanical, Electrical and Plumbing (MEP) systems, and core infrastructure across the university's capital portfolio; and
2. Major renovation or replacement projects for entire buildings and related subsystems once obsolescence is reached and it is more cost effective to rehabilitate or replace facilities rather than continue incremental repairs.

This multitiered approach allows Oregon Tech to balance near-term maintenance needs with long-term capital renewal, minimizing stranded investment and maximizing the useful life of buildings and subsystems. Deferred maintenance and renewal priorities are coordinated through the 2024 Facilities Master Plan and the annual capital budgeting process, ensuring alignment between long-range planning and near-term investment decisions.

Projects are prioritized based on life safety considerations, mission critical academic use, accreditation and program risk, accessibility and potential loss of use. Facilities that directly support high demand, workforce aligned academic programs receive particular attention due to their importance to institutional mission and student success.

An example of this integrated approach is the recently completed Boivin Hall Renovation, which eliminated approximately $5.0 million (2021 dollars) in identified deferred maintenance, completed a critical seismic retrofit, replaced outdated MEP systems, significantly improved energy efficiency and ADA accessibility, modernized laboratories and classrooms, improved access control, and brought underutilized space into productive academic use through reorganization aligned with current pedagogical needs.

Oregon Tech supports its maintenance and capital repair activities through three primary mechanisms:

1. University funded personnel, supplies, and services, providing in-house capacity for routine maintenance, troubleshooting, and small to medium scale system replacements and upgrades;

2. State CIR projects, supporting medium to large-scale repairs such as roofing, HVAC and building system upgrades; and
3. State and institution bond funded major renovation and rehabilitation projects, such as the completed Boivin Hall renovation and the proposed Semon Hall Revitalization Project.

Oversight of this framework is provided through quarterly reviews by the Finance and Facilities (F&F) Committee of the Oregon Tech Board of Trustees, which evaluates the university's multiyear capital renewal and replacement plan, including projects underway, the upcoming year's work plan and future planned investments. This integrated approach enables Oregon Tech to steward state capital assets responsibly while avoiding undue cost pressures on students.

In fiscal year 2025, Oregon Tech allocated approximately $1.0 million, or 1.4 percent of its E&G operating budget, to building maintenance, facilities operations, project management and small rehabilitation projects. This investment excludes state funded CIR resources, which further augment institutional capacity to maintain and reinvest in campus facilities.

Figure 1: Semon Hall Deferred Maintenance – Reoccurring HVAC Coil Leaks



On a quarterly basis the F&F Committee of Oregon Tech's Board of Trustees reviews the university's multi-year CIR plan. This includes projects that are underway, the upcoming year's project plan and subsequent year's prospective project plans. The university currently has $74.6 million in identified deferred maintenance for E&G space, not inclusive of all needed seismic retrofitting. Given construction inflation and the continued aging of Oregon Tech's facilities, this estimate likely significantly understates the actual deferred maintenance backlog.

2.2. Deferred Maintenance: Set Aside Account

Oregon Tech will establish a university funded capital set aside account for the revitalized Semon Hall to proactively address future E&G deferred maintenance needs associated with the facility. The set aside account will support long-term stewardship of the revitalized facility by providing a dedicated funding mechanism for planned system renewal and capital reinvestment over the building's life cycle.

The set aside account will complement the university's existing preventive maintenance and capital renewal framework by ensuring that future deferred maintenance needs for the revitalized facility are addressed in a timely and systematic manner. This approach aligns with the HECC's SCDP emphasis on reducing future deferred maintenance risk and promoting sustainable management of state funded capital assets.

Deferred maintenance and capital renewal across the broader facilities portfolio will continue to be addressed through the annual operating budget, state funded CIR programs and bond funded major renovation projects identified through the 2024 Facilities Master Plan. Establishment of a specific set aside account for Semon Hall represents an additional, targeted commitment to long-term asset stewardship associated with this major capital investment.

3. Deferred Maintenance: Estimated Backlog

Estimate Methodology

Oregon Tech's estimate of its total E&G deferred maintenance backlog is based on a comprehensive FCA completed as part of the 2024 Facilities Master Plan. The FCA was prepared by independent architects and consulting engineers in accordance with ASTM E2018 – Standard Guide for Property Condition Assessments and evaluates the physical condition and remaining useful life of major building systems and infrastructure across the Klamath Falls and Portland-Metro campuses. Deferred maintenance needs were identified at the system level, categorized by short-, mid- and long-term planning horizons, and expressed in constant dollars. Consistent with ASTM standards, the FCA focuses on physical condition and does not include costs associated with seismic upgrades or accessibility improvements where those conditions reflect changes in current code requirements rather than deferred maintenance; those needs are tracked separately for capital planning and prioritization purposes.

Since publication of the 2024 Facilities Master Plan, Oregon Tech has continued to validate and refine deferred maintenance estimates through regular inspections, annual CIR planning and detailed project scoping. Backlog estimates are further informed by recent realized construction costs from comparable capital renewal projects. Actual project costs from the renovation of Boivin Hall and other recent CIR and bond funded projects provide market tested benchmarks that are incorporated into backlog validation to reflect current labor, materials and delivery conditions. In addition, Oregon Tech considers evolving regulatory requirements, including Oregon House Bill 2688 (2025), which has increased design, documentation and compliance related costs for public facilities, and is reflected in planning level assumptions. Together, the FCA based inventory, ongoing validation, realized project costs and regulatory inputs support a conservative and

defensible estimate of the university's deferred maintenance backlog, consistent with the methodology and figures presented in Table 1, below.

E&G Facilities - Estimated Deferred Maintenance Backlog

From this analysis, Oregon Tech estimates approximately $74.6 million in deferred maintenance for E&G facilities, based on projected costs for 2026; roughly $67.0 million is needed at the Klamath Falls campus and $7.6 million at the Portland-Metro campus. The new findings replaced outdated Sightlines data with a customized facility database, which helps plan, set priorities and carry out CIR projects.

Deferred maintenance priorities are set according to safety concerns, facility conditions, critical academic needs, accessibility and risk of lost use. These priorities guide long-term capital planning, yearly budgeting, and the selection of major renovation projects, including the proposed Semon Hall Revitalization Project, all in-line with the HECC's SCDP.[1]

Table 1: Oregon Tech Deferred Maintenance Needs

Oregon Tech 2027-2029 Capital Projects Request - Deferred Maintenance Needs

Identified Deferred Maintenance - Education & General								
	BUILDING	MEP SYSTEMS	EXTERIOR	INTERIOR	SEISMIC	LIFE SAFETY	ADA	BLDG. TOTAL
1	Learning Resource Center	$ 6,601,222	$ 3,127,035	$ 2,664,235	$ 1,344,234	$ 649,149	$ -	$ 14,385,875
2	Semon Hall	5,195,575	1,951,805	1,470,046	964,153	605,546	-	10,187,125
3	Boivin Hall	-	1,028,765	-	-	-	-	1,028,765
4	Cornett Hall	320,000	922,000	-	-	-	-	1,242,000
5	Purvine Hall	4,366,169	1,200,000	2,651,962	1,334,298	332,000	-	9,884,429
6	Facilities	936,509	613,060	754,415	539,950	214,749	-	3,058,683
7	Portland-Metro	5,470,945	1,166,400	-	-	974,400	-	7,611,745
8	Owens Hall	2,106,829	1,316,765	49,440	-	260,000	-	3,733,034
9	Snell Hall	685,965	224,000	295,420	-	140,000	-	1,345,385
10	Dow Center	1,257,444	1,166,400	-	-	640,000	-	3,063,844
11	Athletics (70%)	1,383,777	53,200	1,414,262	1,165,865	182,000	-	4,199,104
12	Campus	11,300,000	-	-	-	-	3,600,000	14,900,000
							Total Deferred Maintenance Needs	$ 74,639,989

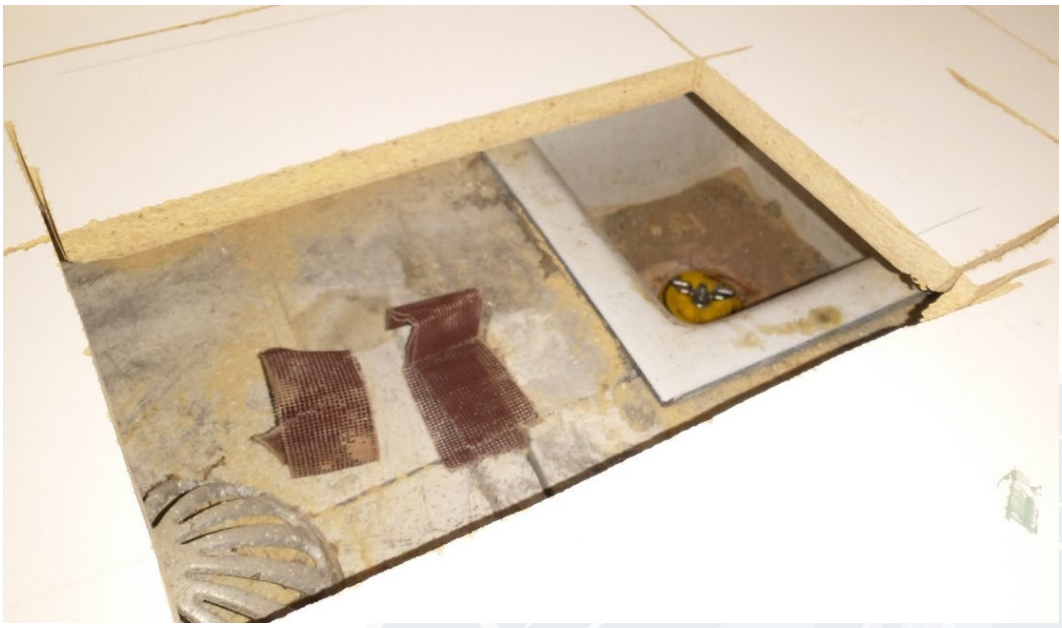
The Semon Hall Revitalization Project is a vital component of Oregon Tech's strategy for addressing its deferred maintenance backlog, prioritizing reinvestment in a significant E&G facility. Semon Hall faces several critical challenges: non-compliance with the Americans with Disabilities Act (ADA), outdated and inefficient building systems and a failure to meet contemporary seismic safety requirements. Although many major systems have surpassed their intended service life, the building's durable structural framework offers a solid base for comprehensive rehabilitation. This method provides a cost-effective alternative to full replacement, optimizing the value of the existing asset.

Consistent with the SCDP, Oregon Tech has concluded that renewing and adaptively reusing facilities such as Semon Hall is more economical than undertaking new construction.[1] This approach not only reduces long-term operating and maintenance costs but also enhances the functional efficiency of the institution's infrastructure. The Project integrates deferred maintenance mitigation, code compliance improvements and modernization within a cohesive investment strategy. This unified effort addresses existing deficiencies, extends the building's useful life and ensures it continues to serve as a valuable institutional resource.

[1] HECC. (2019). Strategic Capital Development Plan.

Deferred maintenance priorities for this initiative were established through the FCA methodology outlined in the 2024 Facilities Master Plan and refined via ongoing CIR planning and detailed project scoping. This analysis demonstrates the Project will eliminate roughly $10.2 million in deferred maintenance related to Semon Hall's primary systems. By targeting a facility with a FCI rating of "Poor," the Project reflects a deliberate commitment to advancing institutional priorities and supporting statewide objectives for capital stewardship. See Figure 2, below, for photographic documentation of Semon Hall deferred maintenance conditions.

Figure 2: Semon Hall Deferred Maintenance – Abandoned Floor Sink Under Cabinetry in Dental Hygiene Lab



Additional photographic documentation is provided in *Section III., Project Summary, Section 5.2 (Additional Photos)*.

4. Seismic Upgrade Needs

Oregon Tech estimates institution-wide seismic upgrades will cost about $5.4 million, based on facility findings and preliminary assessments. This figure highlights current deficiencies impacting safety and resilience and is designed for use in long-term capital planning, not as a final cost. The actual need is believed to be substantially higher; however, a comprehensive, systemwide seismic analysis has not yet been completed.

Oregon Tech's 2024 Facilities Master Plan outlines the seismic upgrade needs for E&G facilities. The plan highlights significant vulnerabilities in many buildings, especially at the Klamath Falls campus. Several core academic, student support and administrative structures, including Semon Hall, the Learning Resource Center, Purvine Hall and the Facilities Building, were built between the 1960s and early 1980s and have not been fully retrofitted for seismic safety.

Following ASTM standards for FCA, the total scope and cost for seismic improvements have not been fully calculated in the deferred maintenance inventory. Seismic and code compliance issues are excluded from FCA cost totals when they reflect updated building codes rather than deferred maintenance, or when detailed engineering studies were not possible due to resource limits.

Semon Hall illustrates these challenges. It does not comply with current seismic codes and has widespread accessibility issues that cannot be resolved through simple repairs. Therefore, both seismic and accessibility upgrades are central to the proposed Semon Hall Revitalization Project, which aims to comprehensively address life safety and code compliance concerns in a cost-effective manner.

Seismic resilience is particularly important given the university's operational history and location. The Klamath Falls campus has suffered from damaging earthquakes, notably in the early 1990s, which severely impacted Snell Hall. Meanwhile, the Portland-Metro campus has not recently undergone seismic performance evaluations under extreme conditions, suggesting further assessment is necessary.

As a result, seismic upgrades and related code improvements are emphasized as key parts of major renovation efforts, especially at the Klamath Falls campus. Oregon Tech is considering its potential role as a critical facility for disaster recovery agencies following a Cascadia Subduction Zone earthquake. Strengthening seismic resilience in essential facilities is vital to protect life, preserve operations and enable the university to support emergency response during regional crises.

5. Bond-Funded Projects Requiring Reauthorization

Oregon Tech does not have prior authorized projects that require reauthorization during the 2027 Legislative Session.

6. Demolition

Currently, Oregon Tech does not intend to demolish any campus facilities. However, if funding becomes available, the university would consider removing Miller Hall and constructing a Facilities storage building adjacent to existing Facilities structures, as recommended in the 2024 Facilities Master Plan.

III. PROJECT SUMMARY

1. Project Data

1.1. Working Title: Semon Hall Revitalization Project

1.2. Project location address or campus location:

Oregon Tech, 3201 Campus Drive
Klamath Falls, OR 97601

Please refer to the map on the next page.

1.3. Academic programs served:

Dental Hygiene
Future home of Dental Therapy
Doctor of Physical Therapy
Marriage and Family Therapy (Masters)
Active Learning Labs (A+ Labs)
Communications
Humanities and Social Sciences
Physics

1.4. Total project cost: $54,000,000

1.5. State funding request: $51,300,000

1.6. Committed external funds: $2,700,000

University Matching Funds are already available and are on hand.

1.6.1 *Gift amount:* N/A
1.6.2 *Plant funds amount:* $2,700,000
1.6.3 *Specify amount and source of other funds:* N/A

1.7. Total gross square feet: 49,790 square feet

1.8. Total net square feet: 44,811 square feet

Final net square footage will be confirmed during the design phase; at this stage, the estimated net usable square feet (NUSF) is 44,811 square feet.

Net usable square feet (NUSF) refers to the total area within a building allocated for academic programs, as well as supporting spaces like mechanical rooms, corridors, restrooms and other areas necessary for the building's operation. These spaces are not assigned to specific program uses but are vital to the functionality of the facility. This definition is consistent with the Postsecondary Education Facilities Inventory and Classification Manual (FICM).

1.9. Project Start and Completion Dates:

Design is anticipated to commence in alignment with state bond issuance, spring 2029, with construction anticipated to be completed by spring 2032. However, Oregon Tech may consider initiating architectural and design activities in advance of bond issuance, subject to institutional and state approvals, as a potential strategy to mitigate overall project costs.

Early engagement in the design phase would allow the university to advance technical planning for laboratory and instructional spaces and position the Project to better manage construction and equipment pricing in a volatile market. This approach may also support earlier validation of specialized allied health and technical equipment requirements and improve cost certainty prior to construction procurement. Any such early activities would be undertaken in a manner consistent with state requirements and fiscal stewardship practices.



2. DAS Required Bond Forms 107BF11a and 107BF12

This information can be found in *Appendix A (DAS Bond Forms).*

3. Unmet Capacity Need, Raise Facility Quality, Improve Infrastructure and Fulfill Special Need

3.1. Resolve an Unmet Capacity Need

The Semon Hall Revitalization Project resolves an unmet capacity need in order to enhance instructional pedagogy and provide expanded experiential labs for Oregon Tech healthcare and behavioral health (collectively referred to throughout the document as allied health) programs including Dental Hygiene, Doctor of Physical Therapy, and Marriage and Family Therapy, and an anticipated launch of Dental Therapy. By renewing and reconfiguring instructional and laboratory space to meet current program and accreditation requirements, the Project supports sustainable growth of program cohorts that are currently constrained by outdated space.

Semon Hall has served as a core teaching, learning and clinical training building on Oregon Tech's Klamath Falls campus for over 60 years. It houses the general education and healthcare departments: Dental Hygiene, Communications and Humanities, and Social Sciences including classrooms and student laboratories.

Semon Hall is one of the oldest buildings on the Klamath Falls campus, having been constructed in 1964. It was built well, but now at 62 years old, is exceedingly outdated, poorly suited in its current configuration for the needs of students today, particularly those who have ADA challenges and many of its major subsystems, including ventilation, mechanical, electrical and plumbing are past the end of their useful life.

Semon Hall is a single story 36,290 square feet steel structure that has historically been the home to a variety of Oregon Tech academic programs.

- **Mechanical**: Over the years, Semon Hall has undergone numerous changes in use, resulting in a variety of HVAC systems of differing ages. This patchwork of equipment makes it challenging to maintain stable and comfortable temperatures throughout the building, negatively impacting the Dental Hygiene environment. The facility relies on outdated pneumatic controls and the outside air dampers are in urgent need of replacement. Additionally, the main supply and exhaust air handling units have reached the end of their operational lifespan.
- **Electrical:** The electrical switch gear manufactured by General Electric is original to the building and obsolete.
- **Life Safety:** The building does not have a fire sprinkler system and there are no duct smoke detector devices in the fire life safety alarm system.
- **Hazardous Materials:** Semon Hall still contains a significant amount of asbestos building material on the exterior and interior of the building.

- **Energy Envelope**: Approximately 70 percent of the building's exterior glazing is single-pane, with little to no exterior insulation within wall cavities. In addition, the age and configuration of the existing HVAC system limit overall energy performance. Collectively, these conditions significantly constrain the building's ability to achieve contemporary energy-efficiency targets, including those established under Oregon House Bill 3409 (2023).

Building exterior contains the following:

- 11,600 sq./ft. of cement asbestos board (8% chrysotile asbestos)

Building interior contains the following:

- 780 lin./ft. of asbestos containing rope (80% chrysotile asbestos)
- 2,693 sq./ft. of asbestos containing floor tile and mastic (8% chrysotile asbestos)
- 2,693 sq./ft. of asbestos containing ceiling tile (5% amosite asbestos)
- 3,940 sq./ft. of asbestos containing duct batt insulation paper (2% chrysotile asbestos)
- 173 lin./ft. of asbestos containing pipe insulation (10% chrysotile asbestos)

Semon Hall's layout and building systems no longer support current instructional models or accessibility expectations and multiple major subsystems including laboratory support, ventilation and core MEP are at or beyond end of life. As noted in the SCDP,[1] facilities of this age are typically less flexible and efficient, cost more to operate and require comprehensive renewal to meet current codes and environmental health and safety standards.

The Semon Hall Revitalization Project will comprehensively renew the facility and add an approximate 13,500 square feet northside addition to support program growth. Project scope includes a seismic retrofit; replacement of MEP systems; building-envelope replacement; foundation repair; and full modernization of classrooms, laboratories and dental lab spaces. Site work will improve accessible circulation and mobility/transportation connections and include landscaping that supports building performance and long-term site stability. The north addition will expand Dental Hygiene capacity and provide space for the new Dental Therapy program to address documented enrollment demand and regional oral-health workforce needs.

Capacity needs for the allied health programs housed in Semon Hall are already constraining enrollment and limiting Oregon Tech's ability to respond to workforce demand. Additional dedicated space is required to launch the new Dental Therapy program and the existing Dental Hygiene cohort size is capped due to space limitations. The Doctor of Physical Therapy program also requires additional space in order to grow cohort size, with space needs required and defined by accreditation standards for instruction, simulation and clinical experiences. Similarly, Marriage and Family Therapy enrollment is capped due to current constraints and the lack of appropriately configured clinical training and supervision space. Colocating Dental Hygiene, Dental Therapy, Doctor of Physical Therapy, and Marriage and Family Therapy within one renewed facility also creates opportunities for operational and instructional efficiencies. As the programs share similar accreditation expectations for supervised, practical experience in clinical settings, allowing flexible scheduling and shared use of instructional and patient-facing spaces. Together, these capacity

investments will remove current constraints, support accreditation compliance and enable sustainable enrollment growth across all four programs.

3.2. Raise Facility Quality

Revitalizing Semon Hall will significantly raise the facility quality by more efficiently configuring the learning environment to improve pedagogy and support student learning. According to the SCDP (Executive Summary, Key Finding 5)[1], contemporary educational spaces should be designed to: accommodate modern instructional modalities; promote student engagement within learning communities; utilize modular, flexible configurations; and present a welcoming, student-centered environment.

Modern Instructional Modalities

One of the hallmarks of Oregon Tech's curriculum is a focus on experiential learning, evidenced by its designation as "Oregon's Polytechnic University." Revitalizing Semon Hall will expand the opportunity for students to gain experience working with real-world patients rather than simply learning about them from a textbook. By allocating significantly more space in the building to laboratories, students in Semon Hall will be able to spend quality time on campus putting the skills they have learned in class to practice. For more details on the Project's "A+ Labs", please see *Section V. Strategic Capital Development Priorities, Section 1.1. (Proposal Increases the Capacity and Effectiveness of Instructional Space)*.

Additionally, the current lab space for Dental Hygiene is comprised of a series of small cubicles, with computer screens attached to the dental chairs (see Figure 3, below)

Figure 3: Small Cubicles in Existing Dental Hygiene Lab



This existing space is a poor representation of future work environments for students in the dental hygiene field. The dental units break down frequently and are so outdated that the manufacturers no longer provide parts or service. Further, patients who have had dental cleanings within the past 50 years are familiar with the best practice of positioning the computer screen on a console behind the patient, for better viewing access by the dental hygienist and dentist, with the added benefit of increasing patient comfort. Additionally, contemporary dental spaces have X-ray machines placed in cabinets between workspaces to increase efficiency and to avoid having to transport patients to other areas within the dental clinic to complete imaging.

Prospective students apply to multiple dental hygiene programs and outdated facilities impact Oregon Tech's ability to competitively recruit. Exit surveys from students leaving the program consistently note the poor state of the facility as a top concern, noting that they will be working in dental environments that are a stark contrast to those in which they have trained at Oregon Tech.

The Semon Hall Revitalization Project includes an approximate 69 percent increase in academic space square footage, accommodating modern dental chairs that are appropriately sized, a console for technology and tools, and pass-through cabinetry to house radiology equipment accessible by two adjacent workspaces, among other classroom and lab space improvements. Additional planned modernizations include the addition of digital equipment in the Materials Lab where patient molds are created (to include 3D printing) and space for digital patient check-in at reception. Such modernization will greatly advance instructional pedagogy and student learning as the updated environment will more accurately simulate the workspaces in which they will function as licensed hygienists. These advances raise the quality of the facility by bringing the learning environment into the 21st century to meet best practices in the dental hygiene field.

As a polytechnic university, we should be providing not only current technologies but also exposing students to future technologies.

Our current facilities contain antiquated equipment.

I would like us to be known as the dental hygiene program that provides cutting-edge technological training in areas such as digital scanning, 3D tray fabrication, and AI charting and diagnostics.

- Krista Beaty,
Dental Hygiene Program Chair

Learning Communities

Due to the nature of allied health majors at Oregon Tech, students are admitted to the programs as a cohort, meaning that they progress through all coursework and labs together. The cohort, in effect, becomes a learning community for each student, providing connections and social support as well as opportunities for collaborative learning through study groups and shared experiences. All allied health programs that will utilize space in Semon Hall (Dental Hygiene, Dental Therapy, Doctor of Physical Therapy, and Marriage and Family Therapy) are cohort-based learning communities and will maximize use of the space through collaborative learning.

Modular, Flexible Configurations

With Semon Hall constructed over six decades ago, building classrooms are configured in antiquated ways, providing little opportunity for students to re-arrange and adjust desks and tables for collaborative work. Additionally, the facility features "double-loaded corridors" designed for

"student throughput rather than student success" (pg.19), which, as the SCDP[1] notes, is an ineffectual use of space. The Semon Hall Revitalization Project takes this into consideration by modernizing classrooms with a modular approach, allowing interaction between cohorts of students. For example, there is currently no space in the building for all four cohorts of Dental Hygiene students to gather and learn from one another; in the revitalized building, space has been allocated for a modular classroom that can be utilized by all Dental Hygiene students to gather, break into small groups and share their knowledge with one another.

> *I do think that the condition of the building does affect many aspects of being in the Dental Hygiene program. It would be very nice to have some* ***student spaces updated*** *and added. I think that a study room would be great to have as we spend most of our day in the same building. In one of these areas, or in its own room, it would be great to have a more comfortable lounge room with couches or more relaxing seating.*
>
> ***- Carson W,***
> *Current Student*

Welcoming, Student-Centered Environment

As can be imagined, an academic building from the 1960's is not as student-centered as would be expected according to current academic standards. The Project includes modern features that students have come to expect, including additional device charging stations, appropriate lighting and collaborative workspaces.

By intentionally modernizing instructional and experiential space, promoting collaborative learning using modular design and creating a welcoming student-centered environment, the Semon Hall Revitalization Project will significantly raise the quality and vibrancy of the facility.

3.3. Improve Campus Infrastructure

The Project will improve campus infrastructure by comprehensively renewing a highly utilized academic building that is not ADA compliant and contains aging, inefficient and end of life building systems that present increasing operational, life safety and reliability risks. The Semon Hall Revitalization Project includes full replacement and modernization of mechanical, electrical and plumbing systems; building envelope components; interior infrastructure; and supporting systems that have exceeded their useful life and require capital renewal rather than continued repair.

As part of this Project investment, Semon Hall continues to be integrated with the campus geothermal utility system for building heating and heated pedestrian walkways, resulting in improved energy efficiency, system resiliency and winter accessibility. Geothermal integration reduces long-term heating and maintenance costs compared to conventional systems while supporting reliable year-round building and site operations.

Building infrastructure improvements will enhance facility reliability, energy performance and maintainability, reducing emergency repairs and unplanned service disruptions. Modernized systems will be integrated with campus facilities management and building control platforms, improving system monitoring, operational efficiency and long-term asset performance. Replacement of outdated systems will also improve indoor environmental quality and support safe, effective instructional and laboratory operations.

The Project addresses seismic vulnerabilities, ADA accessibility deficiencies and code compliance issues that cannot be resolved through incremental repairs, reducing the risk of loss of use for a mission critical academic facility. Site infrastructure improvements, including accessible circulation routes and walkways, will strengthen connectivity between Semon Hall and surrounding campus facilities.

By consolidating infrastructure renewal, deferred maintenance reduction, ADA compliance and geothermal system integration into a single coordinated investment, the Semon Hall Revitalization Project improves the resilience, sustainability and operational efficiency of Oregon Tech's campus infrastructure. These improvements align with the SCDP's emphasis on renewal of existing assets and reduce long-term capital and operational risks associated with aging facilities.[1]

3.4. Fulfill Special Need

The Semon Hall Revitalization Project fulfills a special need consistent with HECC guidance by delivering full ADA and universal design compliance in a mission critical facility that supports laboratory, clinical and classroom-based instruction for healthcare and allied health programs central to Oregon's workforce pipeline. As mentioned above, Semon Hall is not ADA compliant and existing conditions restrict equitable physical access to instructional spaces, laboratories, clinical training areas and supporting facilities, limiting participation by students, faculty and community members with disabilities.

As a primary instructional and clinical training facility, Semon Hall must meet a higher standard of accessibility than general classroom space. Many existing barriers related to circulation, vertical access, room configuration and supporting infrastructure cannot be resolved through incremental improvements without significant disruption to academic operations. A comprehensive renovation is required to achieve full ADA compliance for modern instructional and laboratory environments and to ensure reliable, long-term access for all users.

In addition, the Project addresses a second, programmatic special need directly tied to workforce delivery and accreditation-based clinical training requirements. As demonstrated in *Section III. Project Summary, Section 3.1 (Resolving an Unmet Capacity Need*), capacity constraints within Semon Hall are limiting enrollment and slow Oregon Tech's ability to produce graduates in high demand health professions. Additional space is required to launch Dental Therapy, a profession intended to expand access to oral healthcare in rural communities. The Dental Hygiene program's cohort size is capped due to space limitations, constraining the supply of licensed hygienists. Similarly, the Doctor of Physical Therapy, and Marriage and Family Therapy programs require additional instructional, simulation and clinical space defined by accreditation standards to support cohort growth and meet workforce demand in physical and behavioral health services.

By colocating Dental Hygiene, Dental Therapy, Doctor of Physical Therapy, and Marriage and Family Therapy programs within a renewed facility, the Project enables shared use of specialized laboratories, simulation environments and patient facing clinical space required for supervised, hands-on instruction. This co-location strengthens workforce throughput by supporting consistent accreditation compliance, improving scheduling flexibility and increasing instructional efficiency across programs with similar clinical and experiential learning requirements. Together, these

investments remove current constraints, protect program accreditation and enable sustainable enrollment growth across multiple healthcare disciplines critical to Oregon's rural and regional workforce needs.

4. HECC Capital Project Cost Summary Form

This information can be found in *Appendix B (HECC Capital Project Cost Summary)*.

5. Additional Text, Photos and Graphics

5.1 Cost Assumptions

Oregon Tech developed its capital project budget using cost estimates reasonably expected at the anticipated project start date, informed by current market conditions and projected escalation through the planned construction period. Assumptions reflect recent experience with public higher education capital projects in Oregon and anticipated inflation through bond issuance and construction.

Project cost estimates were developed in consultation with an independent architectural and design firm experienced in healthcare, clinical and instructional facilities for Oregon governmental entities, including community colleges and public universities, providing relevant benchmarks for scope, regulatory compliance and regional construction conditions. Cost assumptions also reflect continued escalation affecting nonresidential and clinical facilities, including impacts associated with Oregon House Bill 2688 (2025), the Bipartisan Infrastructure Bill and other state and regional requirements influencing labor availability and construction delivery. These impacts are anticipated to add to contractor demand through 2029 – 2032, the expected construction period of the Project.

In addition, estimates for specialized clinical and technical equipment were informed by external vendor pricing and recent market quotes, reflecting current availability, lead times and installation requirements typical of clinician-setting environments. These inputs were used to validate order-of-magnitude estimates without assuming fixed pricing in advance of final design and procurement.

Ongoing market volatility driven by supply-chain constraints, labor pressures and elevated demand, including federally funded infrastructure activity, is reflected through appropriate contingencies and escalation consistent with state guidance and institutional practice.

Operational efficiencies and long-term cost savings associated with system modernization, energy performance and geothermal integration are addressed separately in *Section IV. Business Plan, Section 1. (Operations Overview)*.

5.2 Additional Photos

Figure 4: Conceptual View of Semon Hall with Northside Addition and Planned Enhancements for Mobility and ADA Accessibility

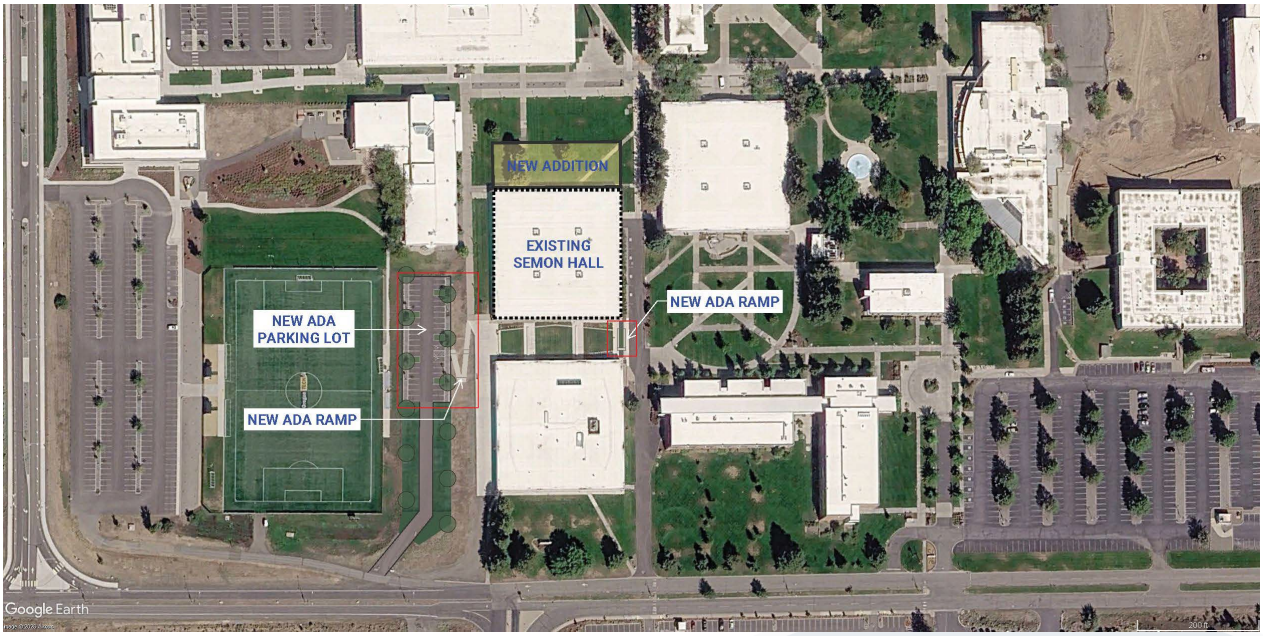


Figure 5: Semon Hall Deferred Maintenance - Obsolete GE Switchgear



Figure 6 (right): Semon Hall Deferred Maintenance - Asbestos Vinyl Flooring and Ceiling Tiles, and Obsolete Lighting – Physics Storage Area



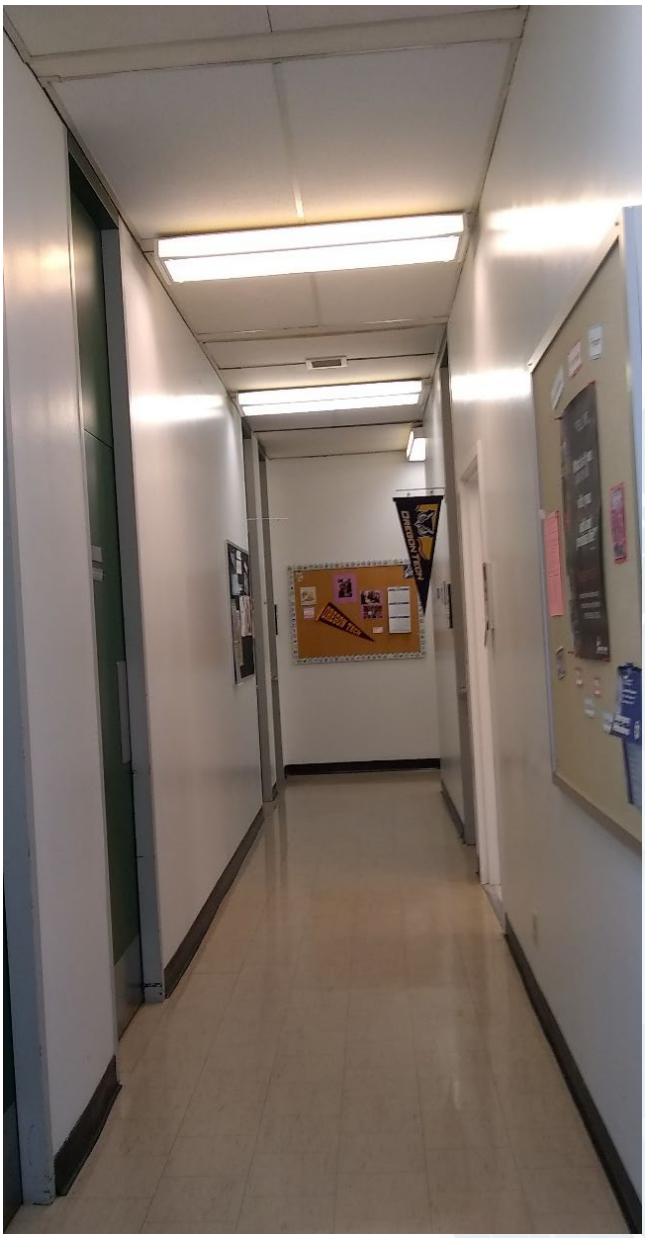


Figure 7 (left): Semon Hall Deferred Maintenance - Asbestos Vinyl Flooring and Ceiling Tiles, and Obsolete Lighting – Office Area

Figure 8: Semon Hall Deferred Maintenance - Cement Asbestos Soffit and Under Window Panels, and Single Pane Glazing



Figure 9: Semon Hall Deferred Maintenance - Obsolete GE Sub-Transformer



Figure 10: Semon Hall Deferred Maintenance - Obsolete HVAC Pneumatic Controls System

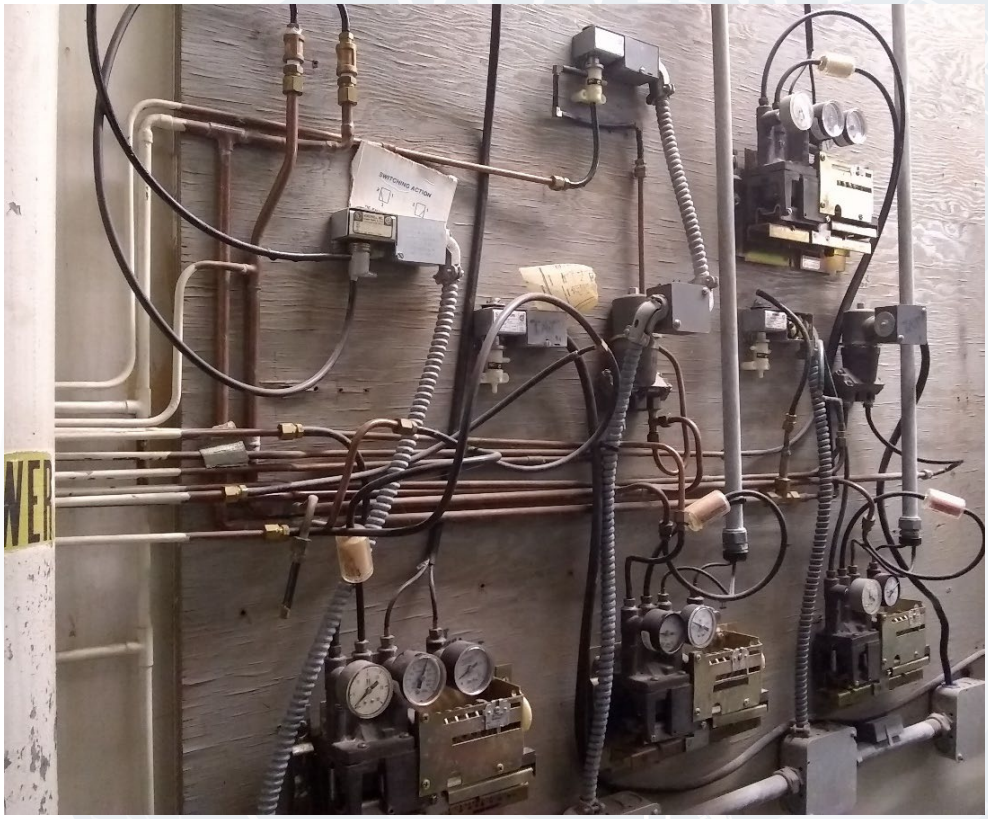


Figure 11: Semon Hall Deferred Maintenance – Obsolete HVAC Pneumatic Controls on Obsolete Air Handler



Figure 12 (right): Semon Hall Deferred Maintenance – Obsolete / Deteriorated Air Handler Cabinet





Figure 13 (left): Semon Hall Deferred Maintenance – Obsolete HVAC Air Handler

5.3 Additional Graphics

Project renderings and illustrative graphics are provided in *Appendix D (Project Renderings, Diagram and Sketch)* and include: 1) the building exterior; 2) building interior view of dental operatories; 3) a programmatic diagram of the revitalized facility; and 4) a programmatic sketch highlighting Dental Hygiene and Dental Therapy.

6. Appendix Document List

Appendix A: DAS Bond Forms 107BF11a and 107BF12

Appendix B: HECC Capital Project Cost Summary Form

Appendix C: Verification Letter – Life Safety, Security and Loss of Use

Appendix D: Project Renderings, Diagram and Sketch

Appendix E: Abbreviations Glossary

7. Executive Summary of the Proposed Project

7.1 Brief Description of the Project

The Oregon Tech Semon Hall Revitalization Project at the main campus in Klamath Falls is a capital renewal investment that repurposes and modernizes an existing E&G facility identified in the January 2024 Facilities Master Plan as having a FCI rating of "Poor." The Project includes a comprehensive revitalization of Semon Hall and a limited approximately 13,500 gross square feet addition to address space constraints, code compliance and functional deficiencies while prioritizing renewal over new construction in alignment with the SCDP.[1] The renovated facility will support Dental Hygiene, Doctor of Physical Therapy, and Marriage and Family Therapy programs, as well as the future Dental Therapy program all which prepare graduates for licensed practice in high-demand healthcare and allied health fields, particularly in rural and underserved regions of Oregon. The Project advances the HECC Equity Lens by delivering full ADA and universal design compliance, removing systemic barriers to participation in laboratory and clinical-based instruction and supporting equitable access to education and community facing clinical services. Infrastructure upgrades include replacement of major building systems, seismic improvements, building envelope renewal and integration with Oregon Tech's campus geothermal utility system for building heating and heated pedestrian walkways, improving life safety, security, energy efficiency and operational reliability while reducing long-term operating and maintenance costs. The Project leverages state bond funding, on-hand institutional matching funds held in a Board designated quasi-endowment and private support through a targeted Oregon Tech Foundation capital campaign, demonstrating shared public-private investment and multiparty collaboration in statewide workforce, equity and stewardship priorities.

7.2 HECC Equity Lens and Oregon Strategic Roadmap

As one of seven public universities, Oregon Tech is committed to the community it serves, evidenced by establishing Community as one of the four Pillars of the university's Strategic Plan. For more details, please see *Section III. Project Summary, Section 7.3. (Critical Institutional Need)*. Oregon Tech has prioritized Governor Kotek's priority related to behavioral health, "Every Oregonian should have access to healthcare, including behavioral health services and supports – no matter where they live or what they can afford".[2] Additionally, the 2025 Oregon Behavioral

[2] Office of the Governor Priorities (2026)

Health Talent Assessment Report emphasized that "Oregon is in the midst of a staffing crisis…critical shortage of mental health providers in Oregon's rural and frontier counties, with 32 of 36 lacking even one provider per 1,000 residents" (page 6).[3] It should be noted that according to the Report, one of the behavioral health roles involving the most transferable skills is licensed Marriage and Family Therapists which have not encountered a net decrease in wages unlike other behavioral health professionals.

The HECC was established in 2011 and has most recently developed its Strategic Plan 4.0 (2024-2029)[4] with a vision of "a future where all people benefit from the economic, civic, and cultural impact of high-quality postsecondary education, training, and workforce development" (page 7).

Supporting HECC's Equity Lens

Fundamental to the HECC's vision is equity. Equity is such a vital tenant that Oregon has developed an Equity Lens[5] to serve as a key basis in education funding and policy.

> *I have seen first-hand the student base and their impact on our community. We are proud of the services that they offer to many of the folks that cannot attain them in other capacities. The physical improvement for those utilizing the services* ***is key to raising our lower health metrics*** *for rural Oregon.*
>
> ***- Mike Angeli,***
> *City Councilman*
> *Klamath Falls, OR*

Serving underserved populations – The allied health programs at Oregon Tech support local and surrounding underserved communities, aligning with the HECC Equity Lens tenet: "We believe that our community colleges, university, and workforce training systems have a critical role in serving our communities of color, learners experiencing poverty, and other underserved populations."[5] (page 4)

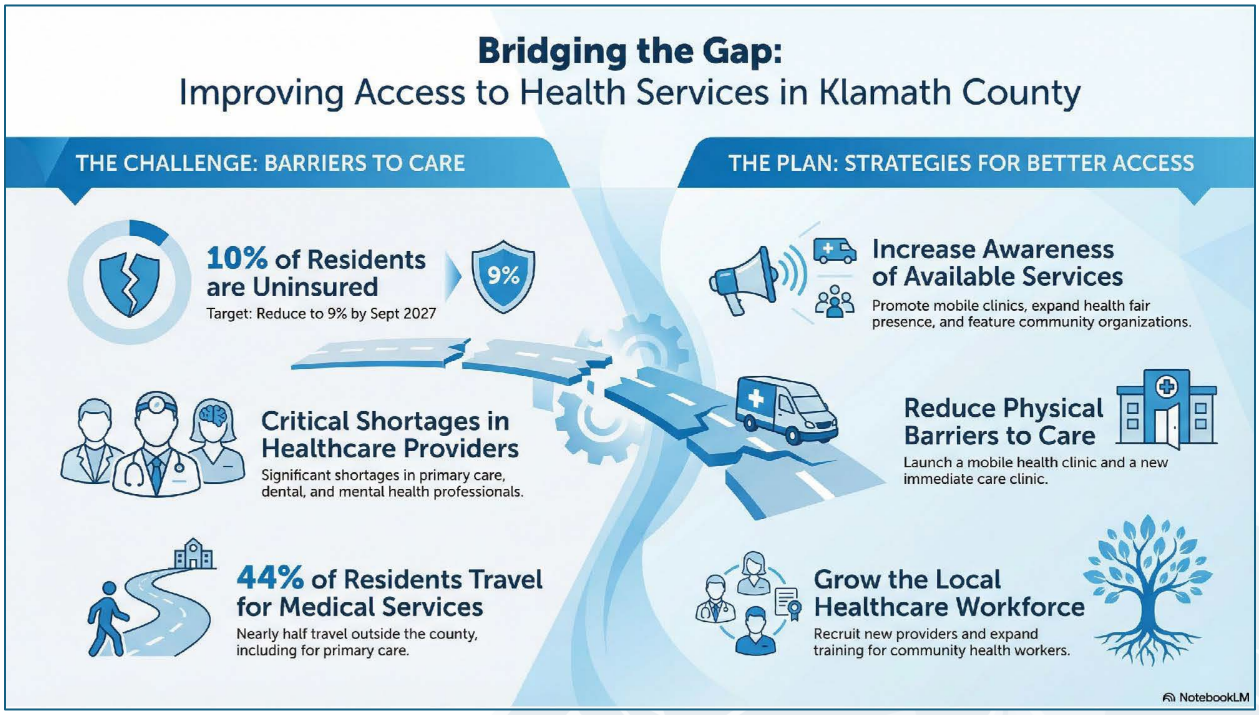
The allied health programs that will utilize revitalized space in Semon Hall (Dental Hygiene, Dental Therapy, Doctor of Physical Therapy, and Marriage and Family Therapy) serve the local and regional communities of underserved populations in rural southern Oregon. Underserved population accessibility refers to those "...that do not have adequate access to medical care. This includes rural, elderly, low-literacy, blue collar, and poor populations".[6] Klamath County is designated by the Oregon Office of Rural Health as a rural area (located ten or more miles from the centroid of a population center of 40,000 people).[7]

Rural areas tend to demonstrate higher rates of poverty than their urban counterparts and Klamath County is no different. According to the 2024 U.S. Census Bureau[8], Klamath County poverty rates exceed those of both state and national populations, with 17 percent of Klamath

[3] HECC. (2025). Oregon Behavioral Health Talent Assessment.
[4] HECC Strategic Plan 4.0 (2024-2029).
[5] HECC Equity Lens.
[6] U.S. Department of Health and Human Services. (2025). National Institute of Health.
[7] Oregon Office of Rural Health. (2026). Oregon Office of Rural Health Geographic Definitions.
[8] U.S. Census Bureau (2024). Klamath County.

County residents meeting the poverty threshold as compared to 12 percent for each of the state and national populations. Access to healthcare is another area in which rural communities struggle. In fact, in Klamath County's most recent County Health Improvement Plan (CHIP)[9], "Improving Access to Health Services" has been established as a goal for 2026-2027 (see Figure 14, below, taken from the 2025 CHIP).

Figure 14: Klamath County 2025 Health Improvement Plan Access Goal & Strategies[9]



Oregon Tech Dental Hygiene students work to improve access to care by providing dental cleanings and oral hygiene prevention information to rural and at-risk populations. Specifically, in 2025 Dental Hygiene students completed 639 encounters with community members including veterans and Oregon Health Plan subscribers (low-income population), providing close to $69,000 worth of treatment. Other at-risk populations that students supported included the homeless, special needs children, the elderly, incarcerated youth, low socioeconomic status families and migrant workers, providing an estimated additional $250,000 worth of services.[10]

This real-world approach will be expanded for each of the other allied programs (Dental Therapy, Doctor of Physical Therapy, and Marriage and Family Therapy) allowing students, faculty and community practitioners (serving in instructional roles) to offer services to rural and at-risk populations while gaining practical experience. By developing these hands-on laboratories, Oregon Tech will be able to improve the accessibility and availability of vital healthcare services to at-risk populations in rural Klamath County. For more details about these enhanced labs, please

[9] Healthy Klamath Network (2025). Klamath County Health Improvement Plan.
[10] Oregon Tech Dental Hygiene Departmental Report (2026).

see *Section V. Strategic Capital Development Priorities, Section 1.1. (Proposal Increases the Capacity and Effectiveness of Instructional Space)*.

Breaking the Cycle of Poverty – By enrolling in allied health programs at Oregon Tech, students are investing in their future, aligning with the HECC Equity Lens assertion that:

> "We believe every learner should have access to a full range of education and training options beyond high school, including apprenticeships, career certificates and college degrees. These will show them multiple paths to employment yielding family-wage incomes without diminishing the responsibility to ensure that each learner is prepared with the requisite skills to make choices for their future."[5] (page 4).

The student population of Oregon Tech's Klamath Falls campus (based on the Fall 2025 fourth week data) is comprised of 73 percent of students from Oregon. The robust selection of allied health majors include: applied behavior analysis, applied psychology, dental hygiene, diagnostic medical sonography, echocardiography, healthcare management, health informatics, marriage and family therapy, nuclear medicine molecular imaging, physical therapy, population health management, radiologic sciences, respiratory care and vascular technology. With this large variety of healthcare options (including additional allied health majors at the Portland-Metro campus and OSHU Nursing major available on the Klamath Falls campus) Oregon Tech offers learners in Oregon multiple paths to employment that guarantee family-wage incomes in hopes of breaking the cycle of generational poverty.

Not only is Oregon Tech located in an economically depressed region (as discussed above), but the students have also often experienced poverty themselves. The most recent data from the HECC Public University Dashboard (2024)[11] confirms that 65 percent of Oregon Tech students receive Pell Grants, which are awarded to only those applicants who meet the poverty threshold. These "learners experiencing poverty", as noted in the HECC Equity Lens, are at great risk for perpetuating the cycle of poverty in their counties of origin.

However, graduating from Oregon Tech significantly lowers this risk, as the median 5-year earning income of Oregon Tech alumni with rural counties of origin is $58,000, with their 10-year median earning income being $81,000; this surpasses even that of the state for rural graduates across the same 10-year post-graduation period ($68,000).[11] Allied health students are poised to fare even more favorably than the general student population, given the nature of their future careers. For instance, according to the U.S. Bureau of

> *Oregon Tech provides the opportunity for students from rural areas of the state to enter the workforce right out of college with sustainable wages that have the potential to* ***break the cycle of poverty*** *so often found in rural communities. Programs like Dental Hygiene and Marriage and Family Therapy help supplement the workforce shortage in these fields as the students gain real-world experience.*
>
> ***- Emily McEntire,***
> *Oregon Representative*

[11] HECC Public University Dashboard. (2026).

Labor Statistics Occupational Outlook Handbook,[12] the 2024 median annual pay for Dental Hygienists is $94,260, Marriage and Family Therapists is $63,780, and Physical Therapists is $101,020. Due to Dental Therapy being a new profession, it is not yet in the Handbook.

Admission to Oregon Tech strengthens the likelihood that students who come from rural areas will be able to significantly improve their employment path and associated income trajectory well above what was available to them upon graduation from high school. The Semon Hall Revitalization Project supports allied health student success and engagement by providing improved opportunities for hands-on, real-world experiences in the newly established Active Learning Laboratories (A+ Labs). Real-world experiences are required by programmatic accrediting bodies and the inclusion of A+ Labs is imperative for these allied health programs. For more information on programmatic accreditation, please see *Section III. Project Summary, Section 7.3. (Critical Institutional Need).*

Supporting the Strategic Roadmap

Transforming and Innovating Programs - HECC's Strategic Roadmap: Oregon Post Secondary Education and Workforce Training (2021)[13] calls for action to:

> "Transform and innovate to serve students and learners best—Support education and training institutions in continuing to transform, expand, and redesign their outreach and delivery models to engage today's learners." (page 5)

By revitalizing Semon Hall to strategically include allied health experiential learning in one building, Oregon Tech is transforming these programs by developing new and much needed programs (Dental Therapy), expanding current programs (Dental Hygiene, Doctor of Physical Therapy, and Marriage and Family Therapy) and ultimately transforming the educational space to engage today's learners by supporting educational innovations for employability by simulating today's healthcare settings. In addition, Oregon Tech is establishing a learning community in a welcoming student-centered environment, as detailed in *Section V. Strategic Capital Development Priorities, Section 3.2. (Supporting Innovation with Industry Partners)*,that will foster interprofessional learning, service opportunities and research initiatives.

Focus on Current and Future State Needs – HECC's Strategic Roadmap[13] also encourages universities to tailor programming to address existing and future needs:

> "Center higher education and workforce training capacity on current and future state needs—Focus postsecondary education and training resources to serve Oregonians where they are and who they are, with a priority on communities and populations that have been historically underserved."[13] (page 5)

Oregon Tech's robust offerings of allied health majors are strategically focused on meeting one of Oregon's most pressing workforce needs – more healthcare professionals. Not only do these majors produce more healthcare workers for the region, the Project's enhanced laboratories also

[12] U.S. Bureau of Labor (2026). Occupational Outlook Handbook.
[13] HECC (2021). Strategic Roadmap: Oregon Postsecondary Education and Workforce Training.

provide much needed services to underserved populations, as discussed above. With the revitalization of Semon Hall, Oregon Tech can offer new and expanded programs to better meet this call to action. For more details on how Oregon Tech is meeting workforce needs, please see *Section V. Strategic Capital Development Priorities, Section 1.2 (Addressing Workforce Needs)*.

> *The Career and Technical Education center for healthcare disciplines serves students across all of Klamath County's high schools, providing dual-credit opportunities to build skills, explore healthcare career pathways and gain valuable observational experiences.*
> *Together, we are working to end generational poverty in our region and expand access to living wage healthcare career opportunities by* ***beginning the career pathway in high school,*** *improving attendance, graduation rates and matriculation into higher education pathways at Oregon Tech.*
>
> ***- Brian Fix,***
> *Vice President & Chief HRO*
> *Sky Lakes Medical Center*
> *Klamath Falls, OR*

Oregon Tech coordinates with K-12 institutions to ensure college opportunities are delivered and career pathways established. In Fall of 2025, Sky Lakes Medical Center, in partnership with Oregon Tech, Klamath City Schools, Klamath County School District and Klamath Community College launched the Klamath Regional Career and Technical Education (CTE) campus with the purpose of offering health-focused CTE courses open to all students throughout Klamath County.

The curriculum includes introductory courses, core courses, some of which are dual credit with Oregon Tech and Klamath Community College, and capstone courses which are taken usually in the senior year. Capstone courses are year-long lecture and laboratory courses promoting healthcare professions such as nursing assistants and community healthcare workers.

In addition, CTE students can apply for the Sky Lakes Ambassador Program, a 12-week paid program designed to introduce high school students to careers in healthcare while building essential workplace skills. The Klamath Regional CTE campus plans to develop dental hygiene and physical therapy capstones in 2027. Additionally, Sky Lakes plans to launch a behavioral health ambassador in 2028.

Supporting HECC's Strategic Plan

The HECC Equity Lens[5] and Oregon Strategic Roadmap[13] (discussed above) correlate to the goals found in the HECC Strategic Plan 2024-2029 specifically:

- Goal 1 - Relevance: Improve the responsiveness of Oregon's education and training systems to the goals and needs of learners, employers and communities, and
- Goal 2 - Alignment: Align Oregon's education and training systems to create straightforward pathways for learners.

Oregon Tech has the best interns I have ever worked with. I really appreciate the time and dedication you put into making sure the students are a good fit, and your students are always

so kind, caring, and professional.

- Margaret Grygiel,
Intern Supervisor
Klamath Basin Behavioral Health
Klamath Falls, OR

As identified above, the allied health programs that benefit from the revitalization of Semon Hall will foster equitable workforce outcomes, connect postsecondary education and training to the workforce, contribute to solving community healthcare problems and strengthen postsecondary education to employment transitions.

7.3 Critical Institutional Need

The Semon Hall Revitalization Project goes beyond meeting a critical need at the institutional and programmatic levels; it also enhances Oregon Tech's unique niche within public higher education throughout the state.

Oregon Tech's Niche in the Statewide Landscape

The SCDP recommends defining each university's role in the Oregon public higher education landscape to avoid "costly duplication of programs and facilities" (Recommendation 4).[1] Thus, each university is meant to occupy a distinct space in Oregon's public higher education, making its own contribution to the workforce and the state's populace overall.

In terms of Oregon Tech's role in this educational landscape, the institution is designated as "Oregon's Polytechnic University" by state statute, distinguishing it from the other public institutions. This polytechnic approach to education has resulted in thriving professional allied health programs, some of which have been in existence for over 50 years. In fact, Oregon Tech's Institutional Research has confirmed that close to half (48 percent) of graduates work in health-related fields.[14] Adding to Oregon Tech's distinctions are consistently high placement rates for graduates (95 percent employed within six months of graduation), as well as a high median starting salary for graduates ($70,000 annually).[11] Oregon Tech supplies the workforce with graduates who have experiential knowledge in their fields and are highly sought after by employers who recognize the inherent value of Oregon Tech alumni as employees.

Further, Oregon Tech maintains allied health programs with very little overlap among the other six Oregon public institutions. Dental Hygiene and Medical Imaging Technology (MIT) offer the only program Bachelor of Science degrees in the state among the public universities, while the Doctor of Physical Therapy (a joint program with Oregon Health Sciences University, (OHSU)) is one of only two DPT degrees among public institutions. The Master's degree in Marriage and Family Therapy is one of three public programs in Oregon, and represents the only program located in a rural environment (as opposed to two others in urban centers, Portland and Eugene). Finally, the anticipated Dental Therapy Bachelor's program will be the first of its kind in Oregon and only one of four across the country.

[14] Oregon Tech Institutional Research. (2025).

Oregon Tech continues to fulfill a key and distinct role in the Oregon public higher education landscape, enhancing the healthcare field and meeting critical workforce needs without overlapping with other public university efforts.

University Critical Need: Institutional and Programmatic

Institutional Critical Need - In terms of Oregon Tech's mission, a clear directive to provide allied health education resulting in state-wide impact has been established (see emphasized language below in the university's Mission Statement):

> "Oregon Institute of Technology (Oregon Tech), Oregon's public polytechnic university, offers innovative, **professionally-focused** undergraduate and graduate degree programs in the areas of engineering, **health**, business, technology, and applied arts and sciences. To foster student and graduate success, the university provides a **hands-on**, project-based learning environment and emphasizes innovation, scholarship and applied research. With a commitment to diversity and leadership development, Oregon Tech offers statewide educational opportunities and technical expertise to **meet current and emerging needs** of Oregonians as well as other national and international constituents."

The Project is critical to modernizing the learning environment for students, which will better equip the institution to fulfill its Mission to create *professionally-focused health programs utilizing a hands-on approach to meet the current and emerging needs of Oregonians*. For more details about how Oregon Tech is addressing current and emerging needs of Oregonians, please refer to *Section V. Strategic Capital Development Priorities, Section 1.2. (Addressing Workforce Needs).*

Additionally, the Semon Hall Revitalization Project aligns with the current University Strategic Plan, enabling progress towards meeting institutional goals. The Strategic Plan is divided into four Pillars of Commitment, with supporting Goals and Objectives beneath each Pillar. The Semon Hall Revitalization Project aligns with all four Pillars, shown in Table 2 on the next page.

Table 2: University Strategic Plan Goals and Objectives Supported by Semon Hall Revitalization

Pillar I: Commitment to Student Success	Pillar II: Commitment to Innovation	Pillar III: Commitment to Community	Pillar IV: Commitment to Institutional Excellence
Goal 2: Ensure degree-seeking students who graduate are ready for success. Objective 2.2: Create a framework to equip students with professional and life skills.	Goal 4: Incorporate an innovative mindset into teaching, earning, applied research, scholarship, facilities, and processes. Objective 4.2: Create both physical and intellectual space for discovery, engagement, and creative activities among students, faculty, staff, and alumni.	Goal 7: Establish a valued presence locally, statewide, and nationally. Objective 7.1: Intentionally cultivate and strengthen university community ties with local, state, tribal, and federal stakeholders for the betterment of Oregonians and Oregon Tech.	Goal 10: Create a distinctive edge for Oregon Tech and embrace a culture of excellence and continuous improvement. Objective 10.2: Secure consistent and significant investment in systems, technology, and teaching facilities to advance program excellence and student success.

Utilizing language from Oregon Tech's Strategic Plan, the revitalization of Semon Hall will:

- Enhance allied health students' professional skills (Objective 2.2);
- Modernize physical and intellectual space to support student engagement (Objective 4.2);
- Strengthen community ties, resulting in the betterment of Oregonians (Objective 7.1); and
- Significantly invest in technology and teaching facilities to advance program excellence and student success (Objective 10.2).

Implementing the Semon Hall Revitalization Project will meet a critical need for the institution by advancing progress towards university priorities, objectives and goals.

Program Critical Need – In addition, the Project strengthens existing and future accreditation processes for the allied health programs which will primarily utilize Semon Hall. Accreditation is particularly critical for allied health programs; this process provides quality assurance for potential applicants as well as industry partners, ensuring that the program meets requirements within each field, maintains a relevant curriculum and remains competitive with similar programs. Accreditation also ensures graduates are qualified to enter the workforce with the skills necessary to seek licensure or other professional credentialling, which is key to maintaining a skilled

healthcare workforce. In fact, most fields, such as Dental Hygiene, require graduation from an accredited program in order to be eligible for licensure or certification. Accredited programs are more likely to attract higher performing students who are, in turn, more likely to be retained throughout their academic endeavors. Accreditation is critical to maintaining robust enrollment and retention rates for the university among the allied health programs, which is a crucial component of financial stability for Oregon Tech.

> *For community members, programming on campus **reduces barriers** to evidence-based prevention services while positioning the university as an active, welcoming partner in community health. These services create a centralized, trusted location for prevention, rehabilitation, and wellness for individuals who may not otherwise have access.*
> *This level of integration strengthens rural workforce development and retention by preparing graduates who are deeply connected to the community and more likely to remain and practice in the region, reinforcing Oregon Tech's commitment to community-centered health.*
>
> ***- Anne Davenport,***
> *Instructor, DPT Program Chair,*
> *Oregon Falls Prevention Coalition*
> *Klamath Falls, OR*

Of the four allied health programs that will primarily utilize academic space in Semon Hall, one is fully accredited, one has Provisional Accreditation and two will be seeking accreditation in the future. Specifically, Dental Hygiene has achieved full accreditation through the Commission on Dental Accreditation (CODA), while the Doctor of Physical program has received Provisional Accreditation through the Commission on Accreditation in Physical Therapy Education (CAPTE). Marriage and Family Therapy will seek accreditation through the Commission on Accreditation for Marriage and Family Therapy Education (COAMFTE), while the anticipated Dental Therapy program will seek accreditation through CODA.

Although each accrediting body has established requirements that are specific to their field, one commonality is the expectation that all allied health students gain personal experience applying their knowledge and skills. The Semon Hall Revitalization Project will enhance students' abilities to engage in hands-on experiences, strengthening accreditation renewals and applications. As an example, CAPTE has established minimum hours for Integrated Clinical Experiences (ICE) for Doctoral Physical Therapy programs. Currently, Oregon Tech DPT students must complete these ICE requirements in off-campus settings as there is no appropriate space on campus to do so. The Project will provide an area with appropriate flooring and equipment for ICE activities on-campus and will provide greater ease of ICE completion for students while strengthening relationships with community partners, another accreditation standard.

The Semon Hall Revitalization Project will strengthen accreditation efforts for the allied health programs, and in turn will increase the quality of applicants for each cohort and improve student retention, leading to financial stability across the programs, strengthening the university as a whole. During a period in which national enrollment trends are declining and a great deal of financial uncertainty exists at federal and state levels, Oregon Tech has prioritized strategies focused on increasing enrollment and retention; revitalizing Semon Hall is a critical aspect of these efforts.

IV. BUSINESS PLAN

1. Operations Overview

Financial Plan

The financial plan for programs housed in the revitalized Semon Hall facility is based on controlled cohort growth, accreditation-aligned staffing and prudent use of institutional resources. The Semon Hall Revitalization Project is necessary to enable any program growth, as the Dental Hygiene, Doctor of Physical Therapy, and Marriage and Family Therapy programs are currently unable to increase cohort size, and the Dental Therapy program cannot be established, due to existing space constraints.

Modernized instructional and laboratory space provided through the Project enables measured enrollment growth across four programs, including a 20 percent increase in Dental Hygiene cohort capacity; establishment of the new Dental Therapy program; 71 percent increase in Doctor of Physical Therapy cohort capacity; and 100 percent cohort capacity increase in Marriage and Family Therapy. These changes result in increased tuition and fee revenues as cohorts expand to full capacity. Enrollment growth is phased and aligned with space made available through the Semon Hall Revitalization Project and accreditation requirements, ensuring that revenue increases are realized only as program capacity is brought online through the revitalized facility.

New operating expenses associated with the Project are limited and program-specific, primarily related to faculty hiring required to meet accreditation standards as cohorts grow. Staffing increases are not immediate or universal across all programs; rather, faculty positions are added incrementally and only where required to support controlled cohort growth or to establish new programs, such as Dental Therapy. This approach avoids front-loading operating costs and ensures that new expenses closely track enrollment growth and associated revenues.

During the initial ramp-up period, Oregon Tech will utilize existing institutional resources to support programs as cohorts are built out. Any short-term investments required to initiate program growth or meet accreditation thresholds are intentional, time-limited and recoverable through future tuition revenues once full cohort enrollment is achieved for these in-demand programs. This strategy reflects a return on investment model, in which modest upfront institutional support enables sustainable long-term revenue generation and workforce program delivery.

Overall, the financial plan demonstrates that the Semon Hall Revitalization Project supports financially sustainable program growth, minimizes new recurring obligations, and aligns academic expansion with available resources and accreditation requirements. The Project strengthens institutional revenue stability while advancing Oregon Tech's mission to deliver workforce-critical healthcare and allied health education in a fiscally responsible manner.

Net Additional Costs

Oregon Tech anticipates that the annual additional net costs associated with programs housed in the revitalized Semon Hall facility will be modest and manageable, and will be largely absorbed within existing institutional funding streams. The Project is primarily a capital renewal and

modernization effort, rather than the introduction of wholly new academic operations. Programs currently housed in Semon Hall will continue in the facility following revitalization with improved efficiency and capacity. Ongoing program staffing, instructional delivery, utilities and routine maintenance costs will be supported through a combination of existing E&G operating funds, tuition revenues and institutional resources dedicated to workforce critical healthcare and allied health programs.

Incremental operating costs associated with expanded or enhanced program delivery, particularly for the Dental Hygiene program and the future Dental Therapy program, are expected to be offset by enrollment stability and controlled growth, consistent with accreditation requirements and space constraints addressed by the Project. The modernization and reconfiguration of instructional, laboratory and clinical-learning spaces will allow programs to operate more efficiently without proportional increases in staffing or support costs, reducing the need for additional class sections, temporary space, or off-site clinical arrangements. As a result, the Project supports more efficient execution of existing programs, rather than creating significant new recurring cost obligations.

In addition, operational efficiencies associated with high performance building systems, geothermal integration and LEED Silver–targeted design are expected to mitigate utility and maintenance cost increases over time. These efficiencies help limit the net annual operating impact of the facility while supporting long-term program sustainability.

Any incremental net costs are consistent with Oregon Tech's capacity to support the revitalized facility without creating undue pressure on the university's operating budget.

Financial Efficiencies

The Semon Hall Revitalization Project achieves meaningful financial efficiencies by replacing an aging, high maintenance facility with modern, purpose-designed infrastructure that reduces lifecycle operating and maintenance costs while improving program delivery. Academic programs currently housed in Semon Hall will remain in the facility following renovation, but will operate more efficiently due to improved space configuration, modern building systems and enhanced environmental performance. These efficiencies reduce pressure on operating budgets while supporting the long-term delivery of workforce critical healthcare and allied health programs.

Operational savings will be realized through replacement of antiquated mechanical, electrical, plumbing and control systems that currently drive elevated energy use, frequent maintenance interventions and system downtime. New high efficiency HVAC systems with digital controls, modern electrical distribution, LED lighting, improved building envelope performance and advanced building automation will significantly reduce energy consumption and maintenance intensity. Integration with Oregon Tech's campus geothermal utility system for building heating and heated pedestrian walkways further lowers long-term heating costs, improves winter reliability and reduces reliance on conventional energy sources.

The Project also improves operational efficiency at the program level. Reconfigured instructional, laboratory and clinical spaces increase capacity and flexibility, allowing programs to operate more effectively without adding class sections or duplicating resources across multiple facilities. As

mentioned previously, colocation of clinical based programs within a modernized building reduces inefficiencies associated with dispersed operations, improves scheduling predictability and streamlines shared support services, supporting enrollment stability and controlled growth while avoiding incremental staffing and facility costs.

From a lifecycle perspective, the Project delivers a strong return on investment. Comprehensive renewal eliminates approximately $10.2 million in deferred maintenance, reducing future capital exposure and avoiding continued investment in obsolete systems. During the initial years of operation, when major systems are under warranty, Facilities and CIR resources can be redirected to other high priority needs across the university's portfolio. As a project targeted for LEED Silver certification, additional efficiencies are expected through reduced energy, water and maintenance costs, and improved indoor environmental quality, contributing to a healthier and more reliable instructional and clinical environment.

Within this context, the Project includes a limited building addition that exceeds ten percent of Semon Hall's existing square footage, reflecting the specialized requirements of clinical based instruction rather than discretionary expansion. Square footage beyond the ten percent threshold is necessary to meet accessibility and accreditation standards, support clinical layouts that model authentic practice environments, establish the new Dental Therapy Program, and sustain the Dental Hygiene program, for which comparable space does not exist elsewhere on campus. Absent this modest expansion, the facility would face increased risk of loss of use, placing program continuity, enrollment stability and long-term operational sustainability at risk.

2. Revenue Sources, Fundraising and Partnerships

Fundraising Campaign

The Semon Hall Revitalization Project will be funded through a combination of state bond funding and institutional matching funds. Institutional matching funds of $2,700,000 are on hand and designated within the Board of Trustees' quasi-endowment, supported by proceeds from prior asset sales and other institutional resources reserved for strategic capital investments.

In parallel with the state funding request, the Oregon Tech Foundation will pursue a targeted capital campaign in support of the Semon Hall Revitalization Project, with a fundraising goal of approximating the university's institutional matching funds, to offset university expenses and reduce reliance on state bond proceeds. The campaign is expected to focus on Project-specific philanthropic support aligned with healthcare workforce development, student access and facility renewal priorities, consistent with institutional advancement practices. Philanthropic interest in the Project is closely aligned with its ability to sustain and expand cohort capacity in workforce-critical healthcare and allied health programs.

All fundraising activities will be conducted in compliance with state requirements and IRS regulations governing tax-exempt bond financed facilities, including restrictions on private use. Campaign commitments are expected to be secured prior to bond issuance, currently anticipated in 2029, consistent with institutional practice for major capital projects.

Ongoing operating costs for the revitalized facility will be supported through institutional operating revenues, including revenues associated with student recruitment, retention and program delivery. Lifecycle maintenance and renewal of the facility will be supported through institutional operating funds, state funded CIR resources and the university funded project set aside account established for the revitalized Semon Hall facility, consistent with HECC guidance and the university's stewardship framework.

Revenue Sources

The ongoing operating costs of the facility will be funded by revenue resulting from increased student enrollment in the four health-focused programs: Dental Hygiene, 20% cohort growth; Dental Therapy (new); Doctor of Physical Therapy, 71% cohort growth; and Marriage and Family Therapy, 100% cohort growth. Program enrollment, including cohort growth, contributes to an overall financially sustainable model. Life cycle maintenance and renewal of the facility will be supported through a combination of funding sources, as part of the stewardship model, including from institutional operating funds and the project set aside account.

3. Review of Alternatives

Oregon Tech evaluated multiple alternatives during development of the Semon Hall Revitalization Project, including partial renovation, phased renovation and construction of a new stand-alone facility. Each alternative was assessed based on cost effectiveness, operational efficiency, program continuity, accreditation risk and alignment with institutional and statewide capital priorities.

Partial and phased renovation approaches were determined to be insufficient to address the full scope of programmatic needs while maintaining continuity of instruction and clinical training. These approaches would result in significant, extended disruption to the Dental Hygiene program and would not provide the appropriately configured instructional and laboratory space required to support accreditation aligned program delivery.

Construction of a new facility was also evaluated and determined to be less cost-effective than comprehensive renewal of an existing asset. New construction would not align with the HECC SCDP's emphasis on capital renewal over new construction and would require additional investment while leaving an existing, mission critical facility unresolved.

Based on this analysis, Oregon Tech concluded that comprehensive renovation with a modest addition represents the most effective and fiscally responsible approach. The addition is necessary to maintain continuity of the Dental Hygiene program during construction, as no comparable space exists on campus or within the region to temporarily relocate specialized laboratories and clinical infrastructure without risking accreditation and enrollment disruption. Semon Hall's central location and durable structural framework support reinvestment, allowing the university to preserve and modernize a critical academic facility while sustaining accredited program delivery and meeting long-term institutional needs. Failure to maintain program continuity during construction would place accredited programs at risk of enrollment disruption or loss of use, underscoring the need for the selected approach.

V. STRATEGIC CAPITAL DEVELOPMENT PRIORITIES

1. Space Renewal, Workforce, or Completion Priorities

1.1. Proposal Increases the Capacity and Effectiveness of Instructional Space

The Semon Hall Revitalization Project is estimated to increase academic space (as defined in SCDP[1], page 10) by approximately 69.0 percent. This increase will allow for: 1) an expansion and modernization of the Dental Hygiene instructional and simulation areas; 2) addition of the new Dental Therapy program utilizing shared instructional and simulation space with Dental Hygiene; 3) development of a student laboratory for the Doctor of Physical Therapy Program; and 4) development of a hands-on experience and teaching environment for Marriage and Family Therapy, all known as A+ Labs.

Active Learning Laboratories (A+ Labs)

As the SCDP found, and is still true today, "There are statewide occupational needs in Health and STEM-related fields. The project team's analysis suggests there is room to grow enrollment in programs that help to fill these occupational demands, as Oregon produces relatively few graduates in relationship to numbers of employees in STEM and health care fields, and therefore would appear to be reliant on importation to get those workers" (page 6).[1] Additional instructional space will allow for better pedagogical practice (in Dental Hygiene, described further below), enrollment growth (in Marriage and Family Therapy) and development of new programs (Dental Therapy).

The Oregon Tech Marriage and Family Therapy students we host in practicum consistently demonstrate exceptional clinical preparedness and a strong commitment to quality client care. Their proactive approach and foundational strengths make them a ***valuable asset to our team and the community they serve.***

- Tessa Saindon,
CEO, Connect, Thrive, Restore, Counseling Group
Klamath Falls, OR

The increase in capacity of instructional space is in the expansion and development of Active Learning Laboratories ("A+ Labs", for short). A+ Laboratories: 1) immerse students in hands-on, practice-based environments, simulating authentic healthcare settings; 2) allow learners to practice technical skills, clinical reasoning and interprofessional communication with community members in a high-support environment; 3) integrate technology, simulation and experiential learning; and 4) help students build confidence, competence and professional identity. The A+ Laboratories will strengthen community health by providing the opportunity for students to obtain their required clinical hours, working with real-world patients offering free or affordable low-cost (sliding scale) services to underserved populations.

Because community members will be coming to campus to participate in the A+ Labs, construction of a new ADA-parking lot adjacent to Semon Hall is included in the project scope. Community members, many of whom are elderly, currently must park on the perimeter of campus and walk

a significant distance often with stairs to reach Semon Hall. For new patients this can cause angst in navigating campus and locating suitable parking, causing unnecessary strain. Installing an ADA compliant parking area adjacent to the renovated Semon Hall will increase ease of access for community members, students and industry partners alike.

Program-Specific Need

The increase in instructional space is critical for the Dental Hygiene program due to an extreme pressure point. The SCDP noted that "… continued growth in academic programs such as Engineering, Computer Science (including IT and data analytics) and Health Care, may cause pressure points in these colleges"[1] (page 10). The Dental Hygiene program has endured a limited instructional space for the last few decades and has found innovative solutions to overcome many limitations. However, the current space, which has not had a major renovation since the building was built in 1964, limits expansion of the program. Current space serves multiple purposes, well beyond the intent of the original space design, often with multiple cohorts of students and patients in the same space at the same time. To simulate the current dental hygiene workplace and newer teaching methods, which is fundamental to the mission of a polytechnic institution, the program must have additional dedicated instructional and lab space. This additional space will reduce the pressure point, allow for an increase in accommodating underserved populations and provide the opportunity for increased cohort sizes.

Dental Therapy is a new profession that has emerged and Oregon Tech is uniquely positioned to expand into dental therapy because the need, infrastructure and education mission alignment are already in place. By developing a Dental Therapy program, Oregon Tech will be able to address challenges in rural oral health care such as provider shortages, limited access to preventive and restorative services and long travel distances for patients. After investigating the limited number of Dental Therapy programs in the U.S., it is estimated the program would start with a cohort of eight students with plans to increase student enrollment in future years.

The Marriage and Family Therapy (MFT) program is a Master's degree program that was developed 10 years ago, in 2016. Students are successful in completing the program and finding employment. However, enrollment has been limited for several reasons including lack of student practicum sites, programmatic accreditation and faculty members due to the severe shortage of mental health providers in Oregon. Innovative academic leaders at Oregon Tech and the College of Health, Arts, and Sciences are committed to addressing these insufficiencies. The MFT program is currently exploring the programmatic accreditation process, which will require the hiring of additional faculty members. By the Fall of 2026, the MFT Program is expected to start the accreditation process, with the College's full support. In order to overcome the lack of sufficient locally practicum sites, Oregon Tech will need to create a mechanism through which students can obtain clinical hours; hence the A+ Lab. Programmatic accreditation validates that the MFT program at Oregon Tech meets rigorous professional standards and will also increase student enrollment. All these factors go hand in hand, and the commitment has been made to increase student enrollment in this program to help address the dire need for mental health providers in rural Oregon.

The Doctor of Physical Therapy (DPT) program accepted its first cohort of students in June of 2023 and is a joint program with OHSU. The DPT program is currently accredited under the category of candidacy and is seeking full accreditation which it should receive later in 2026. The program currently faces unmet space needs and will require dedicated lab space for students to interact with varied patient populations to meet on-going accreditation standards.

Academic Space Surplus or Deficit

The Semon Hall Revitalization Project addresses a clear deficit in effective academic instructional space, as defined in the SCDP[1]. While the SCDP notes that statewide academic space capacity is generally sufficient, it emphasizes that functional deficits arise when existing space is outdated, inflexible, or unable to support modern pedagogy and accreditation driven instruction. Semon Hall reflects this condition. These limitations constrain instructional delivery and cap cohort sizes across multiple programs; the Semon Hall Revitalization Project is therefore necessary to enable program growth and establishment of the new Dental Therapy program. The revitalized instructional space resolves these constraints, enabling controlled cohort growth in workforce-critical programs housed in Semon Hall.

Semon Hall is one of the most heavily utilized academic buildings on Oregon Tech's Klamath Falls campus with workforce critical healthcare and allied health programs. Program cohort sizes for Dental Hygiene, Doctor of Physical Therapy, and Marriage and Family Therapy are capped due to space limitations, including inadequate classroom, laboratory and laboratory training configurations. These constraints limit instructional capacity despite high utilization and demonstrated student demand, resulting in a functional deficit of academic space rather than a surplus. Current cohort sizes in programs housed in Semon Hall are space-bound and the Project removes these constraints by providing right-sized, code-compliant instructional and laboratory space necessary to support additional cohort capacity.

The Semon Hall Revitalization Project resolves this deficit by renewing and reconfiguring existing instructional space to increase capacity and effectiveness, consistent with SCDP priorities. As a direct result of the Project, Dental Hygiene, DPT and MFT cohort sizes will increase by 20 percent, 71 percent, and 100 percent, respectively, enabled by accreditation compliant laboratory and instructional layouts that cannot be achieved within the existing facility. In addition, the Dental Therapy program cannot be established without renewed space, as current Semon Hall conditions do not meet the accreditation and clinical training requirements necessary to support the program.

Through comprehensive renewal and targeted expansion limited to accreditation required space, the Project increases instructional capacity, supports controlled cohort growth and improves utilization of existing E&G space. This approach aligns with SCDP guidance to prioritize space quality, suitability and utilization efficiency over broad net-new construction, while directly addressing workforce critical academic space deficits.

Academic Support Space Surplus or Deficit

Additionally, the Semon Hall Revitalization Project addresses a deficit in appropriately configured academic support space, as defined in the SCDP. While the SCDP notes that statewide academic

support space is not uniformly deficient, it recognizes that functional deficits occur when existing support areas do not align with accreditation standards, accessibility requirements, or contemporary program delivery models.[1] Semon Hall reflects this condition.

Academic support spaces within Semon Hall include allied health program preparation and sterilization areas, materials and storage rooms, faculty supervision and consultation areas, shared instructional support rooms and student facing clinical reception and waiting areas. The spaces are undersized, fragmented, or distributed across nonadjacent locations. These conditions constrain instructional efficiency, complicate scheduling, and directly contribute to capped cohort sizes for Dental Hygiene, Doctor of Physical Therapy, and Marriage and Family Therapy and prevent implementation of the Dental Therapy program. Renewal and consolidation of academic support space enables controlled cohort growth and establishment of new programs by aligning facilities with accreditation and operational requirements.

The absence of dedicated, accreditation-aligned academic support space further prevents establishment of the Dental Therapy program, which requires specific support functions that cannot be accommodated within the existing facility.

The Semon Hall Revitalization Project resolves this deficit by renewing, consolidating and rightsizing academic support space within a single, purpose designed facility. The revitalized building will include centralized allied health support suites (e.g., materials handling and sterilization), dedicated simulation and skills laboratories, shared preparation and storage areas, and appropriately configured faculty supervision and student support spaces that serve multiple programs. By consolidating functions that are currently duplicated or dispersed, the Project improves adjacency, workflow efficiency and shared use while reducing operational inefficiencies. Academic support and shared instructional spaces are designed to scale appropriately with cohort size, ensuring that planned program growth can be supported without diminishing educational quality or student outcomes.

Consistent with SCDP guidance, this approach prioritizes space effectiveness and utilization efficiency rather than excess square footage. Modernized and consolidated academic support space enables accreditation compliance, supports increased instructional throughput and improves operational sustainability across multiple allied health programs, addressing a clear academic support space deficit without creating surplus capacity elsewhere in the campus portfolio.

1.2. Addressing Workforce Needs

The Semon Hall Revitalization Project will enable Oregon Tech to meet existing and future healthcare workforce needs by filling occupations which require an advanced degree; providing a real-world, applied experience for students; and meeting employment gaps at the bachelor and above degree level.

Advanced Degrees and Applied Experience

As noted in the Oregon Tech section of the SCDP, among the occupations that are expected to have a large number of annual openings are allied health professionals, many of which require

college degrees.[1] The Oregon Tech allied health programs that will primarily utilize Semon Hall (Dental Hygiene, Dental Therapy, Doctor of Physical Therapy, and Marriage and Family Therapy) each require an advanced degree in order to become eligible for field-specific licensure or career advancement. Specifically:

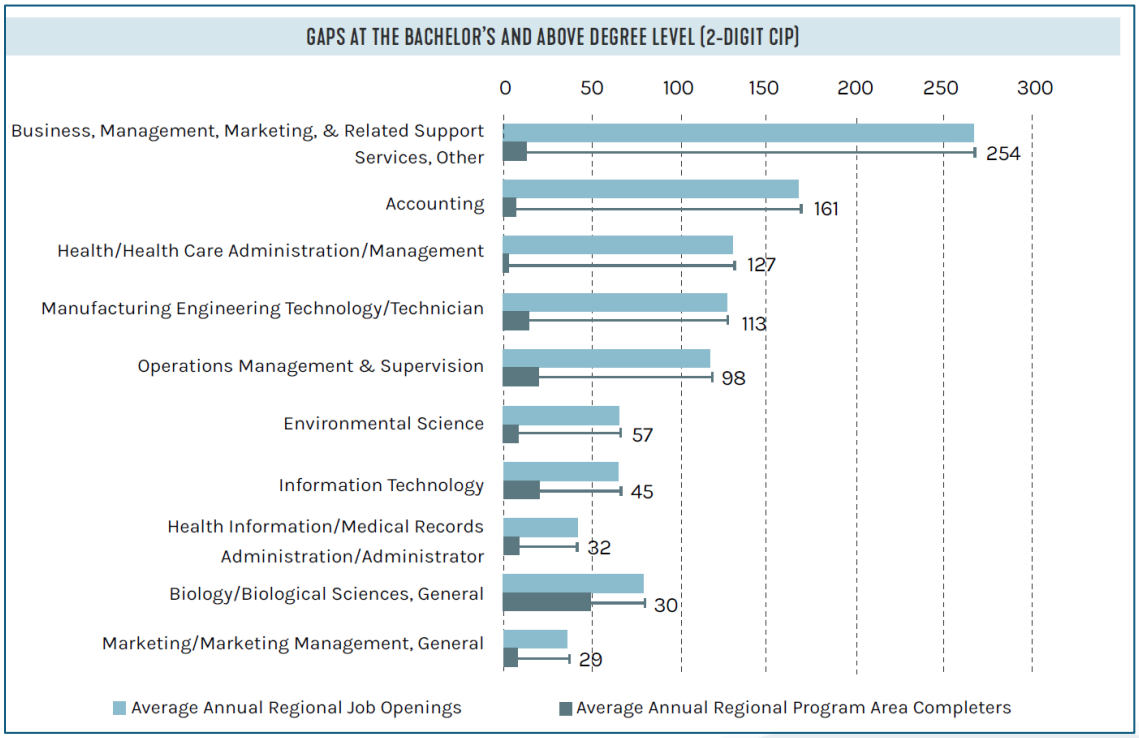
- In the absence of a Bachelor's degree or higher in Physical Therapy, career paths peak at Physical Therapist Assistant or Occupational Therapy Assistant, both achievable with an Associate's degree.
- Without attaining a Master's degree in a counseling field (such as Marriage and Family Therapy), students will be ineligible for licensure and are limited to more social service roles than therapy-focused careers.
- Although students can become a licensed dental hygienist with an Associate's degree, those that choose to move forward to the Bachelor's degree or higher have greater opportunity for career advancement, including among areas such as public health, management and education. Further, they have a higher earning potential than hygienists with only an Associate's degree, making the Bachelor's degree a strategic investment in their future.
- The Dental Therapy field is relatively new, with only four programs offering degrees across the country (American Dental Therapy Association, 2026); two offer Associate's degrees, one offers both Bachelor and Doctorate degrees, and the last offers a Master's degree.

One of the hallmarks of Oregon Tech's polytechnic curriculum is to include hands-on, experiential learning; this is true for all the allied health programs that will utilize the revitalized Semon Hall space. Engaging in real-world practice within the A+ Labs (described above) will serve as internship experiences for the students. For example, Master's students in the MFT program are required to complete 700 hours of practicum, with at least 300 of those hours designated as direct client contact. Working with real-world patients in the A+ Labs in Semon Hall will enable MFT students to accrue those hours and complete the practicum experience on-campus.

Meeting Employment Gaps

According to the Oregon Tech section of the SCDP, *Health/Healthcare Administration/Management* represented the third highest gap between Average Annual Job Openings and Average Annual Regional Program Area Completers within the Central Oregon region (see Figure 15, on the next page).[1] At the time, the SCDP noted that *Private Education and Health Services* was expected to demonstrate the second to largest growth between 2017 and 2027 (Figure 8, page 106).[1]

Figure 15: Gaps at the Bachelor's & Above Level (pg. 108)[1]



More recent data from the same data source utilized in the SCDP (the State of Oregon Employment Department)[15] confirms that Private Education and Health Services accounts for 17 percent of all employment in the Central Region "making it the second largest industry of employment". Further, the Employment Department notes:

> "From 2023 to 2024 alone, regional healthcare added jobs at a faster pace than any other major sector…mirroring the state where healthcare became one of the principal drivers of employment growth…By 2033, Central Oregon is expected to add another 2,190 healthcare and social assistance jobs, the most of any industry."[15]

The Employment Department also cautioned that "replacement needs dominate the future openings" given the accelerated expected rate of retirement, with thousands of positions needing to be filled to accommodate the loss.[15]

Despite the explosive growth within the healthcare workforce, there remain significant shortages across the state. Klamath County, for instance, is designated as a Health Provider Shortage Area (HPSA) for both Dental Health and Mental Health by the Health Resources and Services Administration as are the majority of rural areas.[16] Further, Klamath County (again, as is the case among many rural counties in Oregon) has higher population to provider ratios than the state average across many healthcare areas. For instance, in terms of Physical Therapists the population to provider ratio for the state is 1,413:1 while in Klamath County it is 1,869:1. The

[15] State of Oregon Employment Department. (September 24, 2025). Healthcare leads the way as growth slows.
[16] Health Resources and Services Administration. (2026). Health Provider Shortage Areas.

situation is even more dire with regards to Counselors and Therapists, with the local ratio being more than twice as high as the state average (3,717:1 as compared to 1,725:1).[17]

> *Rural communities across Oregon continue to struggle with shortages in the healthcare workforce, and it has become exceedingly difficult to recruit professionals to fill these openings. The allied health programs at Oregon Tech not only* ***stregthen the healthcare workforce*** *upon graduation, they supplement services in the area during their education and training.*
>
> ***- Jennifer Little,***
> *Director,*
> *Klamath County Public Health*
> *Klamath Falls, OR*

Similarly, the Oregon Areas of Unmet Health Care Need Report[18] scores and ranks 128 Oregon service areas based upon nine variables measuring primary, dental and mental health care availability, affordability and utilization; the lower the score, the greater the unmet need:

"For 2025, scores ranged from 23 (worst) to 78 (best), compared to last year, when they ranged from 21 to 78. East Klamath has had the lowest score for the past two years, eclipsing Warm Springs, which had the lowest score for the previous three years."[18]

Klamath County is demonstrating the most unmet need out of all service areas across the state of Oregon.

Given that job opportunities within the healthcare field in Central Oregon (and across the state) are accelerating at a rapid pace and there continue to be shortages among the workforce (particularly among rural areas such as Klamath County), it becomes even more crucial to close the gap between workforce demand and supply. The Semon Hall Revitalization Project will enable Oregon Tech allied health graduates to assist in closing that gap. In fact, according to the SCDP, in terms of Oregon Tech program completion rates (pg. 119), *Health Professions and Related Programs* represent the single largest category of completions for the university, totaling close to half of all completions each year from 2010 to 2017.[1] Additionally, *Health Professions and Related Programs* has shown consistent growth in completions across the seven-year period. By expanding program capacity in the Dental Hygiene program, launching the Dental Therapy program, and achieving accreditation for the Doctor of Physical Therapy, and Marriage and Family Therapy programs (thereby opening up the full number of cohort slots for each), Oregon Tech will be able to increase the number of healthcare professionals to enter the workforce and to better assist in meeting the employment gap across the state.

1.3. Bringing Industry to Campus

This Project brings industry members to campus to assist in an educational capacity. The proposed A+ Labs use local healthcare providers to assist in an instructional capacity. Currently, the Dental Hygiene program has one half-time dentist employed to provide care to underserved

[17] Oregon Health Authority. (2026). Oregon's Licensed Health Care Workforce
[18] Oregon Office of Rural Health. (September 2025) Oregon areas of unmet health care need report.

community members and instruct students. With the addition of a Dental Therapy Program, local dentists will be invited to campus to instruct students in a variety of specialized dental procedures.

The Marriage and Family Therapy program will hire local marriage and family therapists to assist in instructing/observing students in the A+ Labs. Even though Oregon Tech will hire additional faculty members, the number of observation hours is so many that it is common practice in the pedagogy of these students to have a number of adjunct faculty members to assist.

I enjoyed the positive attitude of all the students and teachers involved. This was a 'win-win' class. You said that you paired us so that the students could grow and learn, but also - This has been ***life changing for me.***

- Integrated Clinical Experience (ICE) Program participant

I really enjoyed participating in the Walk With Ease (ICE) program. Having the opportunity to work one-on-one with a patient and tailor their progression based on individual needs ***was incredibly rewarding.*** *It allowed me to grow both as a clinical reasoner and as a future physical therapist. I found this experience to be highly beneficial to my professional development.*

- DPT Current Student

The Doctor of Physical Therapy program currently sends faculty and students off campus to local clinics and sites to interact with specific patient populations through Integrated Clinical Experiences (ICE). These experiences which integrate students, faculty and local practitioners include: 1) Better Bones and Balance- offered at the Klamath Senior Center, 2) Walk with Ease- offered in partnership with Sky Lakes Medical Center, 3) Mini-Kickers- offered in partnership with the Klamath YMCA, 4) Social Gaming Club- offered in partnership with Tater Tots Pediatric Clinic. Once the DPT program has an A+ Lab in the renovated Semon Hall, these services will be transitioned on-campus to make it more convenient for patients and students. The DPT program will continue to employ local physical therapists for their expertise and assistance in the instruction of students within these laboratories.

By housing these A+ laboratories within a single building, Oregon Tech is creating a centralized hub for industry members to engage in ways that are currently limited. Colocating these spaces will bring students, healthcare professionals, faculty members and community members into consistent proximity fostering interprofessional instruction, research (discussed below in *Section V. Strategic Capital Development Priorities, Section 3.1. (Supporting Research with Industry Partners*), and community-engaged service. This will build upon existing collaborations, such as the interdisciplinary outreach at the local senior center in which the Dental Hygiene and Doctor of Physical Therapy programs address oral health alongside mobility and dexterity challenges. With industry partners embedded on campus, students gain exposure to real-world practice expectations, while partners benefit from access to potential employees.

2. Addressing Deferred Maintenance

Deferred Maintenance Reduction

The Semon Hall Revitalization Project directly addresses significant deferred maintenance in a high use E&G facility that has reached the point where comprehensive renewal is more cost effective than continued incremental repair. As documented in the 2024 Facilities Master Plan, Semon Hall is rated “Poor” based on its FCI, reflecting aging mechanical, electrical and plumbing systems; building envelope deficiencies; structural and seismic vulnerabilities; and accessibility limitations that collectively exceed the scope of routine maintenance.

As described above in *Section II. Institutional Capital Plan Information, Section 3.* (*Deferred Maintenance – Estimated Backlog)*, Oregon Tech employs a two-tiered strategy that combines targeted system level maintenance with full building renewal when systems reach obsolescence. This Project represents a targeted application of that strategy, removing a substantial deferred maintenance burden from a mission critical academic facility and enabling the university to reallocate limited CIR resources more effectively across the remaining campus portfolio.

The Project will comprehensively reduce deferred maintenance through full replacement of end-of-life mechanical, electrical and plumbing systems; remediation of deficiencies in the building envelope and interior infrastructure; correction of accessibility deficiencies to meet current standards; and implementation of required seismic upgrades. In total, the Project is expected to eliminate approximately $10.2 million in deferred maintenance associated with Semon Hall’s primary building systems, representing roughly 19 percent of the total project cost and delivering a substantial return on investment through a single, coordinated capital renewal effort.

Semon Hall, one of the earliest buildings constructed on the Klamath Falls campus, no longer meets current seismic resiliency, energy efficiency, or ADA accessibility standards. The facility exhibits deteriorating foundations, aging structural elements and widespread hazardous materials, including asbestos in flooring, ceilings, ductwork and exterior components, that pose operational, safety and financial risks if left unaddressed. Incremental repairs are no longer viable given the extent and interdependence of system failures. However, the building’s durable original structural framework and long clear span design make it well suited for comprehensive rehabilitation, allowing Oregon Tech to extend the facility’s useful life in a cost-effective manner consistent with recent successful renewal projects such as Boivin Hall. Please refer to *Section III. Project Summary, Section 5.2 (Additional Photos)* for photographic documentation of existing deferred maintenance conditions in Semon Hall.

Modernization of building systems is expected to yield measurable reductions in ongoing operating and maintenance costs, including energy, water and lifecycle maintenance savings. Replacement of antiquated electrical infrastructure, lighting systems, HVAC controls and single pane glazing with modern, high efficiency systems will improve reliability, indoor environmental quality and instructional functionality. During the initial years of operation, while systems remain under warranty, maintenance staff will be able to redirect effort and CIR resources to other facilities with significant deferred maintenance needs, accelerating progress in reducing the university’s overall deferred maintenance backlog.

Deferred Maintenance Account

To support long-term stewardship of this major investment, the Project establishes a university-funded capital set aside account for the revitalized Semon Hall facility. This account will be used to proactively address future systems renewal and capital reinvestment needs over the building's lifecycle, supplementing the university's preventive maintenance and CIR programs. Establishment of this dedicated account aligns with the HECC's guidance and reinforces Oregon Tech's commitment to responsible asset management, deferred maintenance risk reduction and sustainable use of state capital investments.

3. Supports the Research and Economic Development Capacity of the Institution

3.1 Supporting Research with Industry Partners

According to the SCDP[1], research benefits universities and their communities by increasing information transfer and promoting economic growth, while also attracting higher quality students and strengthening the reputation of higher education as a whole. The Semon Hall Revitalization Project will support the research and economic development capacity of Oregon Tech. The A+ Labs will bring together faculty members, local healthcare providers and students in a model that promotes collaborative research within and between their respective professions. The Dental Hygiene and Physical Therapy programs both have active research agendas. The Physical Therapy program, being a doctoral degree, already collaborates with local physical therapists in research projects, which is required by their accrediting body. Having access to the A+ Lab on campus will only expand research opportunities for students, faculty and these local industry partners. As their student enrollment grows, the number of additional local physical therapists and opportunities for future research collaborations will also expand. Similar research opportunities also exist for the Marriage and Family Therapy and anticipated Dental Therapy programs.

Interprofessional opportunities for research also exist in addition to those that are program-specific. For instance, the Dental Hygiene and the Applied Behavior Analysis programs collaborate on research with pediatric patients who display behavior challenges. The Applied Behavior Analysis students create behavior modification programming (reward systems) that Dental Hygiene students can implement when working with these patients. This is just one example of the interdisciplinary research that can occur between the allied health programs, which will only be enhanced once the clinics are in the same building. Oregon Tech anticipates an increase in scholarly activities and external grant funding given closer proximity following the Semon Hall Revitalization Project .

3.2 Supporting Innovation with Industry Partners

This Project supports innovation with industry partners by bringing industry members to the Klamath Falls campus to assist in the instruction of students as described above in *Section V. Strategic Capital Development Priorities, Section 1.3. (Bringing Industry to Campus)* and promoting interprofessional research opportunities as described in *Section V. Strategic Capital*

Oregon Tech's Dental Hygiene program was a natural partner for our Dental Assisting program. Located on our Salem campus, together, they ***strengthen the experiences*** *of students across both programs, to the benefit of our institutions and the communities that they serve.*

- Sandi Kellogg,
Dean of Health Sciences,
Chemeketa Community College,
Salem, OR

Development Priorities, Section 3.1. (Supporting Research with Industry Partners), innovations that could naturally emerge by bringing industry partners into these A+ laboratory settings include:

- provide continuing education to local healthcare professionals,
- pilot studies for new healthcare models,
- development of mobile clinics/services,
- rural health disparities projects,
- patient education outreach,
- local and international service opportunities, and
- interprofessional education activities.

Oregon Tech plans to optimize resources on campus to address community and workforce needs by providing more accessible and available healthcare services through A+ laboratories, increasing the number graduates in Dental Hygiene and Marriage and Family Therapy and launching a Dental Therapy program. For more information regarding how Oregon Tech plans to address community and workforce needs, please see *Section III. Project Summary, Section 7.2 (HECC Equity Lens and Oregon Strategic Roadmap*), and *Section V. Strategic Capital Development Priorities, Section 1.2. (Addressing Workforce Needs).*

4. Collaboration Between the Public Universities and Interested Parties

4.1. Collaborative Efforts

As mentioned in *Section III. Project Summary, Section 7.2. (HECC Equity Lens and Oregon Strategic Roadmap),* Oregon Tech is in a partnership with Sky Lakes Medical Center, Klamath City Schools, Klamath County School District and Klamath Community College to offer curriculum and career pathways for students attending the Klamath Regional CTE campus. The Klamath Regional CTE campus launched with some course offerings in the fall of 2025 and has plans to continue expanding each year through 2030, that will serve as a pipeline directly into Oregon Tech's allied health and behavioral programs housed in Semon Hall.

4.2. Public Service Entities

Public service entities could include but are not limited to public universities, community colleges, public school districts, regional consortiums, or private institutions; please see *Section V. Strategic Capital Development Priorities, Section 4.1 (Collaborative Efforts)*.

VI: OPERATIONAL SAVINGS AND SUSTAINABILITY

Cost Savings Generated by Operational Efficiency

The Semon Hall Revitalization Project will generate measurable operational cost savings by replacing inefficient, end-of-life building systems with modern, high-performance infrastructure designed to reduce lifecycle operating and maintenance costs. Constructed in 1964, Semon Hall relies on outdated HVAC equipment with pneumatic controls, antiquated electrical distribution, inefficient lighting, single pane glazing and a deteriorated building envelope; conditions that drive elevated energy use, frequent maintenance interventions and system unreliability.

The Project will fully replace mechanical, electrical, plumbing, lighting and control systems with high-efficiency, digitally controlled systems, significantly reducing energy consumption, unplanned outages and maintenance demand. Integration with Oregon Tech's campus geothermal utility system for building heating and heated pedestrian walkways further lowers long-term heating costs and improves winter reliability compared to conventional systems. Modern building automation will enable scheduling, setback controls and real time monitoring, supporting consistent indoor environmental quality for instructional and clinical spaces while optimizing system performance.

From a lifecycle perspective, the Project represents a strong return on investment: approximately $10.2 million in deferred maintenance will be eliminated through comprehensive renewal, about 19 percent of total project cost, while ongoing operational savings are realized through reduced energy use, lower maintenance intensity and extended system life. During the initial years of operation, when major systems are under warranty, Facilities staff and CIR resources can be redirected to other high need buildings, accelerating progress in reducing the university's overall deferred maintenance backlog.

The HECC Capital Project Cost Summary Form, included in *Appendix B*, reflects these assumptions and anticipated savings over the building's lifecycle.

Potential for Sustainability – Efficient Use of Energy Resources

Sustainability is advanced through capital renewal that improves environmental performance, operational efficiency and long-term program viability. The revitalized Semon Hall will be designed to meet LEED Silver certification, incorporating high-efficiency HVAC systems, improved insulation and glazing, energy-efficient lighting, advanced controls and low maintenance materials. The Project is intended to meet or exceed current energy and sustainability standards applicable to public higher education facilities, consistent with Oregon Tech's 2024 Facilities Master Plan and recent renewal projects.

Environmental benefits are reinforced through geothermal integration, reduced energy and water consumption, improved indoor environmental quality and durable system selections that extend replacement cycles and reduce lifecycle costs. Site improvements will enhance accessible pedestrian circulation, improve winter mobility and reduce long-term maintenance needs. By reinvesting in an existing E&G facility rather than pursuing new construction, the Project avoids

additional embodied carbon and infrastructure expansion while preserving a mission critical academic asset.

Together, these measures support operational sustainability, fiscal sustainability and environmental performance, ensuring that Semon Hall can support workforce critical healthcare and allied health education efficiently and reliably over its extended service life, while delivering lasting value from public capital investment.

Potential for Sustainability –Programmatic and Operational Sustainability

The Project advances sustainability through durable, efficient program operations by colocating multiple allied health-laboratory based academic programs within a purpose designed facility, directly supporting instructional continuity and enrollment stability. Housing Dental Hygiene, Dental Therapy, Doctor of Physical Therapy, and Marriage and Family Therapy in Semon Hall enables shared use of specialized laboratories, simulation environments and patient facing clinical space designed to meet programmatic accreditation standards across disciplines. This integrated model reduces duplication of space, equipment and staffing resources while ensuring that facilities remain consistently compliant with accreditation requirements that govern instructional quality, safety and clinical preparation.

Operational sustainability is further strengthened by enabling predictable scheduling, shared laboratory workflows and coordinated use of support spaces, which reduces operational inefficiencies and minimizes disruption to instruction. Consolidation of clinical programs limits reliance on temporary or offsite facilities and provides stable, compliant and efficiently utilized space within a single modernized facility. The Project supports continuous accreditation status, protects cohort-based enrollment models and enables controlled enrollment growth, ensuring that workforce critical programs can be delivered reliably and cost effectively over the long term. These cohort assumptions are directly enabled by the revitalized instructional and laboratory space described in *Section V. Strategic Capital Development Priorities*, rather than by changes in admissions strategy or staffing alone. Together, these outcomes reinforce the sustainability of academic operations, institutional revenue stability and long-term return on public capital investment.

VII: LIFE SAFETY, SECURITY and LOSS of USE

Life Safety

The Semon Hall Revitalization Project addresses life safety and code-related deficiencies that affect the health, safety and welfare of building occupants and the public. Semon Hall is identified in the 2024 Facilities Master Plan as having a FCI rating of “Poor,” reflecting aging systems, outdated configurations and deficiencies that increase life-safety risk in a high-occupancy academic and clinical facility. Accessibility assessments have documented noncompliant ramps, constrained circulation and limited accessible routes, which affect safe ingress, egress and emergency movement for individuals with mobility limitations. In addition, seismic evaluations have identified deficiencies that do not meet current performance expectations for an essential instructional facility. Given the building’s intensive daily use and its role in laboratory and clinical-

based instruction, comprehensive renovation is required to address these life-safety risks within the requested period.

Security

The Project promotes a safe and secure environment by addressing physical security and access control limitations in an aging facility that supports instructional, laboratory and clinical functions. Semon Hall lacks a modern, integrated door locking and electronic access control system appropriate for contemporary academic and clinical settings. The Project will enable implementation of a campus integrated access control and door lock system, supporting controlled entry, emergency response protocols and coordination with campus security operations. These improvements safeguard occupants, protect university assets and align the facility with current expectations for secure operation of higher education and clinical training environments.

Loss of Use

The Project addresses the material risk of partial or full loss of use associated with existing facility deficiencies in Semon Hall and the disproportionate institutional impact that would result if the building were unavailable. As one of the primary locations for allied health instruction and clinical preparation, Semon Hall supports programs that depend on continuous access to compliant, secure and accessible instructional environments. While the building remains operational, continued use without comprehensive renewal increases exposure to accessibility limitations, seismic vulnerabilities and outdated security infrastructure that could necessitate restrictions on use or phased shutdowns over time. Because comparable space does not exist on campus to absorb these functions, any loss of use, whether partial or total, would have immediate consequences for program continuity, student progression and Oregon Tech's ability to sustain workforce critical healthcare and behavioral health education.

As mentioned in *Section III. Project Summary, Section 7.3. (Critical Institutional Need)*, the four allied health programs utilizing academic space in Semon Hall, are either accredited, provisionally accredited, or seeking accreditation. The accrediting bodies require programs to demonstrate that their physical environment fully supports effective teaching, learning and clinical preparation. This includes providing instructional and laboratory spaces that promote current best practices in pedagogy and student success.

Accrediting bodies expect institutions to identify dedicated laboratory spaces that are: 1) conducive to high-quality instruction, meaning access to current technology and equipment that is reflective of contemporary practice, 2) designed for safe utilization and with appropriate safety features, 3) and well-maintained as noted in CODA (Dental Hygiene and Dental Therapy) and CAPTE (Physical Therapy) accreditation standards. As facility standards are mandatory conditions of accreditation, any inability to meet them places the program at risk of accreditation warning, probation, or loss of accreditation. Loss of accreditation could result in the closure of the program, eliminating a critical workforce pipeline and reducing access to essential services in the region.

Further, maintaining program continuity throughout any construction would be critical for the Dental Hygiene program, as the specialized needs of their classrooms and labs would prevent transfer to another location on campus without excessive cost. As a result, it is critical that the renovation of Semon Hall utilize a phased approach with the completion of the addition first, to maintain continuity of Dental Hygiene instruction and lab work. In the absence of this phased approach, the Dental Hygiene program would put their accreditation, enrollment of current students and recruitment of future cohorts at risk.

Third-party verification of life safety, seismic, security and loss-of-use conditions is provided in *Appendix C (Verification Letter – Life Safety, Security and Loss of Use)*. This appendix includes an independent assessment prepared by a professionally certified expert, substantiating these findings.

VIII: INSTITUTIONAL PRIORITY

The Semon Hall Revitalization Project is Oregon Tech's first and only capital construction priority for the 2027–2029 biennium. By advancing a single priority project, the university is deliberately concentrating institutional leadership, financial resources and implementation capacity on the renewal of a mission-critical E&G facility that directly supports workforce focused healthcare and allied health education. This designation reflects Oregon Tech's capital planning framework and decision making process and underscores the urgency of addressing documented instructional capacity constraints, accreditation-aligned space deficiencies, accessibility gaps and long-term infrastructure renewal. Identifying Semon Hall as the sole institutional priority demonstrates Oregon Tech's commitment to responsible capital stewardship, disciplined prioritization and alignment with the SCDP[1] and statewide workforce and equity goals.

IX: STUDENT SUCCESS FOR UNDERSERVED POPULATIONS

1. Underserved Population: Rural Students

As noted in *Section III. Project Summary, Section 7.2. (HECC Equity Lens and Oregon Strategic Roadmap)*, Oregon Tech is located in rural Southern Oregon and a large portion of the student body comes from rural environments themselves. In fact, institutional data indicates that across the past five years, 70 percent of in-state enrollment came from Oregon rural counties of origin, meaning that nearly three-quarters of the student population qualify as underserved.[14]

2. Student Success and Completion Model (SSCM) Data

Upon reviewing the HECC Public University Data Dashboard[11], rural students across the state and at Oregon Tech demonstrate lower rates of retention as well as six-year degree completion. Specifically, according to the most recent data (academic year 2023-2024), the overall Fall to Fall retention rate for public institutions in Oregon as a whole was 83 percent, while the rural

population across all public institutions were retained slightly less so, at 81 percent. Oregon Tech students demonstrated a similar trend: overall Fall to Fall retention for 2023-2024 was 78 percent, while rural student retention was slightly lower at 76 percent. Completion rates showed a similar pattern, with 68 percent of students across all public institutions earning a degree within six years, with slightly fewer of the rural population (66 percent) accomplishing the same. Again, Oregon Tech students mirrored this trend, with 64 percent of all students completing their degree within six years as compared to 62 percent of the rural population.[11]

3. Overcoming Barriers

According to the Institute for College Access and Success (ICAS; 2023)[19] students coming from rural communities face additional barriers to higher education including elevated rates of poverty, less college advising and poorer overall college readiness. Additionally, students with rural backgrounds have fewer opportunities to have shadowed in healthcare, given the often-limited resources in smaller communities.

> *Students who come from rural areas often enter universities less prepared than their urban counterparts and have typically lower awareness of the range of healthcare career opportunities available to them. Oregon Tech, located in Southern Oregon, offers a wide range of allied health programs and provides the opportunity for* ***rural students to study and thrive*** *in a setting in which they are comfortable.*
>
> ***- Robert Duehmig,***
> *Director*
> *Oregon Office of Rural Health*

The Semon Hall Revitalization Project, coupled with community partnerships, has the potential to empower rural students to overcome these barriers and increase the likelihood of success during their academic careers at Oregon Tech. Specifically, ICAS suggests that one beneficial strategy to support rural students is to develop a "community of support" (page 5).[19] As mentioned in *Section III. Project Summary, Section 3.2. (Raise Facility Quality)*, all of the allied health programs who will utilize the revitalized Semon Hall are cohort-based, meaning that there is an inherent community of support built into the programs. Because students will share experiences throughout their academic careers, strong social networks and supportive relationships are developed from their very first term. Further, the revitalized space will be better suited to support student collaboration, with modular classrooms and intentional space allocated for students to gather and support one another, both academically and emotionally.

The Klamath Regional Career and Technical Education (CTE) and the Sky Lakes Ambassador programs described above in *Section III. Project Summary, Section 7.2. (HECC Equity Lens and Oregon Strategic Roadmap)* will minimize the typical lack of exposure to the healthcare field described as a barrier by ICAS.[19] By providing students with healthcare-focused courses and skills-building experiences throughout high school, their interest in the health field is expected to

[19] Institute for College Access & Success. (2023). National Rural College Completion Trends, Challenges, and Solutions.

significantly increase, as well as their awareness of the opportunity to move forward along this career pathway in their own community by enrolling at Oregon Tech.

Students from rural environments tend to utilize a more hands-on approach to learning styles than their urban counterparts.[20] As such, the A+ Labs in the revitalized Semon Hall will enhance the rural students' learning experiences by providing the opportunity to practice their skills working with real patients.

4. Expected Increases in Success

With these strategies and partnership pipelines in place, the expected increases in success for the rural population at Oregon Tech are to match the institutional retention and six-year completion rates. Specifically, this would represent a two percent increase in Fall-to-Fall retention for Oregon Tech rural students (from 76 percent up to 78 percent) as well as a two percent increase in six-year completion rates (64 percent up from 62 percent).

X. LEVERAGING INSTITUTIONAL RESOURCES

Oregon Tech is leveraging significant institutional resources to support the Semon Hall Revitalization Project. The university has committed $2.7 million in institutional funds, representing five percent of the total project cost, which are in hand and available to support the Project.

These institutional resources reflect a deliberate commitment by Oregon Tech to share in the financial responsibility for renewing a mission critical academic facility and to reduce reliance on state bond funding. The funds have been designated through institutional planning processes and demonstrate the university's readiness to advance the Project in alignment with statewide capital priorities.

By investing its own resources, Oregon Tech is strengthening its capacity to deliver workforce critical healthcare and allied health education, enabling sustainable enrollment growth and timely preparation of graduates for licensed practice in high-demand fields, particularly in rural and underserved regions of Oregon.

The institutional contribution complements the state's investment and reinforces Oregon Tech's longstanding approach to responsible capital stewardship, which includes reinvestment in existing E&G facilities, proactive management of deferred maintenance and alignment of capital spending with academic mission and workforce needs. By committing its own resources, Oregon Tech strengthens the overall financial structure of the Project and underscores its commitment to delivering long-term value from public capital investments.

[20] Cox, Sproles, & Cox. (1988). Learning style variations between rural and urban students.

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APPENDIX A: DAS Bond Forms 107BF11a and 107BF12

Higher Education Coordinating Commission - Public University / Community College
Major Construction/Acquisition Project Narrative

Note: Complete a separate form for each project.

Public University or Community College:	**Oregon Institute of Technology**	Project Type - indicate percent of budget in each category; total should add to 100%:	
Project Name:	**Revitalizing Semon Hall: Advancing the Healthcare Workforce and Addressing Community Needs**	Planning/design	10%
Estimated Start Date:	Spring 2029	Land/real property acquisition	0%
Estimated Completion Date:	Spring 2032	New construction	0%
Total Estimated Project Cost[1]:	$ 54,000,000	Addition	22%
Cost per net usable square foot added or renovated:	$ 1,205	Remodel	68%
		Total	100%

[1]Include all costs regardless of proposed funding model, such as design and planning, hard and soft construction costs, land and real property acquisition, infrastructure development, furnishings and fixtures, contingencies, etc.

Project Summary (describe the nature and purpose of the project):

Revitalizing Semon Hall: Advancing the Healthcare Workforce and Addressing Community Needs will comprehensively renovate and modernize Semon Hall, a mission critical academic facility on Oregon Tech's Klamath Falls campus. The project includes seismic retrofit; full replacement of mechanical, electrical, and plumbing systems; building envelope replacement; foundation repair; and complete interior renovation and modernization of classrooms, laboratories, and clinical instructional spaces, including dental operatories, and associated equipment and technology. A limited building addition of approximately 13,500 gross square feet will support accreditation driven clinical instruction space, accessibility, cohort expansion, and long term program continuity, along with site and infrastructure improvements such as ADA compliant pedestrian routes and transportation, mobility enhancements, outdoor learning areas, and landscaping.

Facility Details (describe specific details such as number of stories, square feet, type and number of components such as classrooms and labs):

Semon Hall is an existing single story concrete and steel academic building comprising approximately 36,290 gross square feet, which will be comprehensively renovated and modernized. The project includes a limited north side single-story building addition of approximately 13,500 gross square feet, resulting in a total facility size of approximately 49,800 gross square feet upon completion. The renovated and expanded facility will include specialized classrooms, instructional laboratories, and clinical training spaces configured to meet accrediting agency requirements, supporting the Dental Hygiene, Dental Therapy, Doctor of Physical Therapy, and Marriage and Family Therapy programs, with associated laboratory, materials, simulation, and support areas. For the Dental Hygiene and Dental Therapy programs, the facility will include approximately 38 dental operatories, consistent with program accreditation standards. Building systems will support lecture capture, instructional technology, and upgraded information technology infrastructure, and the project will address ADA accessibility requirements, including interior circulation, building access, and associated site improvements.

Funding Request

Type of Funding Requested	**Project Funding Amount Requested**	**Estimated Biennial Debt Service[5]**	**Debt Service[5] Funding Source**
General Funds/Lottery Funds	$ -	$ -	N/A
Article XI-F(1) Bond Proceeds[2, 4]	-	-	Other Funds
Article XI-G Bond Proceeds[3, 4]	2,700,000	-	General Fund
Article XI-Q Bond Proceeds[4]	48,600,000	-	General Fund
Lottery Revenue Bonds	-	-	Lottery Funds
Total	$ 51,300,000	$ -	

For Article **XI-F(1)** bond requests, indicate the revenue sources for university loan repayments to be used by HECC to pay debt service:

n/a

For Article **XI-G** bond requests, indicate the source(s) and amounts of matching funds:

On-hand university monies. Board-designated quasi-endowment.

For additional required project funding (i.e. beyond requested state funds and Article XI-G matching funds), indicate sources and amounts:

n/a

Notes:

[2]Article XI-F(1) bond proceeds are loaned to the university, and the loan repayments from the university are used by HECC to pay debt service on the bonds. HECC will request information from the university to perform its evaluation of revenue sufficiency (ORS 350.095) for requests to fund projects with Article XI-F(1) bond proceeds.

[3]Article XI-G bond proceeds are granted to a university or community college, and the Constitution requires matching funds be provided by the university or community college.

[4]For Public University projects, Article XI-F(1), XI-G, and XI-Q bond proceeds are limited to project costs that are allowed under generally accepted accounting principles to be capitalized to the asset being financed, with the exception of certain pollution remediation costs that are required by law to complete the project; thus, do not include non-qualifying costs of the project in amount requested to be financed by bonds.

[5]Debt service costs for all bonds must be obtained from DAS Capital Finance for inclusion in Agency Request Budget.

Capital Financing Six-Year Forecast Summary 2027-29

Agency: _HECC - Oregon Institute of Technology_

Agency #: _525000 _____

Provide amounts of agency financing needs for the 2027-29 biennium, by expected use and repayment source. Include proposed project amounts only (do not include debt service from either previously issued debt or from new debt issuance).

Use of Bond Proceeds	Bond Type: General Obligation Bonds	Bond Type: Revenue Bonds	Totals by Repayment Source	
Major Construction / Acquisition Projects				
General Fund Repayment	$ 51,300,000	$ -	$ 51,300,000	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Major Construction	$ 51,300,000	$ -	$ 51,300,000	
Equipment/Technology Projects over $500,000				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Equipment/Technology	$ -	$ -	$ -	
Debt Issuance for Loans and Grants				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Loans and Grants	$ -	$ -	$ -	
Total All Debt Issuance				
General Fund Repayment	$ 51,300,000	$ -	$ 51,300,000	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Grand Total 2027-29	$ 51,300,000	$ -	$ 51,300,000	

Capital Financing Six-Year Forecast Summary 2029-31

Agency: _HECC - Oregon Institute of Technology_

Agency #: _525000 _____

Provide amounts of agency financing needs for the 2029-31 biennium, by expected use and repayment source. Include proposed project amounts only (do not include debt service from either previously issued debt or from new debt issuance).

Use of Bond Proceeds	Bond Type: General Obligation Bonds	Bond Type: Revenue Bonds	Totals by Repayment Source	
Major Construction / Acquisition Projects				
General Fund Repayment	$ 75,000,000	$ -	$ 75,000,000	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Major Construction	$ 75,000,000	$ -	$ 75,000,000	
Equipment/Technology Projects over $500,000				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Equipment/Technology	$ -	$ -	$ -	
Debt Issuance for Loans and Grants				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Loans and Grants	$ -	$ -	$ -	
Total All Debt Issuance				
General Fund Repayment	$ 75,000,000	$ -	$ 75,000,000	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Grand Total 2029-31	$ 75,000,000	$ -	$ 75,000,000	

Capital Financing Six-Year Forecast Summary 2031-33

Agency: _HECC - Oregon Institute of Technology_

Agency #: _525000 _____

Provide amounts of agency financing needs for the 2031-33 biennium, by expected use and repayment source. Include proposed project amounts only (do not include debt service from either previously issued debt or from new debt issuance).

Use of Bond Proceeds	Bond Type: General Obligation Bonds	Bond Type: Revenue Bonds	Totals by Repayment Source	
Major Construction / Acquisition Projects				
General Fund Repayment	$ 85,000,000	$ -	$ 85,000,000	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Major Construction	$ 85,000,000	$ -	$ 85,000,000	
Equipment/Technology Projects over $500,000				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Equipment/Technology	$ -	$ -	$ -	
Debt Issuance for Loans and Grants				
General Fund Repayment	$ -	$ -	$ -	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Total for Loans and Grants	$ -	$ -	$ -	
Total All Debt Issuance				
General Fund Repayment	$ 85,000,000	$ -	$ 85,000,000	GF
Lottery Funds Repayment	-	-	-	LF
Other Funds Repayment	-	-	-	OF
Federal Funds Repayment	-	-	-	FF
Grand Total 2031-33	$ 85,000,000	$ -	$ 85,000,000	

APPENDIX B: HECC Capital Project Cost Summary Form

HECC CAPITAL PROJECT COST SUMMARY	Revised 3/2/2026					
Institution:	Oregon Institute of Technology					
Project Title:	*Revitalizing Semon Hall: Advancing the Healthcare Workforce and Addressing Community Needs*					
Institutional Priority Number:	1					
New construction, demolition, renewal	Renewal					
	2029 - 2030 First Year	**2030 - 2031 Second Year**	**2031 - 2032 Third Year**	**2032 - 2033 Fourth Year**	**2033 - 2034 Fifth Year**	**Total Project**
Land/Building Acquisition	$ -	$ -	$ -	$ -	$ -	$ -
Professional Services						
Architectural Services	2,970,000	1,350,000	1,080,000	-	-	5,400,000
Engineering Services	-	-	-	-	-	-
Planning Services	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-
Construction Services						
Site Improvements	-	-	-	-	-	-
Utility Improvements	-	-	-	-	-	-
Cost of Construction	6,700,000	15,618,000	11,724,000	-	-	34,042,000
Other Const. Services	1,080,000	704,000	432,000	-	-	2,216,000
Equipment and Furnishing						
Equipment	-	7,929,000	2,643,000	-	-	10,572,000
Furnishings	-	590,000	1,180,000	-	-	1,770,000
						-
Net Project Total:	$ 10,750,000	$ 26,191,000	$ 17,059,000	$ -	$ -	$ 54,000,000
* Note that bonded projects have three year project spend plan						
Operational Cost Savings (post project completion estimated)	**2031 - 2032 (Phase 1)**	**2032 - 2033 (Phases 1 & 2)**	**2033 - 2034 (Phases 1 & 2)**	**2034 - 2035 (Phases 1 & 2)**	**2035 - 2036 (Phases 1 & 2)**	
Operational Savings **(1)**	**First Year**	**Second Year**	**Third Year**	**Fourth Year**	**Fifth Year**	**Total**
Staffing	$ -	$ -	$ -	$ -	$ -	$ -
Utilities	(11,700)	(20,300)	(21,100)	(21,900)	(22,800)	(97,800)
Other	(166,800)	(347,000)	(997,150)	(1,698,700)	(2,259,700)	(5,469,350)
Totals Operational Cost Savings:	$ (178,500)	$ (367,300)	$ (1,018,250)	$ (1,720,600)	$ (2,282,500)	$ (5,567,150)

Footnotes:

(1) This summary reflects basic tuition revenue assumptions associated with phased cohort growth and operational cost-savings assumptions related to space consolidation, energy efficiency, and reduced maintenance intensity following project completion. Qualitative context related to program operations, accreditation-aligned cohort growth, and the relationship between enrollment growth and expenses is described in the Financial Plan narrative within the Business Plan section of the capital project request.

APPENDIX C: Verification Letter - Life Safety, Security and Loss of Use

mahlum

26 March 2026

The Higher Education Coordinating Commission
3225 25th Street
Salem, Oregon 97302

RE: Professional Verification – Life Safety, Security, and Loss of Use Risks
Subject: Semon Hall Renewal and Workforce Health Sciences Modernization, Oregon Institute of Technology

To whom it may concern:

My name is Kurt Haapala and I am a partner with Mahlum Architects in Portland, Oregon. I am also a Fellow of the American Institute of Architects (FAIA) and a LEED Accredited Professional licensed, in the State of Oregon, with professional experience designing and evaluating higher-education and public facilities for life safety, accessibility, seismic performance, and operational suitability for over 27 years.

Based on my review of Semon Hall, including relevant project documentation provided by Oregon Tech, the January 2024 Facilities Master Plan, associated facility condition assessments, and my personal site verification on 16 July 2025, I can verify that Semon Hall is appropriately characterized as having a Facilities Condition Index (FCI) rating of "Poor." This designation reflects aging building systems, outdated configurations, and deficiencies that materially affect life-safety performance in a high-occupancy academic and clinical facility.

LIFE SAFETY FACTORS
The university's documentation further indicates that Semon Hall does not meet current seismic design standards applicable to public instructional buildings and contains pervasive accessibility deficiencies, including non-compliant ramps, constrained circulation, and incomplete accessible routes from designated ADA parking and throughout the interior of the facility. While the facility remains in use, these conditions represent recognized vulnerabilities that elevate risk to occupants and limit the building's ability to fully support safe and equitable access under contemporary codes and standards.

The proposed Semon Hall renewal project will enhance equity and accessibility at all levels of the project, providing full access to parking, primary entrances, fully renovating bathroom functions to promote privacy and accessibility and key functionality of access controls and technology for academic, laboratory and clinical functions. The renewal will also address seismic strengthening and resiliency to protect occupants to safety exit the building.

SECURITY FACTORS

The absence of modern, integrated door locking and an electronic access control system is inconsistent with current expectations for security in university facilities supporting instructional, laboratory, and clinical functions. These deficiencies reduce safety and security of both occupants and ongoing capital investments. The Semon Hall renewal will provide modernization of access-control infrastructure as a critical enhancement to improve occupant safety, emergency response capability, and protection of public assets.

LOSS OF USE FACTORS

Semon Hall is a 1960's era facility which was built with modern construction methodologies, building systems and typical fixtures, finishes and equipment of that time period. During the subsequent 60+ years, Oregon Tech has managed to maintain and operate core departmental functions while only addressing deferred maintenance issues as they become critical. The FCI rating of "poor" illustrates a facility that is operating well beyond it's expected lifespan for most of the core building elements.

Continued reliance on incremental repairs rather than comprehensive renewal will increase the likelihood of partial loss of use over time, particularly for programs with accreditation-driven requirements for compliant, secure, and accessible instructional and clinical environments. The proposed Semon Hall renewal project appropriately addresses these life-safety, security, and loss-of-use risks through comprehensive renewal rather than short-term mitigation.

This letter is provided solely for the purpose of professional verification in support of the university's HECC capital evaluation process. I have no contractual role in the project, no responsibility for project delivery, and no responsibility for the accuracy or completeness of information provided by the university. My statements are based on professional judgment and review of materials made available to me, and I have no financial interest in the project.

Sincerely,



Kurt Haapala, FAIA LEED AP
Partner, Mahlum Architects

cc John A. Harman, MBA, CGMA, CMPE
Senior Vice President for Finance & Administration
Office of Finance and Administration- Snell Hall
OREGON INSTITUTE OF TECHNOLOGY

encl none

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APPENDIX D: Project Renderings, Diagram and Sketch

Figure 1: Semon Hall - Exterior Rendering, North Elevation



Figure 2: Semon Hall - Interior Rendering, Dental Hygiene and Dental Therapy



Figure 3: Semon Hall - Programmatic Diagram

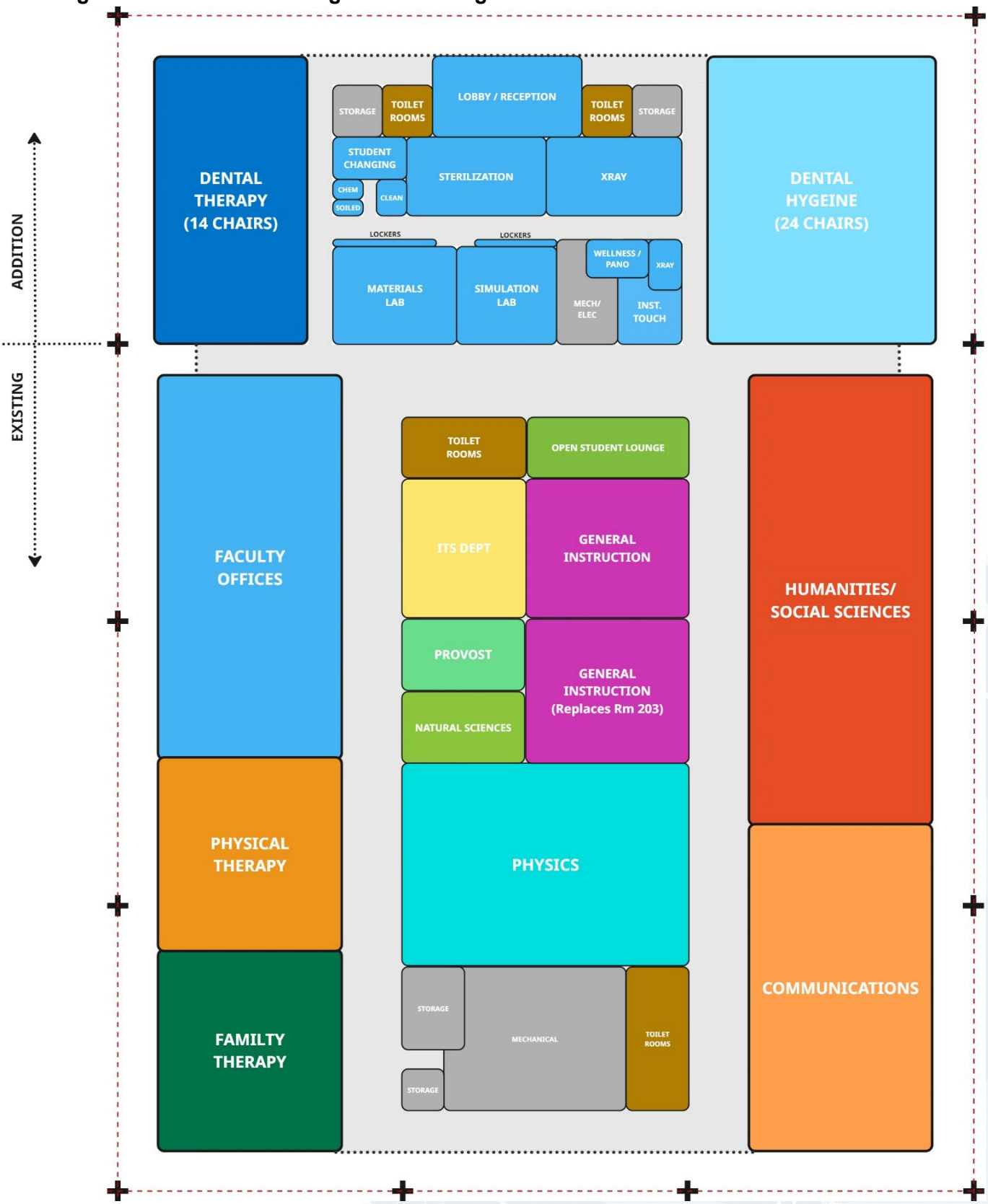
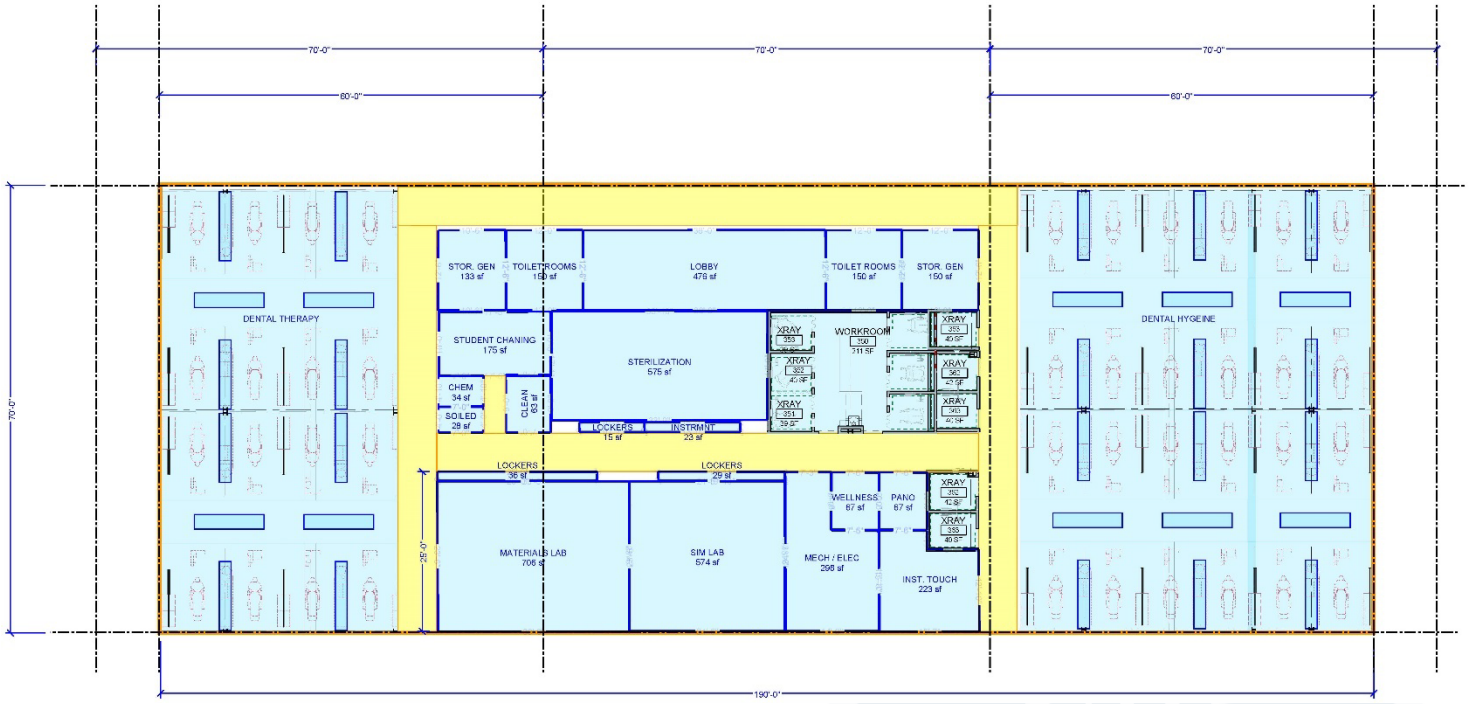


Figure 4: Semon Hall - Programmatic Sketch, Dental Hygiene and Dental Therapy



APPENDIX E: Abbreviations Glossary

This glossary is provided for reference and applies to all sections and appendices of the capital project submission.

ADA – *Americans with Disabilities Act.* Federal civil rights law that prohibits discrimination based on disability and establishes accessibility standards for facilities and programs.

ASTM – *ASTM International (formerly American Society for Testing and Materials).* Organization that develops consensus technical standards, including standards used for facility condition assessments.

CIR – *Capital Improvement and Renewal.* State and institutional funding programs used to address deferred maintenance, system renewal and capital reinvestment in existing facilities.

CTE – *Career and Technical Education***.** Educational programs and instructional pathways designed to prepare students with applied skills, technical knowledge, and credentials aligned with workforce and industry needs.

DAS – *Oregon Department of Administrative Services.* State agency responsible for capital finance, bond issuance and oversight of major public construction projects.

DPT – *Doctor of Physical Therapy.* A professional doctoral program preparing graduates for licensed physical therapy practice.

E&G – *Education and General.* Academic and administrative space and activities supported by core institutional operating funds, excluding auxiliary enterprises.

FCA – *Facilities Condition Assessment.* A systematic evaluation of a facility's physical condition used to identify deferred maintenance and renewal needs over defined planning horizons.

FCI – *Facilities Condition Index.* A ratio that compares the cost of identified deferred maintenance to the total replacement value of a facility and is used as an indicator of overall facility condition.

FICM – *Facilities Inventory and Classification Manual*. A national standard published by the National Center for Education Statistics, an evaluation arm of the U.S. Department of Education, that defines space classifications and reporting conventions used in higher education facilities planning, utilization analysis, and capital project evaluation.

GSF – *Gross Square Feet.* The total floor area of a building measured to the exterior face of walls, including both assignable and non-assignable space.

HECC – *Higher Education Coordinating Commission.* Oregon state agency responsible for coordinating postsecondary education policy, finance and capital planning.

ICE – *Integrated Clinical Experiences***.** Structured, supervised clinical learning activities embedded within academic programs that integrate didactic instruction with hands-on patient care or applied practice in clinical settings.

IRS – *Internal Revenue Service.* Federal agency responsible for tax administration, including oversight of tax-exempt bond compliance.

LEED – *Leadership in Energy and Environmental Design.* A nationally recognized green building certification program administered by the U.S. Green Building Council.

MEP – *Mechanical, Electrical and Plumbing.* Core building systems that support heating, cooling, power distribution, water and wastewater functions.

MFT – *Marriage and Family Therapy.* A licensed mental health profession and graduate discipline preparing practitioners to treat individuals, couples and families.

NUSF – *Net Usable Area (Net Usable Square Feet).* The sum of all areas on all floors of a building either assigned to, or available for assignment, an occupant or specific use, or necessary for the general operation of a building.

SCDP – *Strategic Capital Development Plan.* The statewide, long-range capital planning framework prepared by HECC to guide higher education capital investments.