



**Western Oregon University Board of Trustees:
Finance & Administration Committee (FAC)
Meeting No. 37
November 5 2024 | 01:00-4:00 pm
To Observe This Meeting [Click Here](#) | By Phone: 1-253-215-8782**

AGENDA

- I. CALL-TO-MEETING AND ROLL CALL**
- II. COMMITTEE CHAIR'S WELCOME**
- III. CONSENT AGENDA (1:05-1:10pm)**
 - 1) [Approval of the May 31, 2024 Meeting Minutes](#) (page 3)
- IV. ACTION ITEMS:**
 - 1) [Accept FY 2025 Management Report \(as of September 30, 2024\)](#)
Camarie Moreno, Director of Budget & Planning (1:10-1:30pm) (page 6)
 - 2) [Recommend for Approval FY2025 Adjusted Budget](#)
Camarie Moreno, Director of Budget & Planning (1:30-2:30pm) (page 15)
- V. BREAK**
- VI. REPORT & DISCUSSION ITEMS**
 - 1) [Capital Improvement & Renewal Projects](#) | *Camarie Moreno, Director of Budget & Planning, & Jason Krawczyk, Director of Capital Planning & Construction (2:45-3:00pm)*
(page 24)
 - 2) [University Budget Advisory Committee](#) (UBAC) | tri-chairs
Dr. Melanie Landon-Hays, Zach Hammerle, Noah Carrillo (3:00-3:15pm)
(page 44)
 - 3) [University Technology Advisory Committee](#) (UTAC) | tri-chairs
Chelle Batchelor, Amy Clark, Thomas Litterer (3:15-3:30) (page 48)
 - 4) Finance & Administration Report (3:30-3:45)
 - a) [Cash flow projections](#) | *Camarie Moreno, Director of Budget & Planning*
(page 50)

b) [Update on Quasi Endowment Performance](#) | *Camarie Moreno, Director of Budget & Planning* (page 66)

c) Update on Budget Dashboard

5) Finance & Administration Committee Goals

VII. NOVEMBER 19-20, 2024 BOARD MEETING PREPERATION

VIII. UPDATES AND AROUND-THE-TABLE

IX. ADJOURNMENT



**Western Oregon University Board of Trustees:
Finance & Administration Committee (FAC)
Meeting No. 36
May 31, 2024 | 08:30 – 11:00 am**

Draft Meeting Minutes

I. CALL-TO- MEETING AND ROLL CALL

Chair Evans calls the meeting to order at 8:30am and asks Secretary Sorce to do a roll call:

The following Trustees are present: Trustee Angela Fasana, Trustee Leah Mitchell, Chair Gayle Evans

The following Trustees were excused: Trustee Cec Koontz

Other Staff Present: Board Secretary Evan Sorce, President Jesse Peters, Trustee Paige Jackson, Provost Jose Coll, Acting VP for Finance and Administration Camarie Moreno

II. CHAIR’S WELCOME AND ANNOUCEMENTS

Chair Evans welcomed everyone to the last FAC meeting of the academic year. She explained that Vice President for Finance and Administration Ana Karaman was out on leave through July. Camarie Moreno, our Director of Budgeting & Planning, is currently serving as the Acting Vice President for Finance and Administration.

III. CONSENT AGENDA

1) Approval of the meeting minutes from April 2, 2024:

Trustee Mitchell moves and Trustee Fasana seconds the approval of the April 2, 2024 FAC meeting minutes. No additional discussion. The motion was approved unanimously.

IV. ACTION ITEMS

1) Accept the FY 2024 Management Report 9as of April 30, 2024):

Chair Evans asked Acting Vice President of Finance and Administration Camarie Moreno to walk through the management report, which can be found on page 7 of the docket for review. The committee had no questions for Ms. Moreno. Trustee Fasana moved, and Trustee Mitchell seconded that the Western Oregon University Finance and Administration Committee accept the FY 24 Projected Year-End Report and the overall Management Report as of April 30, 2024. There was no additional discussion, and the motion was approved unanimously.



2) Recommend for Approval FY 2025 Preliminary Budget:

Chair Evans asked Ms. Moreno and President Peters to discuss the Proposed FY 2025 Preliminary Budget. Ms. Moreno started by presenting the proposed budget, which can be found on page 16 of the docket. Chair Evans asked for more information on what a confidential advocate is. President Peters explained that a confidential advocate is part of the Title 9 compliance process. Currently, the person serving in that role is also the Director of Abby's house, and they shouldn't be both, so we have budgeted for an additional person to take that role. Chair Evans asked if these additional positions mostly responded to compliance and capacity needs. The President walked through the process he had to look at additional positions and used the example of the additional cybersecurity position and the budget manager for athletics as a way to increase capacity, identify savings, and reduce risk. The position increases represent roughly \$800,000, which includes benefits as well. For comparison, every 1% increase in faculty contracts represents about \$220,000 for faculty.

Note: Trustee Cecelia Koontz has joined the meeting.

Chair Evans asked if the university investments in enrollment strategies are working since we are projecting our enrollment to be down by 2%. President Peters answered the question by discussing the different headwinds the university is pushing against. These include declining high school graduation rates, the FAFSA situation, the larger universities vying for more students, and other challenges. The President reaffirms that he believes that investments are working and thinks we would be projected to be down more without some key investments. Trustee Koontz moved, and Trustee Fasana seconded that the Western Oregon University Finance and Administration Committee recommends to the Board of Trustees to approve the FY 25 Preliminary Budget as presented in the docket. There was no additional discussion. The motion passes unanimously.

Chair Evans mentioned that the committee was running ahead of schedule, so she decided to recess the meeting at 9:47 a.m. Chair Evans reconvened the Finance and Administration committee at 10:04 a.m.

V. REPORTS & DISCUSSION ITEMS:

1) Capital Improvement & Renewal Projects:

Chair Evans introduced Jason Krawczyk, WOU's Director of Capital Planning and Construction, to present his report, which you can find on page 42 of the docket. Trustee Evans asked Mr. Krawczyk how many steam pipe projects have you done. Mr. Krawczyk said this is the first. They found wood pipes during this project dating back to 1936.



2) University Budget Advisory Committee (UBAC):

Chair Evans introduced Dr. Melanie Landon-Hays who is one of the Tri-Chairs of the UBAC. She read her report, which can be found on page 53 of the docket.

3) University Technology Advisory Committee (UTAC):

Chair Evans introduced Tom Litterer who is one of the Tri-Chairs of the University Technology Advisory Committee. Tom read his report which can be found on page 59 of the docket.

4) Finance & Administration Report

i. Cash flow Projections:

Ms. Moreno gave the Cash flow Projections report which can be found on page 59 of the docket.

ii. Update on Quasi Endowment Performance

Ms. Moreno gave an update on the Quasi Endowment Performance. The information can be found on page 62 of the docket.

VI. JUNE 11-12, 2024 BOARD MEETING PREPARATION

Chair Evans mentioned the two big agenda items are the Management Report and the Proposed Budget.

VII. UPDATES AND AROUND-THE-TABLE

VIII. Chair Evans wanted to take a moment and recognize that this is not only the last Finance and Administration meeting of the year but also the last one for Trustee Cecilia Koontz. Trustee Koontz was a former Chair of the FAC and someone that Chair Evans could ask for advice and perspective. Trustee Mitchell, Trustee Fasana, President Peters, and Secretary Sorce all added how much they appreciated Trustee Koontz's mentorship, advice, and friendship.

IX. ADJOURNMENT

Chair Evans adjourned the meeting at 10:51am.

Finance & Administration Committee (FAC), November 5, 2024, FY2025 Management Report

FY2024 Year-End Update:

Education & General (E&G) Fund:

Revenues:

Revenues totaled \$73.431M, \$2.523M more than the FY24 Adjusted Budget revenue total of \$70.908M. Net student fees & tuition totaled \$32.666M, \$1.411M more than the FY24 Adjusted Budget, with the difference due to a combination of remissions being \$691K under budget, online course fees generating \$340K more than budget, and gross tuition and other fees totaling \$380K more than budget. Government resources & allocations totaled \$34.770M, \$89K less than budgeted due to the true-up (this total also includes \$1.022M of sustainability funds received). Gift grants and contracts totaled \$2.664M, \$470K more than budgeted as a result of increased grant indirect activity. Other revenue totals \$3.331M, \$731K more than the adjusted budget, primarily due to increased interest income.

Expenses & Net Transfers:

Expenses and transfers totaled \$73.697M, \$1.226M under the FY24 Adjusted budget of \$74.923M. Personnel totaled \$56.436M, \$1.460M under budget as a result of campus efforts and staff salary savings being held centrally (\$1.460M under budget is in addition to the \$1.357M of salary savings included in the budget). Services & supplies totaled \$9.815M, \$2.107M under budget, partially due to unspent sustainability funds (\$500K) and occupational therapy start-up funds (\$158K) that will carryover as budget items for FY25, reclassification of SBITA expenses to transfers out (\$612K), and campus efforts to save. Net transfers totaled \$7.447M, \$2.341M more than budgeted, primarily due to transferring \$1.766M more to athletics than budgeted (\$1M of this related to FY23 overage that was covered with E&G funds rather than quasi endowment) and reclassification of S&S expenses related to SBITA to transfers out (\$612K).

Net Revenues less Expenses:

Net revenues and expenses totaled a deficit of \$266K, which is \$3.749M better than the Adjusted Budget deficit of \$4.015M. This results in a FY24 Ending Fund balance of \$13.754M, 18.73% of revenues.

Period 3 YTD Actual to Actual Variance:

This report provides three months of actual revenue and expense activity (as of September 30, 2024) as compared to the same period in prior fiscal year.

Education & General Fund:

Revenues:

Tuition revenues are \$542K more than the prior year. The difference is due to a combination of tuition increases (~5% across all categories) and enrollment changes (down 3% UG and up 2.7% GR, down 2.5% overall FTE, in Fall 2024 respective to the same term prior year). Altogether, net tuition and fees for Period 3 being \$491K more than the prior year.

Government resources & allocations have decreased by \$610K, however FY24 included \$1.022M of sustainability funds. Accounting for this, recurring government resources & allocations have increased by \$412K from the prior year. For the 2023-25 biennium, the state funded the Public University Support Fund (PUSF) at \$1B. 49% of PUSF was distributed in year 1 (FY24) and the remaining 51% will be distributed this year (FY25) and allocated among the public universities according to the Student Success and Completion Model (SSCM). The \$12.552M received so far reflects the first quarter distribution (36% of the total for FY25, but not yet trued up for the rolling three-year average data).

Gift grants and contracts revenue has increased by \$65K from prior year. Other revenues have decreased by \$111K from the prior year.

Overall, total revenues are \$27.589M, \$165K less than the prior year.

Expenses:

Personnel expenses are \$870K more than the prior period and reflect variations in faculty/staff from the prior year. Faculty are set to receive an ~4.09% COLA (varies by individual) once they ratify their contract. Classified staff received a 6.5% COLA effective April 1, 2024 and are set to receive a 2% COLA effective November 1, 2024, and 3.5% effective June 1, 2025, as well as individual step increases.

Services and supplies expenses are \$290K less than the prior year.

Overall, total expenses are \$12.199M, \$580K more than the prior year.

Net Revenues less Expenses:

Net revenues less expenses have decreased by \$744K compared to prior year.

Auxiliary Enterprises:

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

Revenues:

Enrollment Fees have increased by \$5K. Although enrollment has declined ~2.5% from Fall 2023 to Fall 2024, the decrease is offset by an increase in the health service fee from \$162 to \$175 per term (or for students not enrolled on the Monmouth campus, \$120 to \$130). The incidental fee remained flat (\$415 or \$210 for students not enrolled on the Monmouth campus). Health Service Fee revenue is up \$39K and incidental fee revenue is down \$34K from the prior period. Sales and Services are up \$171K from the prior year. Housing and Dining are up \$306K primarily due to increased external conference activity over the summer, parking is down \$40K, and bookstore is down \$123K. Other Revenue decreased by \$235K, primarily in Housing due to decreased internal sales from conference activity. Altogether, auxiliary revenue totals \$3.987M and has decreased \$58K from the prior year.

Expenses:

Personnel expenses are \$119K more than the prior year. Service & Supplies are \$373K less than the prior year, primarily in Housing/Dining (\$143K) and Athletics (\$247K). Altogether, auxiliary expenses total \$5.543M, a decrease of \$254K from the prior year.

Net Revenues less Expenses:

Net revenues less expenses total -\$1.555M and have increased by \$196K compared to prior year.

Designated Operations, Service Departments, Clearing Funds:

Designated Operations, Service Departments, and Clearing Funds is comprised primarily of Telecommunications and Oregon Council of Presidents. The Clearing Fund is cleared on a quarterly basis.

Revenues are comparable to prior year, down \$222K. Expenses are down \$430K from the prior year (\$155K in Telecommunications), for a net difference from prior year of \$208K.

FY25 Projected Year-End:

This report provides year-end projections. With three months of actuals, our projection for the year matches our Proposed FY25 Adjusted Budget.

STAFF RECOMMENDATION:

It is recommended that the Western Oregon University Finance and Administration Committee accept the FY25 Projected Year-End Report and the overall Management Report as of September 30, 2024.

Western Oregon University
P3 YTD Actual to Actual Variance

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

As of September 30, 2024
For the Fiscal Year Ended June 30, 2025

	P3 FY24	P3 FY24	P3 FY25	P3 FY25 %	Variance		Note
	Actuals	Realization/ Burn Rate %	Actuals	of Budget	Actuals	%	
Education & General Fund							
Revenues							
Tuition	12,767		13,309		542		
Online Course Fees	1,380		1,319		(61)		
Other Fees	715		715		1		
Less: Fee Remissions	(1,466)		(1,457)		9		
Net Student Fees & Tuition	13,395	41.01%	13,886	42.48%	491	1.48%	
Government Resources & Allocations	13,162	37.85%	12,552	35.90%	(610)	-1.95%	FY24 includes \$1.022M of Sustainability funds
Gift Grants and Contracts	389	14.58%	453	17.44%	65	2.86%	
Other Revenue	808	24.25%	697	24.04%	(111)	-0.20%	
Total Revenues	27,753	37.80%	27,589	37.72%	(165)	-0.08%	
Expenses							
Personnel	8,642	15.31%	9,512	15.73%	(870)	0.42%	
Service & Supplies	2,977	30.33%	2,687	22.97%	290	-7.37%	
Total Expenses	11,619	17.54%	12,199	16.91%	(580)	-0.63%	
Net Revenues less Expenses	16,134		15,390		(744)		

Western Oregon University
P3 YTD Actual to Actual Variance

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

As of September 30, 2024
For the Fiscal Year Ended June 30, 2025

	P3 FY24	P3 FY24	P3 FY25	P3 FY25 %	Variance		Note
	Actuals	Realization/ Burn Rate %	Actuals	of Budget	Actuals	%	
Auxiliary Enterprises Funds							
Revenues							
Enrollment Fees	2,247	37.77%	2,252	38.07%	5	0.31%	
Sales and Services	1,058	8.31%	1,229	10.05%	171	1.74%	
Other Revenue	741	26.63%	506	21.70%	(235)	-4.93%	
Total Revenues	4,045	18.85%	3,987	19.47%	(58)	0.62%	
Expenses							
Personnel	2,447	22.35%	2,566	22.36%	(119)	0.01%	
Service & Supplies	3,350	24.42%	2,977	23.03%	373	-1.39%	
Total Expenses	5,796	23.50%	5,543	22.72%	254	-0.79%	
Net Revenues less Expenses	(1,751)		(1,555)		196		
Designated Operations, Service Departments, Clearing Funds							
Revenues							
Enrollment Fees	112	291.48%	(3)	-6.17%	(115)	-297.65%	
Sales and Services	17	11.99%	25	20.00%	8	8.01%	
Other Revenue	270	13.81%	154	7.38%	(116)	-6.43%	
Total Revenues	399	18.66%	177	7.79%	(222)	-10.87%	
Expenses							
Personnel	261	27.26%	225	21.88%	36	-5.38%	
Service & Supplies	754	72.62%	360	29.08%	394	-43.54%	
Total Expenses	1,015	50.86%	585	25.81%	430	-25.05%	
Net Revenues less Expenses	(616)		(408)		208		

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

As of September 30, 2024
 For the Fiscal Year Ended June 30, 2025

	<u>FY24 Year-End Actuals</u>	<u>FY25 Projected Year-End</u>	<u>FY25 Proposed Adjusted Budget</u>	<u>Variance FY25 Projected Year-End to Budget</u>	<u>Note</u>
Education & General Fund					
Student Fees & Tuition (net of remissions)	32,666	32,686	32,686	-	
Government Resources & Allocations	34,770	34,961	34,961	-	
Gift Grants and Contracts	2,664	2,600	2,600	-	
Other Revenue	3,331	2,900	2,900	-	
Total Revenues	<u>73,431</u>	<u>73,148</u>	<u>73,148</u>	<u>-</u>	
Personnel	56,436	60,459	60,459	-	
Service & Supplies	9,815	11,699	11,699	-	
Total Expenses	<u>66,250</u>	<u>72,158</u>	<u>72,158</u>	<u>-</u>	
Net Transfers	7,447	5,598	5,598	-	
Total Expenses and Transfers	<u>73,697</u>	<u>77,756</u>	<u>77,756</u>	<u>-</u>	
Net Revenues less Expenses	(266)	(4,608)	(4,608)	-	
Fund Balance at the Beginning of the Year	14,025	13,754			
Additions/Deductions to Fund Balance	(5)	-			
Fund Balance at the End of the Year	<u>13,754</u>	<u>9,146</u>			
Fund Balance as a Percentage of Revenues	18.73%	12.50%			

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

As of September 30, 2024
 For the Fiscal Year Ended June 30, 2025

	<u>FY24 Year-End Actuals</u>	<u>FY25 Projected Year-End</u>	<u>FY25 Proposed Adjusted Budget</u>	<u>Variance FY25 Projected Year-End to Budget</u>	<u>Note</u>
Auxiliary Enterprises Funds					
Enrollment Fees	5,949	5,915	5,915	-	
Sales and Services	12,728	12,231	12,231	-	
Other Revenue	2,784	2,334	2,334	-	
Total Revenues	<u>21,460</u>	<u>20,479</u>	<u>20,479</u>	<u>-</u>	
Personnel	10,946	11,474	11,474	-	
Service & Supplies	13,719	12,927	12,927	-	
Total Expenses	<u>24,665</u>	<u>24,401</u>	<u>24,401</u>	<u>-</u>	
Net Transfers	(6,801)	(3,122)	(3,122)	-	
Total Expenses and Transfers	<u>17,863</u>	<u>21,279</u>	<u>21,279</u>	<u>-</u>	
Net Revenues less Expenses	3,597	(800)	(800)	-	
Additions/Deductions to Fund Balance	(1,898)	(1,871)			
Fund Balance at the Beginning of the Year	<u>5,383</u>	<u>7,082</u>			
Fund Balance at the End of the Year	<u>7,082</u>	<u>4,411</u>			
Fund Balance as a Percentage of Revenues	33.00%	21.54%			
Designated Operations, Service Departments, Clearing Funds					
Enrollment Fees	38	48	48	-	
Sales and Services	142	127	127	-	
Other Revenue	1,958	2,092	2,092	-	
Total Revenues	<u>2,138</u>	<u>2,266</u>	<u>2,266</u>	<u>-</u>	
Personnel	958	1,030	1,030	-	
Service & Supplies	1,038	1,237	1,237	-	
Total Expenses	<u>1,996</u>	<u>2,266</u>	<u>2,266</u>	<u>-</u>	
Net Transfers	(149)	-	-	-	
Total Expenses and Transfers	<u>1,847</u>	<u>2,266</u>	<u>2,266</u>	<u>-</u>	
Net Revenues less Expenses	291	-	-	-	
Additions/Deductions to Fund Balance	(219)	(255)			
Fund Balance at the Beginning of the Year	<u>2,621</u>	<u>2,692</u>			
Fund Balance at the End of the Year	<u>2,692</u>	<u>2,437</u>			
Fund Balance as a Percentage of Revenues	125.93%	107.52%			

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

	E&G	Auxiliary		Des Ops - Serv Dept.	Plant fund	Other	Total
Transfers In E&G		(a)				(a)	
Actual		15,060					15,060
Upcoming		45,180				408,893	454,073
Transfers Out E&G		(b)	(c)		(d)	(a)	
Actual		-	-		-	22,555	22,555
Upcoming		5,000,000	150,000		294,000	47,712	5,491,712
Transfers In AUX	(b)	(c)			(e)	(f)	
Actual	-	-			2,162	2,684	4,846
Upcoming	5,000,000	150,000			-	-	5,150,000
Transfers Out AUX						(f)	
Actual						-	-
Upcoming						1,814,917	1,814,917
Transfers In DO, SD							
Actual							-
Upcoming							-
Transfers Out DO, SD							
Actual							-
Upcoming							-

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

Finance & Administration Committee (FAC), November 5, 2024

FY25 Proposed Adjusted Budget

M-Report (Fall 2024 as of October 14th):

	This Year	Last Year	Difference	Pct Change
Total Enrollment	3,822.0	3,949.0	(127.0)	-3.2%
Total Credit Hours	45,722.0	46,932.0	(1,210.0)	-2.6%
Total FTE *	3,113.3	3,192.2	(78.9)	-2.5%
Total UG Enrollment	3,268.0	3,341.0	(73.0)	-2.2%
Total UG Credit Hours	41,812.0	43,126.0	(1,314.0)	-3.0%
Total UG FTE *	2,787.5	2,875.1	(87.6)	-3.0%
Total GR Enrollment	554.0	608.0	(54.0)	-8.9%
Total GR Credit Hours	3,910.0	3,806.0	104.0	2.7%
Total GR FTE *	325.8	317.2	8.7	2.7%
Undergraduate FTE Breakout				
Resident	2,324.2	2,326.7	(2.5)	-0.1%
WUE	373.1	440.7	(67.6)	-15.3%
Non-Resident	<u>90.2</u>	<u>107.7</u>	<u>(17.5)</u>	<u>-16.2%</u>
Total	2,787.5	2,875.1	(87.6)	-3.0%
Freshmen	760.1	838.7	(78.7)	-9.4%
Sophomores	589.5	506.3	83.2	16.4%
Juniors	624.0	681.3	(57.3)	-8.4%
Seniors	759.1	809.5	(50.3)	-6.2%
Post Bacc / Non-Graduate	28.0	28.0	-	0.0%
Graduate Masters	321.4	307.3	14.1	4.6%
Non-Admit Undergraduate	26.8	11.3	15.5	137.8%
Non-Admit Graduate	<u>4.4</u>	<u>9.8</u>	<u>(5.4)</u>	<u>-55.0%</u>
Total	3,113.3	3,192.2	(78.9)	-2.5%

Education & General (E&G) Fund Component:

The FY25 Education & General Fund totals \$73.148M in revenues and \$76.649M in recurring expenses and transfers, resulting in a recurring deficit of \$3.501M. As outlined in the five-year NWCCU Fiscal Sustainability Plan, our goal was to reduce the recurring E&G budget deficit to \$3.5M in FY25. Combined with one-time activities of \$1.107M, this results in a budget deficit of \$4.608M. Beginning FY25 Fund Balance totals \$13.754M; this deficit level would reduce the fund balance to \$9.146M, or 12.50% of revenues by the end of FY25. See the FY25 Education & General Fund Detail worksheet for a comparison of the FY25 Proposed Adjusted Budget to the FY25 Preliminary Budget, as well as FY24 Actuals.

Revenue Assumptions:

Total Revenues for the FY25 Adjusted Budget are \$73.148M, up \$949K from the FY25 Preliminary Budget. The changes in assumptions resulting in the increased revenue are detailed below.

Tuition & Fees

- FY25 Preliminary Budget Tuition assumed 2% UG and GR enrollment declines from Fall 2023, with an additional 20 Occupational Therapy (OTD) students. Actual fall enrollments are approximately a 3.0% decrease for UG and a 2.7% increase for GR, which is inclusive of 17 OTD students. These enrollment changes do not translate directly to revenue changes, as different undergraduate residencies pay different tuition rates and many graduate students pay a discounted cohort rate.
 - Annual tuition and fee revenue budget is a combination of actual Fall 2024 and projected Winter & Spring 2025 based on 6% attrition between terms. This results in a projected 115,485 undergraduate (98,685 Resident, 15,812 WUE, and 988 Non-Resident), 8,894 graduate credit hours, and 16 OTD students. Applying the applicable tuition rates as approved at the April 17, 2024 Board of Trustees meeting results in total undergraduate tuition of \$26.366M and graduate tuition of \$4.715M, for a total decrease of \$631K from the FY25 Preliminary Budget.
- Undergraduate summer tuition revenues remain unchanged from the FY24 Preliminary Budget, totaling \$1.4M, while Graduate summer tuition revenues have been increased by \$200K to total \$800K. Summer tuition crosses two fiscal years, with approximately 15% of revenues recognized in the fiscal year just ending and 85% in the fiscal year beginning. Summer 2024 resulted in \$1.935M of FY25 revenue, with the remaining budgeted summer revenue of \$265K expected from Summer 2025.
- Other tuition revenues have been updated to a projected \$400K, an increase of \$40K.
- Online course fee revenues have been updated to a projected 55,774 online course credit hours based on actual Fall 2024 enrollments and projected Winter & Spring 2025, resulting in a budget of \$2.956M, an increase of \$2K from the Preliminary Budget.
- Fee remissions budget has been decreased by \$500K to \$5M in collaboration with Financial Aid. Actual FY24 fee remissions totaled \$4.809M.

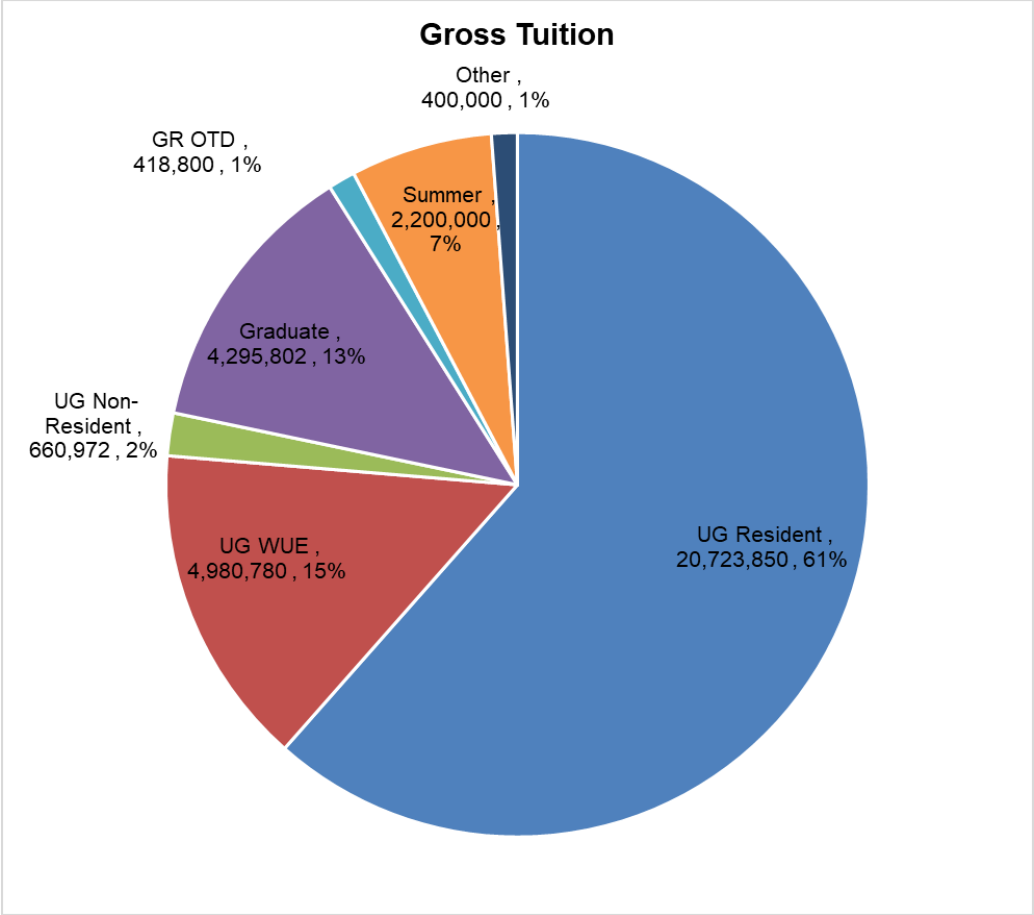


Figure 1: Tuition Revenue by category

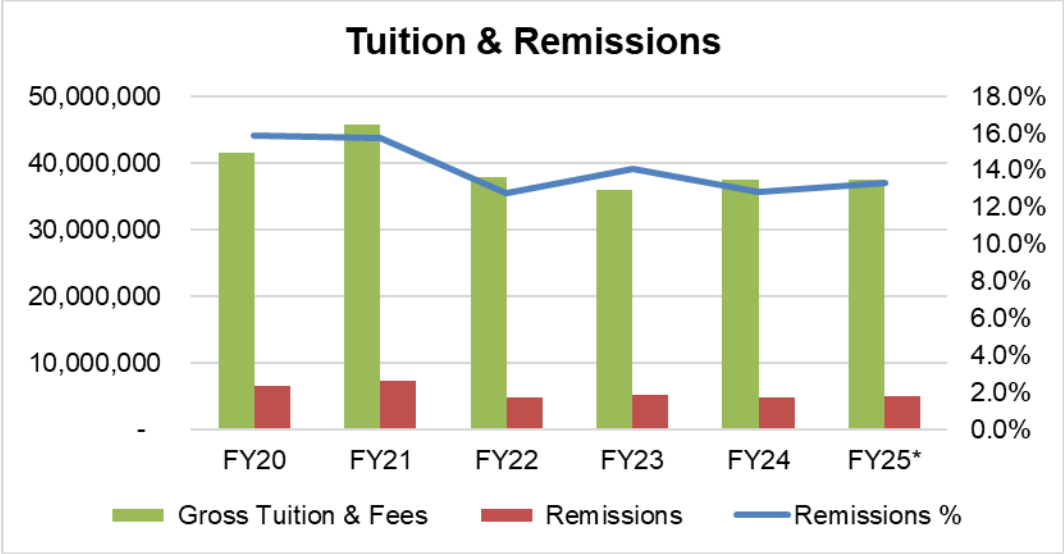


Figure 2: Total gross tuition & fees, total remissions, and remissions as a percentage of gross tuition & fees for FY19 – FY25 (FY25 based on proposed adjusted budgeted numbers).

Government Resources & Allocations

- Government Resources & Allocations total \$34.961M compared to the Preliminary Budget of \$34.830M. The \$131K difference resulting from the true-up for the latest three-year rolling data.
 - FY25 is the second year of the biennium. \$1B was allocated to the Public University Support Fund for 2023-25 with 49% of PUSF being distributed in year 1 (FY24) and the remaining 51% distributed in year 2 (FY25).

Other Revenues

- Other Revenues total \$5.5M, an increase of \$706K. \$406K of the increase was in Gift Grants and Contracts related to grant indirects in collaboration with the Dean of Graduate Studies and Sponsored Research, bringing the budget total to \$2.6M. The remaining \$300K relates to Interest Earnings/Investment, bringing the budget total to \$2.3M. Both adjustments were based on reviewing FY24 Actuals realization rates as of Period 3 compared to FY25 Actuals as of Period 3.

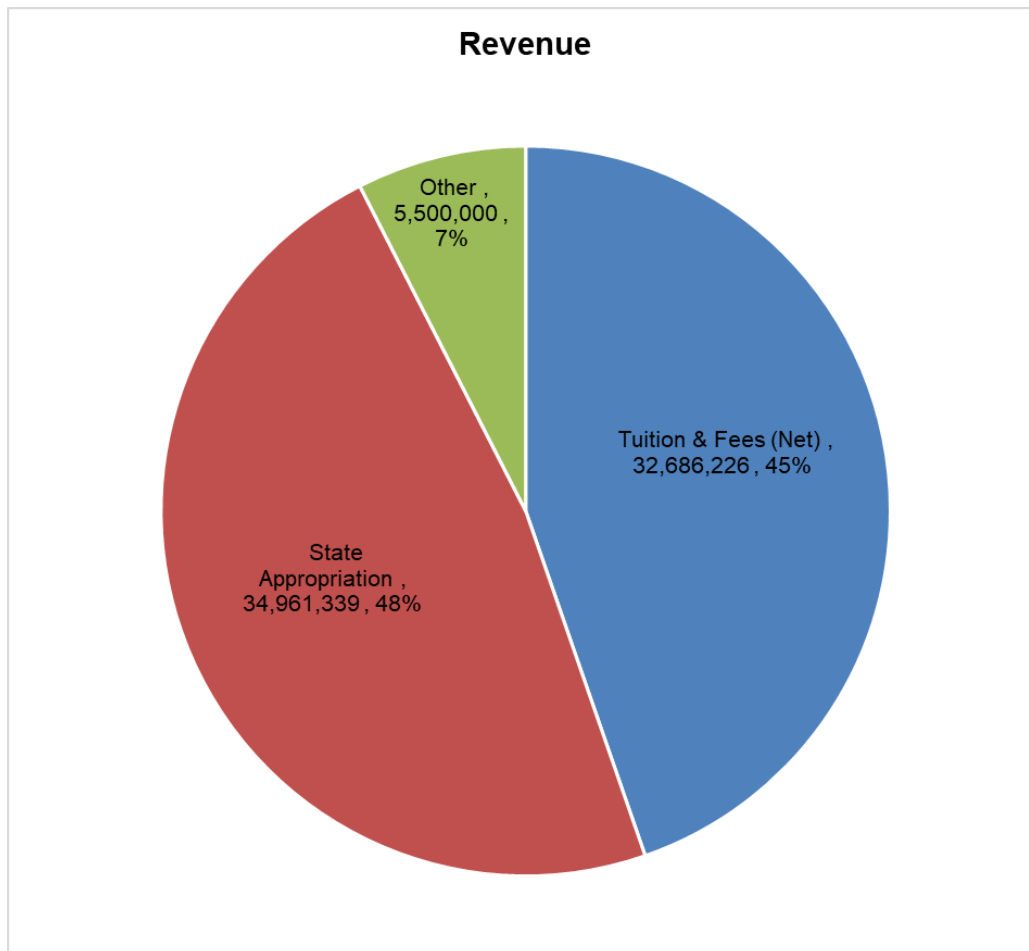


Figure 3: Total revenue by category.

Expense Assumptions:

Total Expenses for the FY25 Adjusted Budget are budgeted at \$71.051M.

Personnel

- Personnel budget totals \$60.459M, \$361K more than the FY25 Preliminary Budget. This includes \$1M of centralized staff salary savings and associated \$357K of OPE from regular turnover and vacancies, as well as \$830K of centralized faculty salary savings and associated \$296K of OPE.
- Faculty Salaries are budgeted at \$17.397M, \$213K more than the FY25 Preliminary Budget. The change is reflective of:
 - Rostered faculty salaries have been updated according to the Collective Bargaining Agreement (4.09% on average raise for T/TT), \$290K
 - Increasing the budgeted rate used for NTT salary pools by 4.09%, \$230K
 - Reducing 3.5 FTE and rebasing vacant lines to NTT/lower steps, \$307K. This reduction was made to offset increases in Academic Affairs that were incorporated in the FY25 Preliminary Budget.
- Budgeted amount for unclassified salaries totals \$12.915M, \$305K more than the Preliminary Budget.
 - Incorporates an increase of 4.09% to be held centrally for the unclassified salary study/raises, \$580K. Offset by removing \$185K of funds centrally held for salary equity study.
 - Reducing 2.6 FTE to offset increases in Academic Affairs that were incorporated in the FY25 Preliminary Budget as well as cover reorganizational adjustments, \$90K.
- Faculty & Unclassified Supplemental pay is budgeted at \$616K, unchanged from the Preliminary Budget. This category is largely reflective of stipends paid to faculty and unclassified staff, but also includes temporary employee and allowance funds.
- Budgeted amount for classified salaries totals \$7.212M, a decrease of \$17K from the preliminary budget reflective of a net decrease of 0.5 FTE.
- Classified Pay is budgeted at \$260K, unchanged from the preliminary budget. This category includes pay for differentials, overtime, and temporary employees.
- Student pay is budgeted at \$1.634M, with the small increase being associated with updating the Destination Western budget.
- Budgeted Other Payroll Expense (OPE) totals \$22.907M, an increase of \$983K from the preliminary budget, as a result of the changes to personnel mentioned above as well as increasing the health rate component to \$19,200 per eligible FTE from \$17,004.

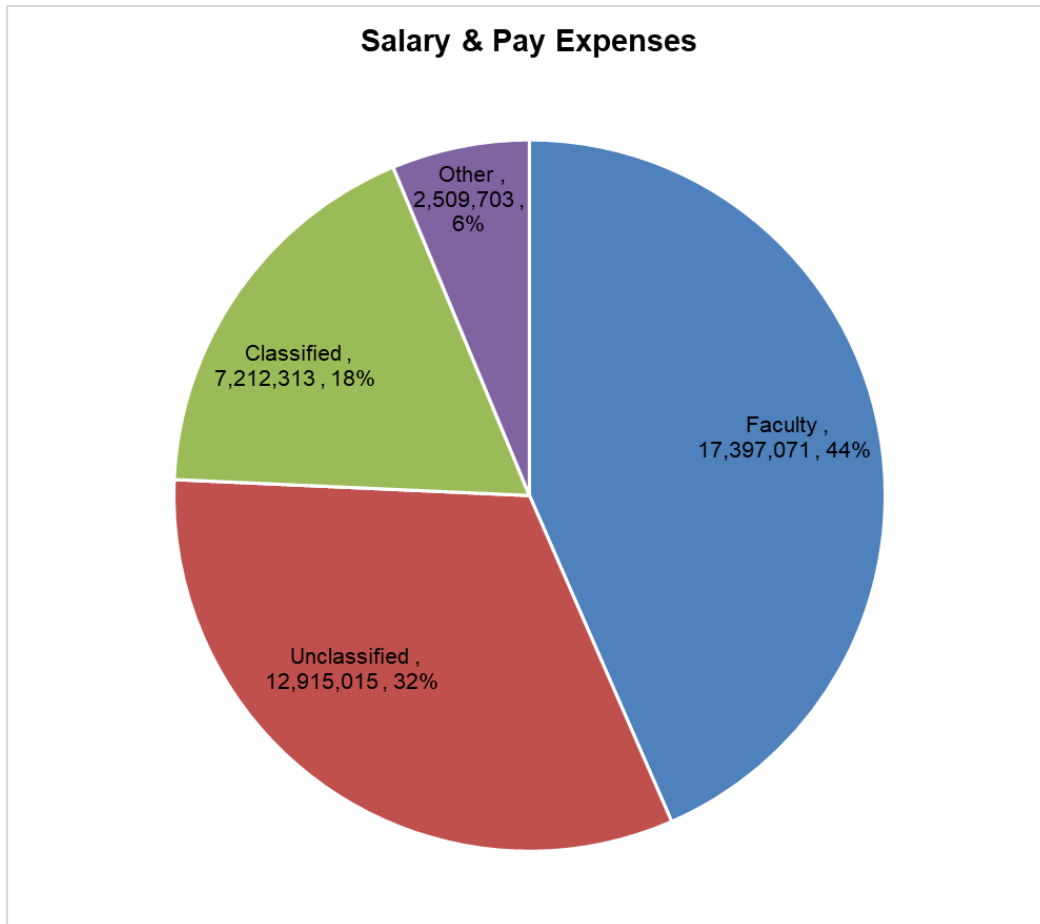


Figure 4: Total salary & pay by category.

Services & Supplies (S&S)

- Services & Supplies net of Internal Sales budget totals \$10.592M. With Services & Supplies increasing approximately \$297K, and Internal Sales increasing \$140K from FY25 Preliminary Budget.
 - \$35K to continue existing library subscriptions
 - \$40K in support of Destination Western
 - A correlating \$130K increase in indirect grant spending was budgeted (in line with the grant indirects policy)
 - PURMIT S&S budget was trued up to FY25 actual rates, an increase of \$92K
 - Internal Sales were increased by \$200K for General Administrative Overhead based on FY24 Actuals.
 - Parking's support of Public Safety of \$60K is now reflected as a transfer in instead of internal sales.

Net Transfer Assumptions:

Total Net Transfers are budgeted at \$5.598M, an increase of \$20K from the Preliminary Budget.

- Athletics subsidy was increased by \$80K to cover the increase in Health OPE.
- Parking’s support of Public Safety of \$60K is now reflected as a transfer in instead of internal sales.

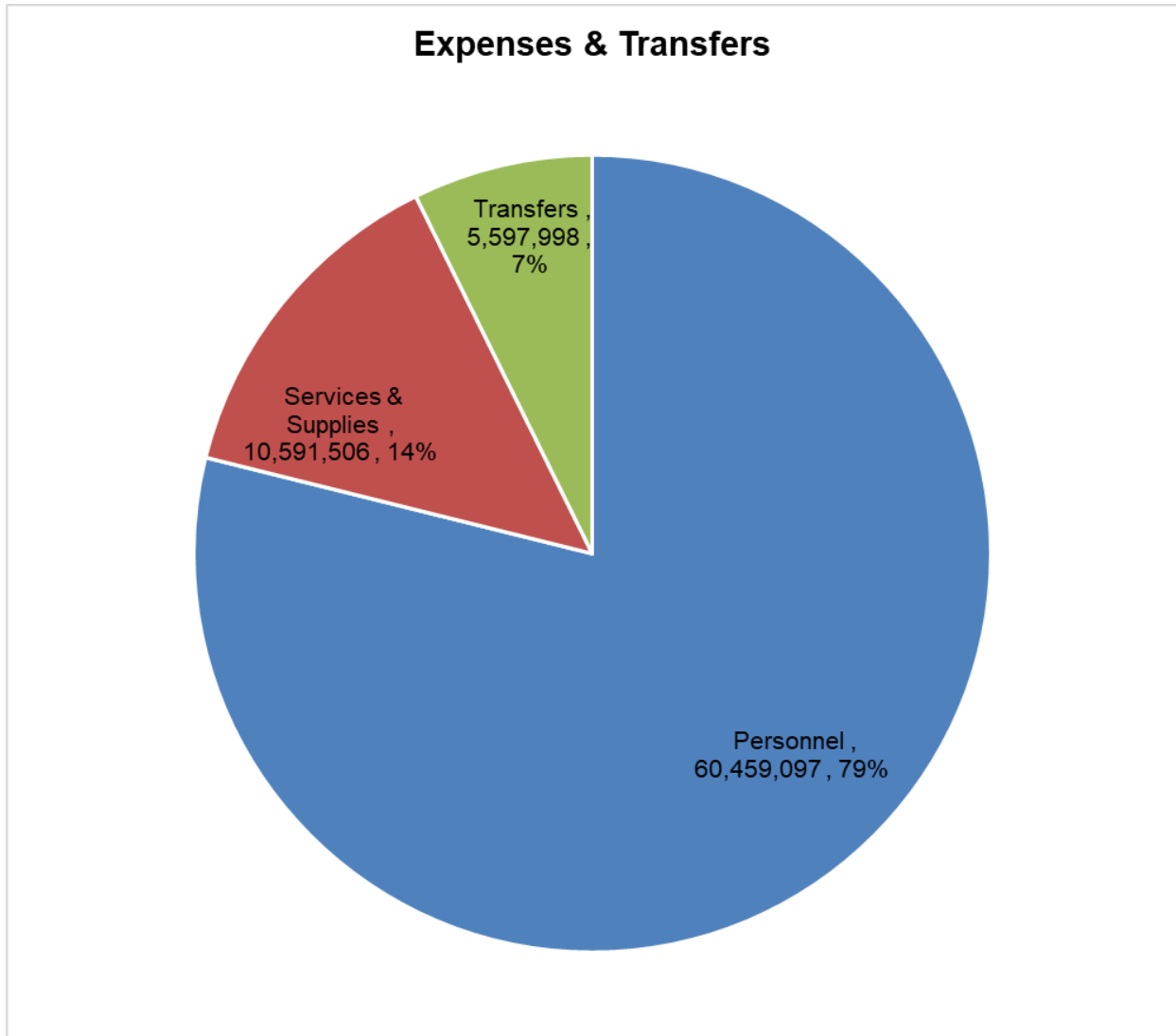


Figure 5: Total recurring expenses and transfers.

Other Activity Assumptions:

Total Other Activities representing one-time resources and expenses are budgeted at \$1.107M, an increase of \$244K from the FY25 Preliminary Budget.

- \$33K of rollover has been added for OTD start-up S&S, bringing the total to \$158K
- \$211K has been added for a contract with EAB to cultivate Juniors
- The FY25 Preliminary Budget totaled \$863K and included:
 - \$500K for rollover of Sustainability Funds tranche 1
 - \$165K for Advancement Campaign S&S
 - \$125K for Occupational Therapy start-up costs
 - \$73K for New Faculty Start-Up costs

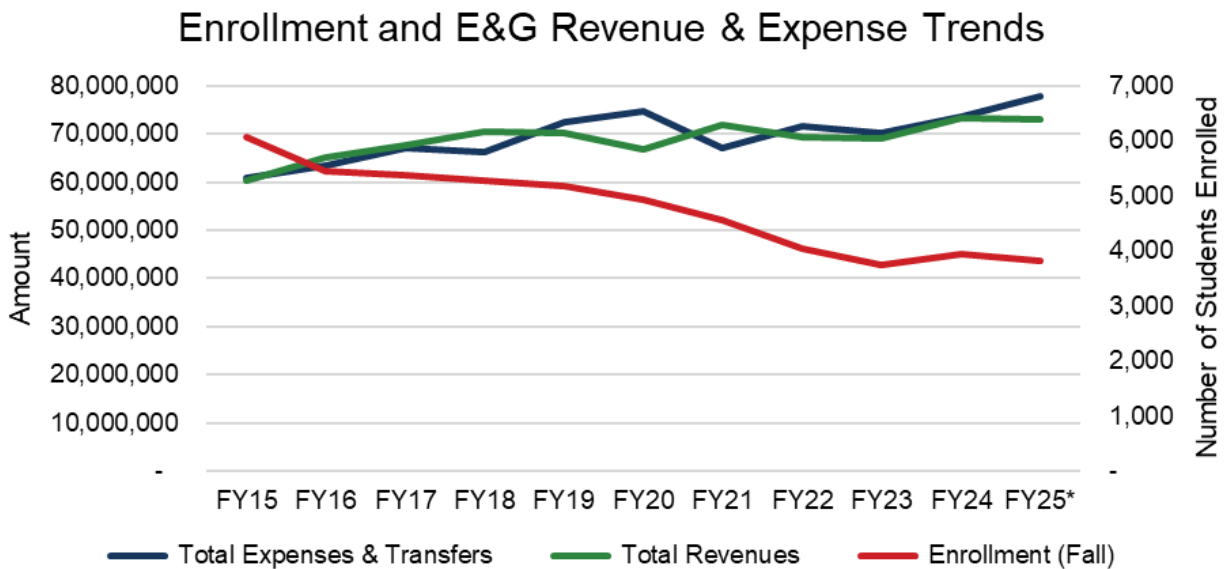


Figure 6: Enrollment (headcounts) and E&G Expense trends over the last 10 years (FY25 based on Proposed Adjusted Budget).

Auxiliary Component:

The auxiliary component is composed of Athletics, Housing, Dining, Parking, Conference Services, Bookstore, Student Health & Counseling Center (SHCC), Child Development Center (CDC), and other minor operations. See the Auxiliary Detail worksheet below for a budget summary by major auxiliary. The net budget for all Auxiliaries (excluding IFC) totals \$682K. Auxiliary budgets have been updated for the increase to Health OPE, and \$80K additional E&G subsidy to athletics to cover the Health OPE increase and other minor adjustments. Housing revenue has also been updated to reflect the ~80 fewer students living on campus. See the Auxiliary Detail worksheet included for a budget summary by auxiliary area.

Incidental Fee (IFC) Component:

Incidental Fee has a net deficit budget of \$117K, with intentions to utilize their reserve to cover the deficit. Health OPE rate increases have been offset by decreases to S&S budgets (as incidental fee allocations are determined by the Incidental Fee Committee).

Designated Operations & Service Departments Component:

Designated Operations & Service Department budgets are inclusive of primarily Council of Presidents and Telecommunications, as well as other small miscellaneous budgets. As such, the budgets have no significant changes from the FY25 Preliminary Budget.

FY25 Adjusted Budget across Component Funds:

As shown on the Component Funds Budget Summary worksheet included below, combined component budgets results in a total net budget deficit across these funds of \$4.301M.

STAFF RECOMMENDATION:

It is recommended that the Western Oregon University Finance and Administration Committee recommends to the Board of Trustees to approve the FY25 Adjusted Budget as presented in the docket.



Capital Planning and Construction

The Capital Planning & Construction (CPC) department is responsible for all design and construction projects at Western Oregon University (WOU). This includes all renovation and construction work associated with the University's capital spending plan, which is aimed at modernizing and improving physical space throughout its real estate portfolio. CPC Coordinates the implementation of the capital projects plan and the overall management of physical space with the expressed needs of academic programs and other relevant parties. CPC also revises and ensures that all construction projects follow and are supporting the Campus Master Plan.

Funds

- State paid bond –
- Capital renewal funds
- Federal Grants and Funds
- Public-private partnerships
- Corporate and individual donors



WOU CPC Projects Updates

Finished Projects

- WOU Occupational Therapy Doctorate Program, Salem Oregon
- WOU Athletics Men's soccer and Women's Volleyball Locker rooms
- ITC 111 computer lab build-out
- WOU Updated Master Plan

Ongoing Projects

- Student Success Center
- Steam line repairs
- Welcome Center build-out

Future Projects

- Data Center (4th) WOU #2
- Performing Arts Renewal (7th) WOU #1



Capital Improvement and Renewal

Table 1: E&G GSF

Institution	2022 Adjusted E&G GSF	2024 Adjusted E&G GSF	Variance, 2024 to 2022	
EOU	664,765	620,465	-44,300	(7%)
OIT	612,146	530,445	-81,701	(13%)
OSU	5,982,971	5,520,012	-462,960	(8%)
PSU	2,257,171	2,332,148	74,977	3%
SOU	741,723	739,367	-2,356	0%
UO	4,177,419	4,152,730	-24,689	(1%)
WOU	737,395	779,469	42,074	6%
Totals	15,173,592	14,674,636	-498,955	(3%)

Table 4: Total CIR Allocation

Institution	2022 Allocation	2024 Allocation	Variance, 2024 to 2022	
EOU	3,275,031	3,977,186	702,155	21%
OIT	3,173,825	3,627,224	453,399	14%
OSU	31,253,212	37,389,401	6,136,189	20%
PSU	12,443,724	16,577,954	4,134,230	33%
SOU	3,811,437	4,905,958	1,094,521	29%
UO	22,261,277	28,368,517	6,107,240	27%
WOU	3,781,494	5,153,760	1,372,266	36%
Totals	\$80,000,000	\$100,000,000	\$20,000,000	25%



Facility Condition Index

2024						
	Building Count	Gross Square Feet	E&G Gross Square Feet	Current Replacement Value	Deferred Maintenance	FCI
EOU	24	971,547	730,965	507,273,354	106,685,145	21%
OIT	40	943,752	822,963	607,018,497	66,128,995	11%
OSU	488	6,974,415	6,719,729	7,075,954,703	353,279,217	5%
PSU	40	4,231,645	2,525,393	2,779,841,758	264,485,355	10%
SOU	40	1,174,374	953,390	615,637,654	137,580,000	22%
UO	168	5,181,666	4,759,926	4,201,956,800	561,425,247	13%
WOU	41	954,849	864,669	496,984,827	104,427,886	21%
Total	841	20,432,248	17,377,035	\$16,284,667,593	\$1,594,011,844	9.8%
2022						
EOU	22	904,597	664,765	410,727,795	106,845,145	26%
OIT	29	891,905	771,116	590,758,955	112,323,443	19%
OSU	476	6,817,968	6,780,873	4,057,181,733	353,836,393	9%
PSU	44	4,238,379	2,527,824	2,270,802,650	82,761,085	4%
SOU	40	1,174,374	953,390	700,721,180	137,000,000	20%
UO	168	5,092,788	4,669,819	3,896,156,549	451,111,360	12%
WOU	39	905,590	815,410	458,079,757	54,937,357	12%
Total	818	20,025,601	17,183,197	\$12,384,428,619	\$1,298,814,783	10.5%
Note: The Facility Condition Index (FCI) is the amount of deferred maintenance divided by the current replacement value.						



Student Success Center

Project Facts

- Timeline: 18 months build time
- Schedule: August 2023 to February 2025
- Scheduled Opening: January 6th, 2025
- Cost: 22 million
- 17 million Construction Cost (30,219 sf)
- Total Occupancy: 716

Building Occupants

- · Office of Disability Services
- · Testing Center
- · Tutoring
- · Advising
- · Center for Professional Pathways

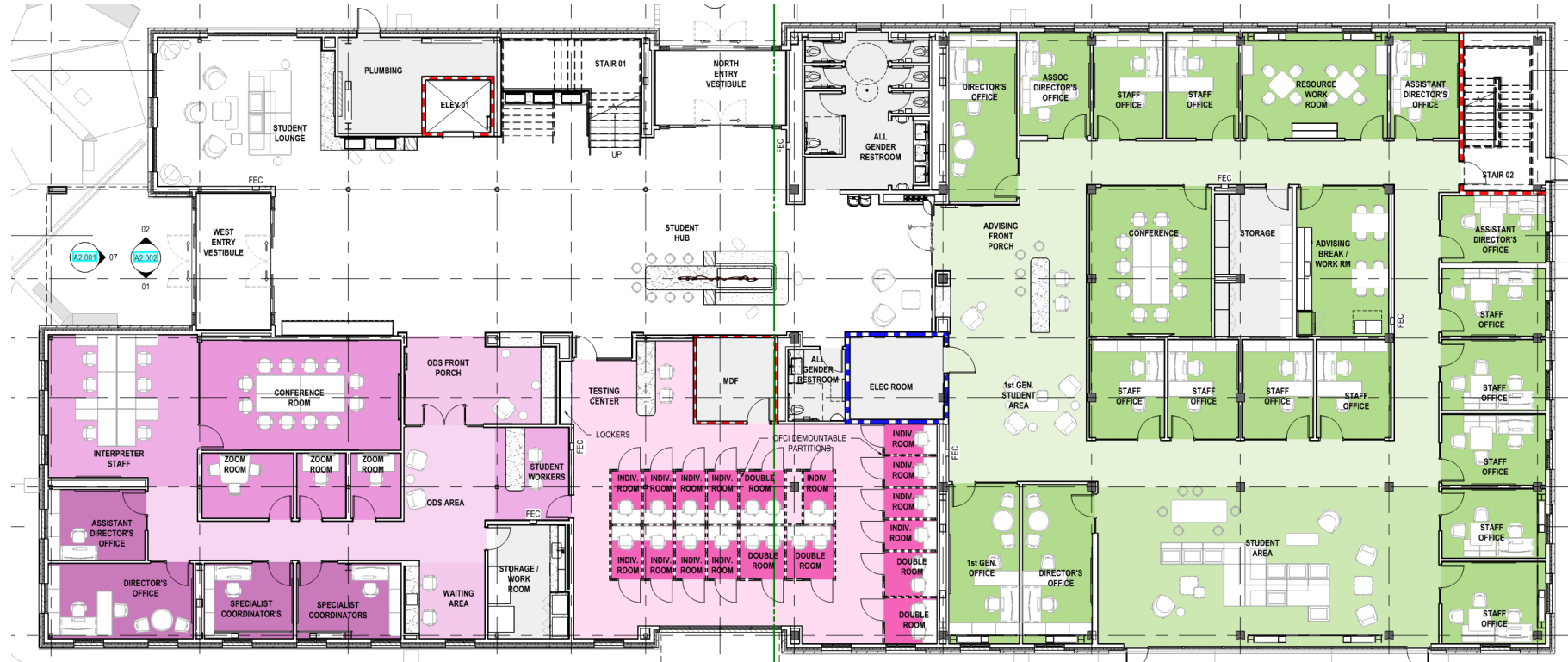


Student Success Center

Student Success Center		Budget	Cost			
WOU Funds \$600,000	Bond XI-Q \$21,340,000	\$21,417,642	\$17,767,839			
Owner Contingency		\$556,138	\$182,358			
Contractor Contingency		\$507,832	\$112,000	Includes mods Demo and Art pad		
Schedule						
	Move in	12/10/24	ON Schedule			
	Open to Students	1/6/2025	ON Schedule			
Added Scope						
	Changes	\$100,000	Winter term review			
	Demo of Modular's	\$95,412	Original scope kept to use as offices			
	Concrete pad for Art	\$15,000	1% for Art			
	Path to Rice	110,000	Path to Rice			

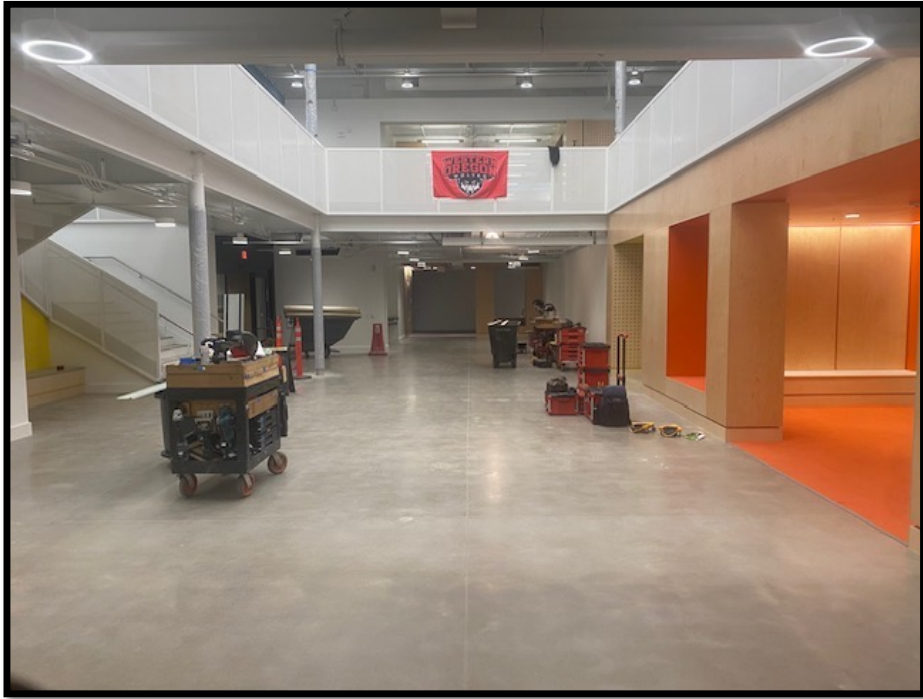


SSC 1st Floor





SSC 1st Floor





SSC 2nd Floor





SSC 2nd Floor





SSC Exterior Plan

Buildings Design allows every floor to be accessible from exterior and utilized storefront doors to eliminate the need to acuate doors.





SSC 1% for Art

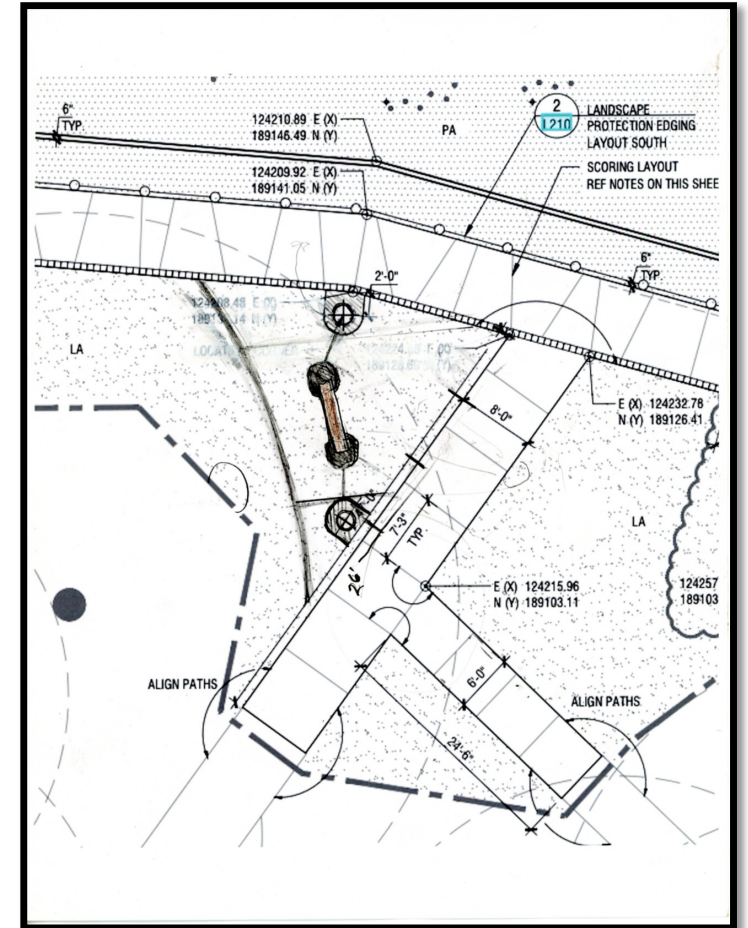
Student Success Center project consists of two large, life-size bronze Wolves, the WOU mascot, two granite boulders and a bronze bridge plank; one wolf is standing atop the taller granite boulder and the other wolf is striding up the inclined bronze plank bridging the space between the boulders, toward the slightly higher wolf.

Each wolf is balancing stones on its back with a supporting stick. The Wolves showcase the identity of the University and encompass many qualities that educators nurture in all students. Wolves are highly intelligent, inquisitive, caring and they succeed by cooperating with others. They display perseverance, form friendships and maintain lifelong bonds.





SSC 1% for Art Location





Steam line Project

Project Facts

- Timeline: 3 years build time
- Schedule: June 2021 to September 2025
- Scheduled Opening: August 2025
- Cost: 16.5 million

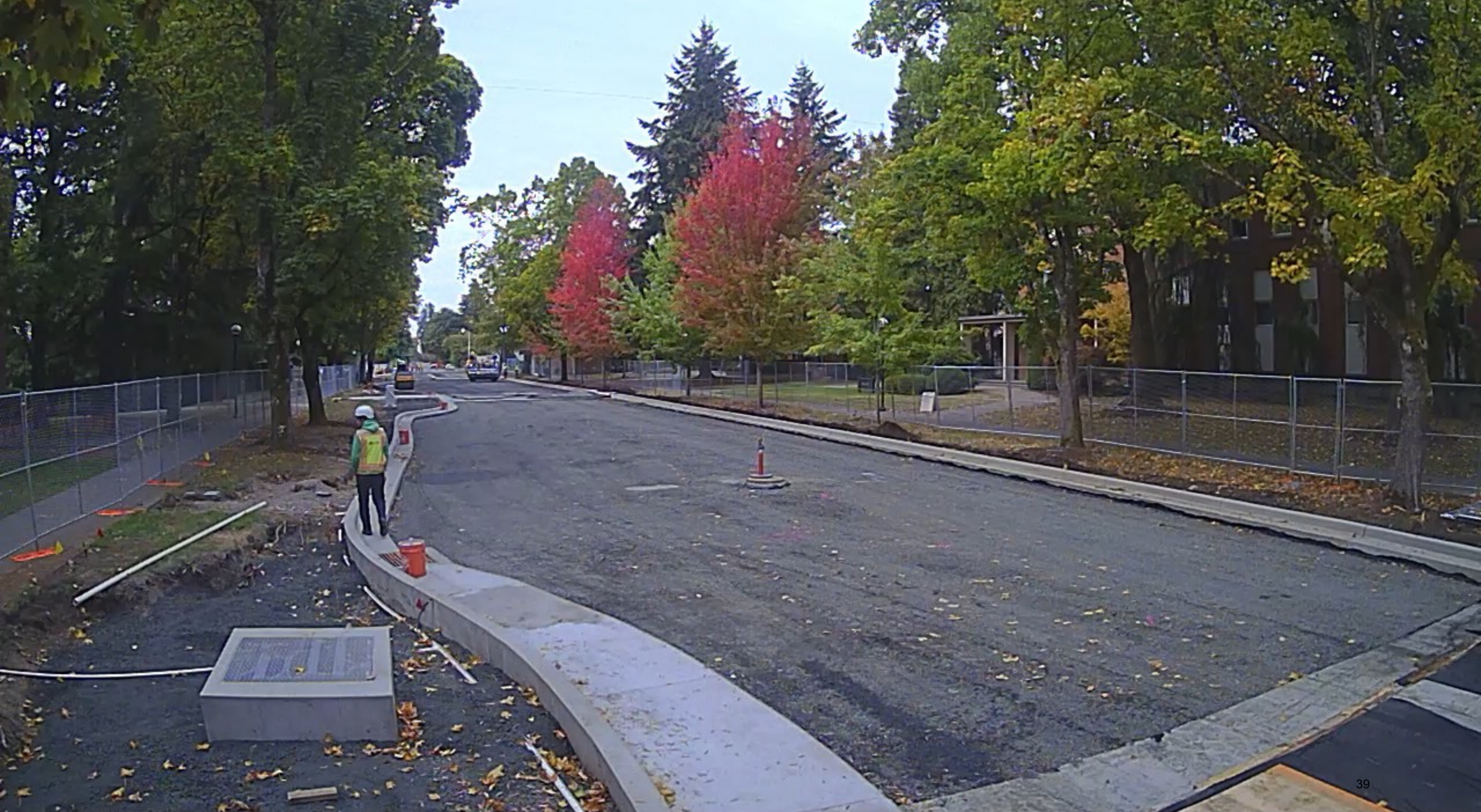
Building Occupants

- Main steam line to campus redone in Stainless Steel
- Crosswalks, curbs and gutters redone
- Road from Jackson Street to Gentle street to be paved
- feeder lines to buildings replaced
- Working with Energy trust to locate leaks and replace steam traps



Steam line Project

Steamline Project	Bond \$16,500,000	\$16,429,720	\$12,373,560.83	
	Owner Contingency	\$330,000	-\$54,000	V.E. to add \$100,000
	Contractor Contingency	\$765,400	\$429,175	
Schedule				
	Monmouth St. Open	10/31/2024	Done	
	Road Paving Church to Gentle	6/20/2025	On Schedule	
	Summer 2025 Steam Work	6/13/2025	On Schedule	





Capital bond balances reports

As of:	10/1/2024							
School	WOU							
Data								
PCA	Appn Yr	Project Description	Completion Date	Closeout Date	Begin Balance	Draw Total	End Balance	
35330	21	2021A XI-Q WOU Capital Improvement	3/30/2024	6/30/2024	3,887,284	3,887,284	-	
35354	23	2023A XI-Q WOU Capital Improvement	3/23/2026	6/23/2026	3,781,494	1,424,651	2,356,843	
35361	23	2023A XI-Q WOU Capital Costs Escalation	3/23/2026	6/23/2026	1,418,060	-	1,418,060	
35367	23	2023A XI-Q WOU Student Success Ctr	3/23/2026	6/23/2026	20,680,000	13,329,579	7,350,421	
35376	23	2023G XI-G WOU Student Success Center	5/16/2026	8/16/2026	660,000	-	660,000	
Grand Total					30,426,838	18,641,514	11,785,324	



Future Projects

Data Center



Proposed location of new Server building

In contrast to the well-designed computing centers found in various Oregon universities, Western Oregon University's (WOU) data center has evolved incrementally in an ad hoc manner. This facility, situated within a 60-year-old masonry building initially serving as an elementary school, now accommodates crucial IT equipment supporting significant prospective programs.

Project Summary

Project title: WOU University Data Center

Location: 388 Knox Street N., Monmouth, OR 97361

Total project cost: \$13,797,740

State funding request: \$13,107,853

Committed external funds: Institutional match of: \$689,887. All funds are on hand.

Total gross square feet: Data Center – 6,450 sf, Classrooms, UCS Offices, and EOC with studio – 6,548 sf and Parking and loading – 3,974 sf

Combined – 16,972 sf

Total project area on Campus - 22,271 sf

Project start and completion dates: Spring 2026 – Summer 2027

Deferred Maintenance Reduction: \$5,343,830



Tilt-up construction with steel frame front offices will reduce cost



Server towers with racks



Future Projects

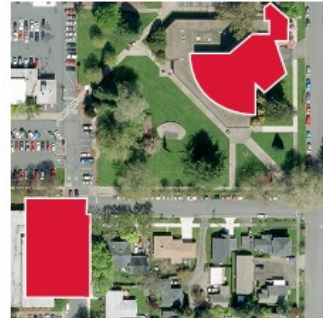
Performing Arts Renewal

Project Summary

Project title: Performing Arts Renewal
Location: 344 Knox Street N., Monmouth, OR 97361
Total project cost: \$24,131,250
State funding request: \$23,407,312
Committed external funds: Institutional match of: \$723,938. All fund are on hand.
Total gross square feet: Rice Auditorium – 27,667 sf and Smith Music Hall – 14,315 sf
Combined – 41,982sf
Total project area on Campus - 24,350
Project start and completion dates: Spring 2025 – Summer 2027
Deferred Maintenance Reduction: \$7,547,411



Current Rice Auditorium and Smith Music Hall



Proposed location of Performing Arts

Project Executive Summary Statement

The Performing Arts Renewal project involves two adjacent buildings. Rice Auditorium built in 1976 and SmithHall built in 1958 are used together to support academic programs in Performing Arts Program.



Rice Auditorium



Smith Music Hall



Western Oregon
UNIVERSITY

Questions

Finance & Administration Committee (FAC), October 30, 2024
University Budget Advisory Committee (UBAC Report)
DATE: November 5, 2024

TO: WESTERN OREGON UNIVERSITY BOARD OF TRUSTEES—FINANCE & ADMINISTRATION COMMITTEE
FROM: UNIVERSITY BUDGET ADVISORY COMMITTEE
RE: UBAC REPORT

For this academic year, the UBAC committee has met once:

October 17 from 2:00-4:00 PM

Our next meeting is November 7, 2024

PREVIOUSLY

1. Brief boilerplate on what data reflected.
 - a. Faculty/Staff Transparency average score of 2.33
 - b. Student Transparency average score of 2.17
 - c. Students, faculty and staff are practically the same.
 - d. Graphs are left-toe distribution. We want at LEAST a normal distribution

2. Implications
 - a. A lot of people are leaving or planning to leave
 - b. People are very dissatisfied with the way we do budgeting at WOU

3. Department budget updates and education on areas across campus provided a working knowledge of budgets across campus to the committee

Without a VPFA UBAC was feeling unsupported for the year. Meeting with Mike has helped this committee to refocus as we have a mile marker to aim for this year. We have Noah on the team as our newest tri-chair and have tasked the committee with reviewing our charge located [here](#). Future meetings with the VPFA (Mike) will continue to help create meaningful outcomes and recommendations to the president.

Summary

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

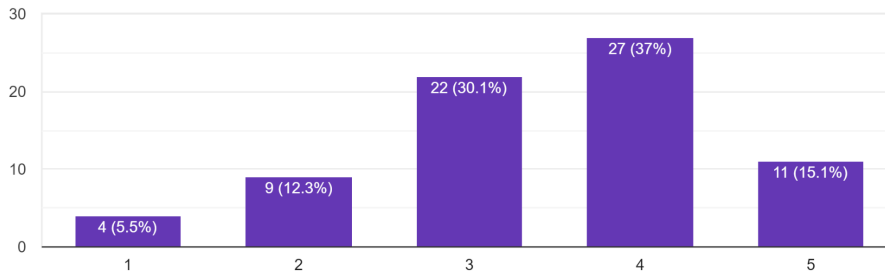
related to new resources and reallocation of existing resources are linked to the agreed upon strategic directions of the university.

Stats from Budget Stories

Fac Staff

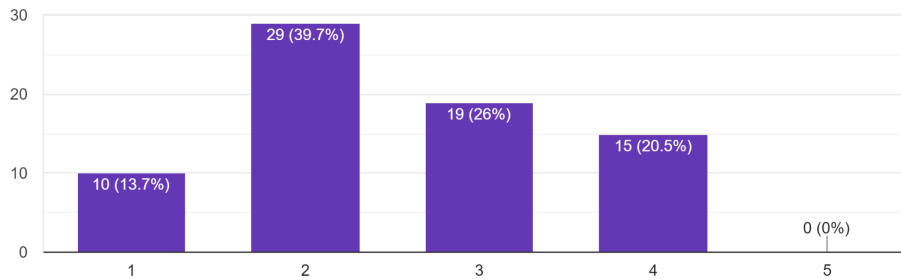
Rate your understanding of how the University gets its funding.

73 responses



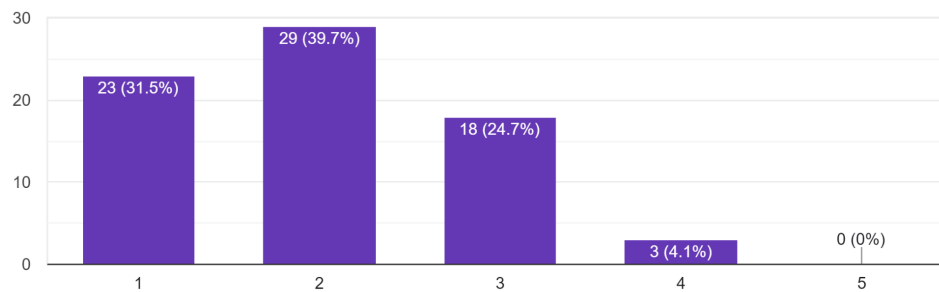
Rate your understanding of how the University allocates its funds.

73 responses



Rate your perception of how transparent the resource allocation process is across campus

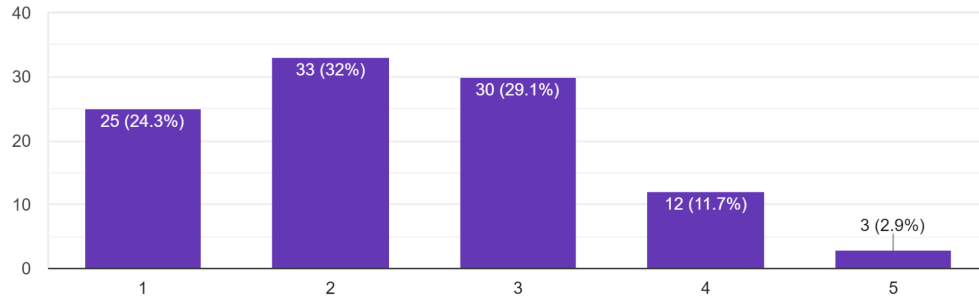
73 responses



Students

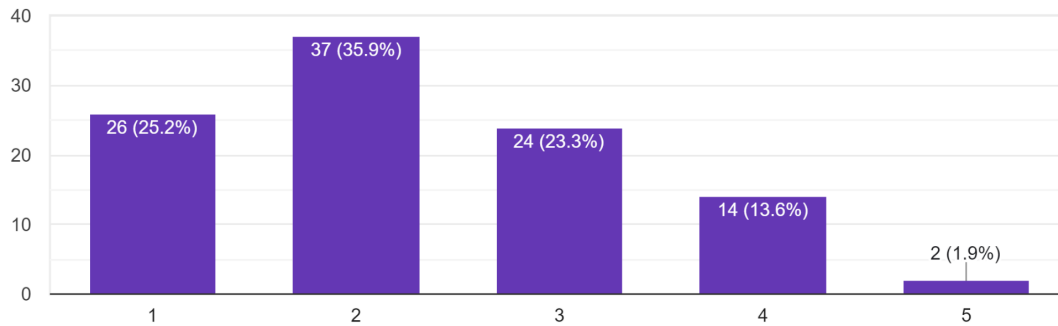
Rate your understanding of how the University gets its funding.

103 responses



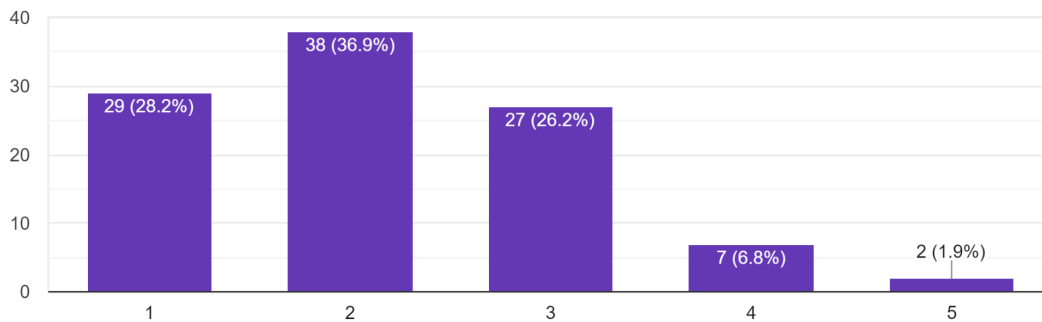
Rate your understanding of how the University allocates its funds.

103 responses



Rate your perception of how transparent the resource allocation process is across campus.

103 responses



PRESENT

At our October 17th Meeting, the committee:

- Began with introductions so we could build our community for the year; we have a few new members and many returning members: Emily Vala-Haynes (new), Melanie Landon-Hays (returning), Zach Hammerle (returning), Noah Carrillo (returning), Mike Green (new, ex-officio), Shelby Worthing (returning), Karen, Camarie Moreno (returning, ex-officio), Alexa Amundson (new), Rico Lujan Valerio (returning), Jenna Otto (returning)
- Elected an incoming tri-chair: Noah Carrillo
- Received a Sustainability Funds update:
 - Money has not been awarded yet
 - Mike will send an update email to campus to thank them for their survey responses and outlining how those responses informed our proposal, which was well done and considered a model proposal
- Camarie provided us an enrollment update for the Fall term
- Rico provided a legislative update for the Fall term
- Committee priorities for the year
 - Committee charge review
 - Strategic plan alignment—helping us to create BOT reports that fit the new format

PLANNING

On September 26th, Zach, Melanie, Mike and Camarie met to discuss what we had done in UBAC last year, to get a sense of what this year looks like with Mike in the interim position, and what we can accomplish this year while we search for a VPFA. Outcomes:

- Share information about how the campus surveys have influenced budgeting conversations
- Look over the make up of the committee and make sure that we are fully staffed
- Review the charge of the committee and work with UBAC to update and make sure it's reflective of our work; consideration—who we are advisory to?

On October 3rd, Zach and Melanie met to make the agenda for the October 17th meeting. We followed up on the outcomes conversation we had with Mike and Camarie. We also made a plan for updating the committee membership, checking in with the staff and faculty senates to be sure there is sufficient representation, etc.

Fall Term UBAC Dates:

October 17,
November 7,
November 21,
December 5,

Finance & Administration Committee (FAC), October 30, 2024 University Technology Advisory Committee (UTAC Report)

DATE: November 5, 2024

Strategic Plan Alignments

- *Institutional sustainability - Western adapts to changes in the higher education landscape and implements strategic responses to emerging trends:* implement DUO requirement, improve student mobile environment.
- *Student Success - students are supported in a way that fosters satisfaction, belonging, engagement, and empowerment:* create a sustainable laptop checkout program for students with demonstrated financial needs.

Report

The University Technology Advisory Committee (UTAC) has met twice since our last report in May 2024. One meeting was held during the summer quarter on July 29th, and a half day retreat was held during Fall Kickoff Week on September 20th.

The summer meeting and fall retreat focused on the following efforts UTAC is monitoring and supporting.

- **Requiring DUO for authentication:** UTAC contributed to the revision of WOU's Acceptable Use of University Technology policy in May of 2024. The revision was to include the statement, "Employees must use Multi-Factor Authentication (MFA) as described on [the UCS website](#) to ensure authorized access to University Information Systems and protected or confidential data." The implementation of this policy is underway, with a deadline of November 1st for employees to sign up for DUO or lose access to the university Portal.
- **New Regulations for Drop for Non-participation and Matriculation:** a new system has been put in place to drop students from courses if they have not participated in the first two weeks of class. Training and information about the new system was provided to faculty prior to fall term and the system was successfully implemented.
- **Banner Optimization:** the university has received \$2.4 million from the TRU Sustainability Funds to optimize our use of Banner. This will be a massive undertaking that will impact the experience of every employee and student on campus. A detailed implementation plan has been developed and approved by the Oregon Higher Education Coordinating Commission and a project charter will guide the work of the implementation team. In the UTAC retreat, committee members discussed the importance of their roles acting as liaisons within departments and units, assisting with communication and change

management, and serving as early adopters who can train and support others through the transition.

- Summer Project Prioritization: Summer projects completed by the University Computing Solutions team include: migrating to Windows 11 in labs and classrooms, transitioning antivirus software from Sophos to SentinelOne, and Completing the web migration to AWS.

During the UTAC retreat, the committee also discussed possible future efforts to support the university strategic plan. These included the development of data governance policies and processes, supporting the campus transition to new ADA requirements for digital accessibility, and developing a more robust software procurement process. These will be topics in UTAC's November and January meetings.

Cash Flow Narrative FY25

Executive Summary:

- **Beginning cash balance is \$35,290,407**
- **Projected ending cash balance is \$30,047,795**
- **The operating projected cash ending balance net of the \$2M restricted steam line fund is \$28,047,795.**

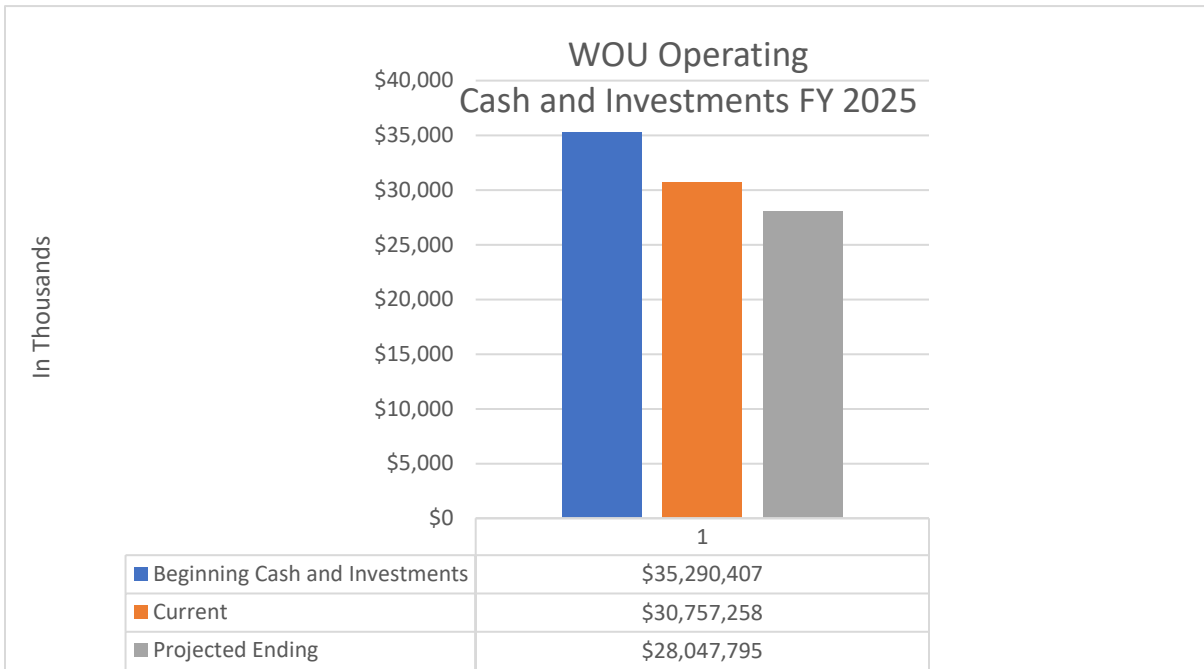
The statement of cash flows enables users of the financial statements to determine how well an entity's income generates cash and to predict the potential of an entity to generate cash in the future. The purpose of the cash flow forecast is to present cash inflows and outflows for a reporting period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

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

You will note this does not have a one-to-one relationship with the Management Report, this is due to two reasons. The Management Report looks at individual fund activity for Education & General, Auxiliaries, and Designated Operations & Service funds; while these funds are the main funds for the University, other funds exist as well (such as Capital, Grant and Agency funds). The Cash Flow forecast incorporates all cash & investments for the University other than the cash balance related to Perkins loans (\$676,220 as mandated) and the quasi endowment. Additionally, the Management Report shows accounting activity using accrual-based accounting. Accrual accounting creates timing differences between income statement accounts (revenues & expenses as shown on the Management Report) and cash. A revenue transaction may be recorded in a different fiscal year than the year the cash related to that revenue is received. One purpose of the statement of cash flows is that users of the financial statements can see the amount of cash inflows and outflows during a year in addition to the amount of revenue and expense shown on the income statement.

For FY2025, the cash flow projection is based on actuals through September then several assumptions including an enrollment decrease of 2.5% overall for the year, the Board approved tuition increases, a 2% increase in services & supplies (S&S). The Steam Line Project is included but noted below the cash flow since are restricted dollars and cannot be used for operations. Salary increases and Other Payroll Expenses (OPE) rate increases have been included as of what we understand currently. The cash flow projection shows a \$5.243M decrease.

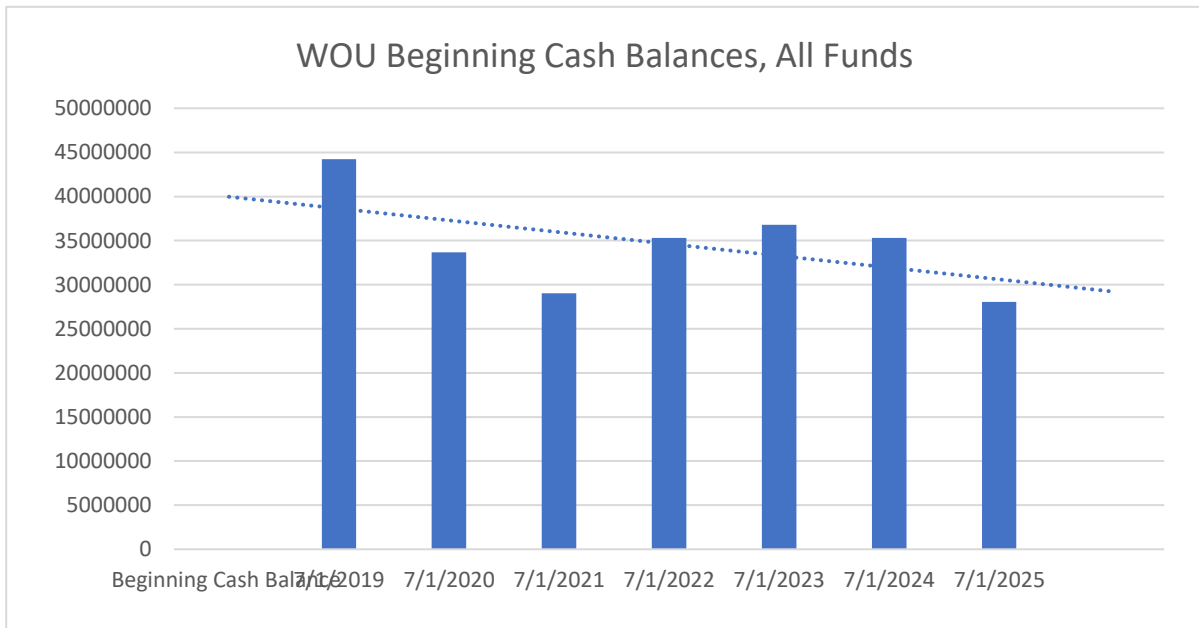
We will continue to monitor and adjust monthly. Current financial conditions continue to put pressure on cash flow.



Data is based upon the accounting system information

Actual cash and investments on deposit at 07/01/25 is projected as \$20,429,214

Projected Ending Data includes Restricted Cash for the Steam Line Project (\$2M)



Note: The positive amounts in 2021-2023 is primarily related to the Federal stimulus funding received

Projected 7/1/2025 Balance is reduced by \$2M for Steam Line Project

Western Oregon University
Monthly Cash Flow and Accrual Forecast

	July 2024	Actuals August 2024	September 2024	October 2024	November 2024	December 2024	January 2025	Estimates February 2025	March 2025	April 2025	May 2025	June 2025
<i>Starting Cash and investment FY2025 (June 30, 2024)</i>												
\$	35,290,407											
Beginning Cash Estimate	\$ 35,290,407	37,122,715	30,757,258	34,821,160	30,517,498	41,019,310	34,911,963	52,010,325	43,775,782	42,280,851	42,640,755	34,781,334
<i>Adjusted Beginning Cash and investment Balance (Actual)</i>	35,290,407	37,122,715	30,757,258	34,821,160	-	-	-	-	-	-	-	-
Inflows												
Monthly Revenue Estimates	17,393,250.19	7,204,601.52	19,549,351.24	9,789,649.20	16,209,386.04	7,957,710.18	28,542,739.55	4,352,474.17	20,942,526.38	10,528,812.99	5,027,913.55	13,194,700.15
Estimated Cash Impacts GL Accrual Activity	1,844,923	(6,368,804)	4,054,607	(1,207,838)	3,232,393	(5,068,361)	8,817,029	(4,365,443)	(6,479,553)	3,010,448	(3,763,694)	(4,141,327)
Total Revenue and GL Inflows	19,238,174	835,798	23,603,958	8,581,811	19,441,779	2,889,349	37,359,768	(12,968)	14,462,973	13,539,261	1,264,219	9,053,373
Outflows												
Monthly Labor Estimates	4,779,595	4,777,602	5,090,877	7,446,350	7,347,274	7,211,947	7,327,928	7,305,332	7,494,133	7,770,683	7,465,875	7,467,982
Monthly Expense Estimates	3,409,278	2,909,789	16,237,889	5,439,123	1,592,693	1,784,750	12,933,479	916,243	8,463,770	5,408,674	1,657,766	6,318,931
Monthly Debt Estimates	610,521	-	3,494	-	-	-	-	-	-	-	-	-
Total Operating Ledger Outflows	\$ 8,799,395	\$ 7,687,391	\$ 21,332,260	\$ 12,885,473	\$ 8,939,967	\$ 8,996,696	\$ 20,261,406	\$ 8,221,575	\$ 15,957,903	\$ 13,179,357	\$ 9,123,641	\$ 13,786,912
Net Flows	10,438,779	(6,851,593)	2,271,698	(4,303,662)	10,501,813	(6,107,347)	17,098,362	(8,234,543)	(1,494,931)	359,904	(7,859,421)	(4,733,539)
Ending Cash Estimate												
<i>Actual Ending Cash Balance (Banner)</i>	\$ 37,122,715	\$ 30,271,121	\$ 33,028,956	\$ 30,517,498	\$ 41,019,310	\$ 34,911,963	\$ 52,010,325	\$ 43,775,782	\$ 42,280,851	\$ 42,640,755	\$ 34,781,334	\$ 30,047,795
<i>Actual Less Forecast</i>	-	486,137	1,792,204	(30,517,498)	(41,019,310)	(34,911,963)	(52,010,325)	(43,775,782)	(42,280,851)	(42,640,755)	(34,781,334)	(30,047,795)
<i>% Deviation from Original Forecast</i>	0.00%	1.61%	5.43%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%
Forecast for Steamline Project Expenses, \$4.21M in FY25	1,250,000	1,250,000	1,250,000	2,000,000								
Student Success 22M - 7 M on reimbursement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000					
OT Salem Project ~ 1.3M I to finish by Oct	428,571	428,571	428,571	20,082								
Welcome Center					150,000.00	150,000.00	200,000.00					

Western Oregon University
FY25 Proposed Adjusted Budget
Component Funds Budget Summary

	Education & General (E&G)	Auxiliary (excluding IFC)	Incidental Fee (IFC)	Designated Operations & Service Depts	Total	Total FY25 Prelim Budget
Revenues						
Enrollment Fees	32,686,226	2,161,241	3,753,557	48,134	38,649,158	38,537,372
Government Resources & Allocations	34,961,339	1,396,015	-	-	36,357,354	36,226,312
Gift Grants and Contracts	2,600,000	104,369	3,000	-	2,707,369	2,301,439
Investment	2,300,000	26,000	-	4,175	2,330,175	2,030,175
Sales & Services	500,000	12,035,251	195,450	126,630	12,857,331	13,479,066
Other Revenues	100,000	614,480	190,000	2,087,550	2,992,030	2,992,030
Total Revenues	73,147,565	16,337,356	4,142,007	2,266,489	95,893,417	95,566,394
Expenses						
Personnel	60,459,097	9,459,218	2,014,429	1,029,539	72,962,283	72,356,774
Services & Supplies	10,591,506	9,000,871	3,926,528	1,236,950	24,755,855	24,463,592
Total Expenses	71,050,603	18,460,089	5,940,957	2,266,489	97,718,138	96,820,365
Net Transfers	5,597,998	(1,440,338)	(1,681,690)	-	2,475,970	2,482,987
Total Expenses & Transfers	76,648,601	17,019,751	4,259,267	2,266,489	100,194,108	99,303,352
Net Recurring Budget	(3,501,036)	(682,394)	(117,260)	-	(4,300,690)	(3,736,958)
One Time Activities	1,107,346	-	-	-	1,107,346	863,275
Net Budget	(4,608,382)	(682,394)	(117,260)	-	(5,408,036)	(4,600,233)

Western Oregon University
FY25 Proposed Adjusted Budget
Education & General Fund Detail

	FY25 Proposed Adjusted Budget	FY25 Prelim Budget	Increase/ (Decrease)	FY24 Actuals	Increase/ (Decrease)
Revenues					
Tuition & Fees					
Undergraduate Tuition					
Resident	20,723,850	20,512,590	211,260	20,077,081	646,769
WUE	4,980,780	5,883,570	(902,790)	5,823,486	(842,706)
Non-Resident	660,972	647,592	13,380	614,729	46,243
Total Undergraduate Tuition	26,365,602	27,043,752	(678,150)	26,515,296	(149,694)
Graduate Tuition					
Graduate	4,295,802	4,143,657	152,145	4,061,485	234,317
OTD	418,800	523,500	(104,700)	-	418,800
Total Graduate Tuition	4,714,602	4,667,157	47,445	4,061,485	653,117
Summer					
Undergraduate	1,400,000	1,400,000	-	1,357,823	42,177
Graduate	800,000	600,000	200,000	517,620	282,380
Total Summer	2,200,000	2,000,000	200,000	1,875,443	324,557
Other Tuition	400,000	360,000	40,000	387,701	12,299
Total Tuition	33,680,204	34,070,909	(390,705)	32,839,925	840,279
Fees					
Matriculation	500,000	500,000	-	559,330	(59,330)
Course	400,000	400,000	-	451,050	(51,050)
Online Course	2,956,022	2,953,531	2,491	3,376,587	(420,565)
Other	150,000	150,000	-	248,157	(98,157)
Total Fees	4,006,022	4,003,531	2,491	4,635,123	(629,101)
Fee Remissions	(5,000,000)	(5,500,000)	500,000	(4,809,233)	(190,767)
Total Tuition & Fees (net of remissions)	32,686,226	32,574,440	111,786	32,665,815	20,411
Government Resources & Allocations					
Student Success & Completion (SSCM)	34,272,602	34,141,560	131,042	34,092,886	179,716
Engineering Technology (ETSF)	309,489	309,489	-	297,598	11,891
Small-Energy Loan Program (SELP)	379,248	379,248	-	379,248	-
Total Government Resources & Allocations	34,961,339	34,830,297	131,042	34,769,732	191,607
Other Revenues					
Gift Grants and Contracts	2,600,000	2,194,070	405,930	2,664,389	(64,389)
Interest Earnings/Investment	2,300,000	2,000,000	300,000	2,720,328	(420,328)
Sales & Services	500,000	500,000	-	424,653	75,347
Other Revenues	100,000	100,000	-	186,434	(86,434)
Total Other Revenues	5,500,000	4,794,070	705,930	5,995,804	(495,804)
Total Revenues	73,147,565	72,198,807	948,758	73,431,351	(283,786)

Western Oregon University
FY25 Proposed Adjusted Budget
Education & General Fund Detail

	FY25 Proposed Adjusted Budget	FY25 Prelim Budget	Increase/ (Decrease)	FY24 Actuals	Increase/ (Decrease)
Expenses					
Personnel					
Faculty Salaries	17,397,071	17,184,474	212,597	14,994,173	2,402,898
Unclassified Salaries	12,915,015	12,609,790	305,225	10,577,526	2,337,489
Faculty & Unclassified Supplemental Pay	615,903	615,903	-	2,266,837	(1,650,934)
Classified Salaries	7,212,313	7,229,747	(17,434)	6,179,137	1,033,176
Classified Pay	260,061	260,061	-	520,623	(260,562)
Student	1,633,739	1,630,466	3,273	1,401,669	232,070
OPE	22,907,390	21,924,585	982,805	20,495,722	2,411,668
Centralized Salary & OPE Savings	(2,482,395)	(1,356,500)	(1,125,895)	-	(2,482,395)
Total Personnel	60,459,097	60,098,526	360,571	56,435,687	4,023,410
Services & Supplies					
Services & Supplies	14,508,006	14,210,626	297,380	13,971,096	536,910
Internal Sales	(3,916,500)	(3,776,740)	(139,760)	(4,156,395)	239,895
Total Services & Supplies	10,591,506	10,433,886	157,620	9,814,701	776,804
Total Expenses	71,050,603	70,532,412	518,191	66,250,388	4,800,215
Transfers					
Athletics Subsidy	5,200,000	5,120,000	80,000	6,766,284	(1,566,284)
Child Development Center Subsidy	150,000	150,000	-	120,120	29,880
SELP Funding Match	294,000	294,000	-	306,813	(12,813)
Other Transfers	(46,002)	14,238	(60,240)	253,355	(299,357)
Total Transfers	5,597,998	5,578,238	19,760	7,446,572	(1,848,574)
Total Recurring Expenses & Transfers	76,648,601	76,110,650	537,951	73,696,960	2,951,641
Net Recurring	(3,501,036)	(3,911,843)	410,807	(265,609)	(3,235,427)
Other Activities					
Sustainability Funds Rollover	500,000	500,000	-	-	500,000
Campaign S&S	165,000	165,000	-	-	165,000
OTD Start-Up	158,160	125,000	33,160	-	158,160
EAB	210,911	-	210,911	-	210,911
Other	73,275	73,275	-	-	73,275
Total Other Activities	1,107,346	863,275	244,071	-	1,107,346
Net	(4,608,382)	(4,775,118)	166,736	(265,609)	(4,342,773)
Beginning Fund Balance	13,753,975	10,172,273		14,019,584	
Projected Ending Fund Balance	9,145,593	5,397,155		13,753,975	
Fund Balance as a Percentage of Revenues	12.50%	7.48%		18.73%	

**Western Oregon University
NWCCU Plan
Education & General Fund**

		NWCCU Plan	Actuals
FY23	Recurring Deficit	(8,000,000)	
	Expense containment (one-time)	<u>3,000,000</u>	
	Use of Fund Balance	(5,000,000)	(1,156,477)
FY24	Beg Fund Balance	10,000,000	14,019,584
	Recurring Deficit	(4,500,000)	
	Expense containment (one-time)	<u>1,000,000</u>	
	Use of Fund Balance	(3,500,000)	(265,609)
FY25	Beg Fund Balance	6,500,000	13,753,975
	Total Revenues		73,147,565
	Total Expenses & Transfers		<u>76,648,601</u>
	Recurring Deficit	(3,500,000)	(3,501,036)
	Expense containment (one-time)	<u>1,000,000</u>	<u>(1,107,346)</u>
	Use of Fund Balance	(2,500,000)	(4,608,382)
FY26	Beg Fund Balance	4,000,000	9,145,593
	Recurring Deficit	(1,500,000)	
	Expense containment (one-time)	<u>1,000,000</u>	
	Use of Fund Balance	(500,000)	
FY27	Beg Fund Balance	3,500,000	
	Recurring Deficit	-	
	Expense containment (one-time)	<u>-</u>	
	Use of Fund Balance	-	
FY28	Beg Fund Balance	3,500,000	

Proposed FY25 Adj Budget

**Western Oregon University
 FY25 Proposed Adjusted Budget
 Auxiliary Detail**

	Athletics (excluding IFC)*	Bookstore	Dining	Parking	Student Health & Counseling	University Housing	Other Auxiliaries	Total
Revenues								
Enrollment Fees	-	-	-	-	1,879,186	(50,000)	332,055	2,161,241
Government Resources & Allocations	1,396,015	-	-	-	-	-	-	1,396,015
Gift Grants and Contracts	-	-	-	-	-	-	104,369	104,369
Investment	-	-	-	-	-	26,000	-	26,000
Sales & Services	31,000	750,000	4,163,188	435,455	-	6,271,000	384,608	12,035,251
Other Revenues	-	-	450,294	-	23,686	139,500	1,000	614,480
Total Revenues	<u>1,427,015</u>	<u>750,000</u>	<u>4,613,482</u>	<u>435,455</u>	<u>1,902,872</u>	<u>6,386,500</u>	<u>822,032</u>	<u>16,337,356</u>
Expenses								
Unclassified Salaries	1,748,709	68,604	209,724	65,862	326,698	584,860	208,541	3,212,998
Unclassified Pay	-	-	500	-	16,124	7,500	25,000	49,124
Classified Salaries	103,778	131,798	825,441	65,649	423,035	105,000	41,673	1,696,374
Classified Pay	-	10,000	26,250	5,000	23,877	12,700	-	77,827
Student	-	12,500	463,250	30,000	-	297,304	74,790	877,844
OPE	1,279,285	152,246	797,989	88,117	500,592	527,544	199,277	3,545,051
Total Personnel	<u>3,131,772</u>	<u>375,148</u>	<u>2,323,154</u>	<u>254,628</u>	<u>1,290,326</u>	<u>1,534,908</u>	<u>549,281</u>	<u>9,459,218</u>
Services & Supplies	1,730,270	651,012	2,025,218	160,771	613,484	3,685,705	134,411	9,000,871
Total Expenses	<u>4,862,042</u>	<u>1,026,160</u>	<u>4,348,372</u>	<u>415,399</u>	<u>1,903,810</u>	<u>5,220,613</u>	<u>683,692</u>	<u>18,460,089</u>
Net Transfers	<u>(3,435,027)</u>	<u>-</u>	<u>208,000</u>	<u>20,240</u>	<u>-</u>	<u>1,581,449</u>	<u>185,000</u>	<u>(1,440,338)</u>
Total Expenses & Transfers	<u>1,427,015</u>	<u>1,026,160</u>	<u>4,556,372</u>	<u>435,639</u>	<u>1,903,810</u>	<u>6,802,062</u>	<u>868,692</u>	<u>17,019,751</u>
Net Budget	(0)	(276,160)	57,110	(184)	(938)	(415,562)	(46,660)	(682,394)

*Athletics also receives \$925,048 of funding from incidental fee.

Western Oregon University
FY25 Education & General Fund Budget
By Index

INDEX	DEPT NAME	Tuition	Study Resource Fees	Other Student Fees	Fee Remissions	State Resource Redistrib	Gift Grants & Contracts	Interest & Royalties	Sales & Services	Other Revenue	TOTAL REV	Tenure-Track Faculty Salary	NTT Faculty Salary	Unclass Salary	Other Unclassified & Faculty Pay	Academic Pay Summer	Classified Salary	Classified Pay	Student Pay	Uncl Health/Life OPE	Uncl Retirement OPE	Uncl Other OPE	Classified Health/Life OPE	Classified Retirement OPE	Classified Other OPE	Student OPE	Total Personnel	Services and Supplies	Intrnl Sales Reimburse (Redctn/Exp)	Transfer In	Transfer Out	TOTAL EXP									
		(+)	(+)	(+)	(-)	(+)	(+)	(+)	(+)	(+)		(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(+)	(-)	(-)	(+)										
		01100	01200	01700	01900	02510	03000	05100	06000	08000		10102-TENT	10102	10103	10200	10203	10301	10400	10501	10964	10967	10968	10974	10977	10978	10988		20000	79000	91000	92000										
VFF904	Sustainability Funds Rollover										-																						500,000	500,000							
DIA907	Campaign S&S										-																						165,000	165,000							
OTD901	OTD Start-Up/Rollover										-																						158,160	158,160							
PRO902	EAB - cultivate Juniors										-																						210,911	210,911							
PRO837	New Faculty Start-Up										-																						73,275	73,275							
TOTAL ONE-TIME FUNDS											-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
EDUCATION & GENERAL FUND TOTAL											33,680,204	550,000	3,456,022	(5,000,000)	34,961,339	2,600,000	2,300,000	500,000	100,000	73,147,565	11,639,074	4,002,056	12,415,015	615,903	925,941	6,712,313	260,061	1,633,739	6,849,197	7,663,540	2,412,238	2,367,936	1,911,605	568,257	482,222	60,459,097	15,615,352	(3,916,500)	(69,133)	5,667,131	77,755,947

Western Oregon University
FY25 Incidental Fee Budgets

INDEX	DEPT NAME	Other Student Fees (+) 01700	Gifts, Grants & Contracts (+) 03000	Investment (+) 05100	Sales & Services (+) 06000	Other Revenues (+) 08000	Svc Dept Sales Reimb (+) 09000	Total Revenue	Unclass Salary (+) 10103	Other Unclassified Pay (+) 10200	Classified Salary (+) 10301	Classified Pay (+) 10400	Student Pay (+) 10501	Uncl Health/Life OPE (+) 10964	Uncl Retirement OPE (+) 10967	Uncl Other OPE (+) 10968	Classified Health/Life OPE (+) 10974	Classified Retirement OPE (+) 10977	Classified Other OPE (+) 10978	Student OPE (+) 10988	Total Personnel	Services and Supplies (+) 20000	General Admin Overhead (+) 28204	Travel (+) 39000	Depreciation (+) 80500	Transfer In (-) 91000	Transfer In Incidental Fee Allocation (-) 91105	Transfer Out (+) 92000	TOTAL EXP	NET (ignoring depr.)	
CAMPUS RECREATION																															
DOS967	Health & Wellness Center				53,000			53,000	263,704			157,995	73,267	72,519	21,491					5,530	594,506	179,522	57,279		374,295		(778,307)		427,295	-	
DOS982	Health and Wellness Programs				14,000			14,000				34,252								1,199	35,451	7,910	3,209				(52,570)		14,000	-	
DOS983	Aquatic Center Operation											26,957								943	27,900	67,780	7,081				(102,761)			-	
DOS984	Aquatic Center Programs				46,000			46,000				41,382								1,448	42,830		3,170							-	
DOS985	Intramurals				2,000			2,000				42,182								1,476	43,658	4,150	3,538				(49,346)		2,000	-	
DOS986	Turf and Grass Fields				9,000			9,000				14,158								496	14,654	32,393	3,482				(41,529)		9,000	-	
DOS800	Men's Lacrosse																					18,047	1,336				(19,383)			-	
DOS801	Men's Soccer																					4,500	333				(4,833)			-	
DOS802	Men's Rugby																					21,000	1,554				(22,554)			-	
DOS803	Women's Rugby																					11,000	814				(11,814)			-	
DOS804	SORC Rock Climbing																					2,000	148				(2,148)			-	
DOS806	Dance Team																					4,000	296				(4,296)			-	
DOS812	Women's Soccer																					4,500	333				(4,833)			-	
DOS814	Men's Basketball																					3,500	259				(3,759)			-	
TOTAL CAMPUS RECREATION					124,000			124,000	263,704			316,926	73,267	72,519	21,491					11,092	758,999	360,302	82,832		374,295		(1,078,133)		498,295	-	
CHILDCARE																															
GEN949	Child Care Reserve																											(39,540)	39,540		-
TOTAL CHILDCARE																												(39,540)	39,540		-
CREATIVE ARTS																															
CAD933	Music				5,200			5,200		35,100		7,250		9,653	2,861					254	55,118	22,154	7,302	21,400				(100,774)		5,200	-
CAD937	Dance				5,000			5,000		4,500		3,660		1,238	367					128	9,893	21,785	3,105	10,280	897		(40,063)		5,897	-	
CAD938	Theatre				8,000			8,000		7,000		39,607		1,925	571					1,386	50,489	59,523	8,178	500			(110,690)		8,000	-	
CAD942	Art and Design									10,400		15,487		2,860	848					542	30,137	5,503	2,756	1,600			(39,996)			-	
TOTAL CREATIVE ARTS					18,200			18,200		57,000		66,004		15,676	4,647					2,310	145,637	108,965	21,341	33,780	897		(291,523)		19,097	-	
STUDENT ENGAGEMENT																															
SE0901	Student Engagement Operations				50,250		190,000	240,250	267,156		127,121	5,877	127,029	96,000	73,468	21,774	49,920	36,574	10,839	4,446	820,204	303,513	83,156		482,609		(966,623)		722,859	-	
SE0902	Leadership, Inclusion, & Activities (LIA)																											(43,601)			-
SE0903	Student Activities Board											16,657								583	17,240	27,201	3,289				(47,730)			-	
TOTAL STUDENT ENGAGEMENT					50,250		190,000	240,250	267,156		127,121	5,877	143,686	96,000	73,468	21,774	49,920	36,574	10,839	5,029	837,444	368,718	89,450	2,592	482,609		(1,057,954)		722,859	-	
STUDENT MEDIA																															
SE0904	Student Media																											(4,228)			-
SE0905	Northwest Passage											5,605								196	5,801	3,409	682				(9,892)			-	
SE0906	Western Journal		3,000					3,000				43,466							1,521	44,987	10,626	4,116				(56,729)		3,000	-		
SE0907	KWOU Student Radio Station											5,650								198	5,848	3,581	698				(10,127)			-	
TOTAL STUDENT MEDIA			3,000					3,000				54,721								1,915	56,636	21,552	5,788				(80,976)		3,000	-	
WOLF RIDE																															
DOS979	WOLF Ride				3,000			3,000				30,603								1,071	31,674	10,264	3,104		8,499		(42,042)		11,499	-	
TOTAL WOLF RIDE					3,000			3,000				30,603								1,071	31,674	10,264	3,104		8,499		(42,042)		11,499	-	
TOTAL IFC		3,753,557	3,000	-	195,450	-	190,000	4,142,007	530,860	68,680	165,086	5,877	706,139	169,267	164,875	48,864	69,120	47,014	13,933	24,714	2,014,429	3,480,790	409,366	36,372	866,300	(1,764,973)	(3,843,634)	3,926,917	5,125,567	(117,260)	

FY2024 Q4 Investment Report

BACKGROUND

The Western Oregon University (university) investment report for the fourth quarter (Q4) of FY2024 is presented in the following sections:

- **FY2024 Q4 Western Oregon University 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 the Public University Fund and the university's quasi-endowment investments managed by the Oregon State Treasury.
- **FY2024 Q4 Market Commentary** – This section provides a general discussion of the investment markets and related performance data for the fourth quarter of FY2024 (i.e., April 1 – June 30, 2024).

FY2024 Q4 WESTERN OREGON UNIVERSITY INVESTMENT REPORT

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

Public University Fund

(Prepared by the Public University Fund Administrator)

Western Oregon University's operating assets are invested in the Public University Fund (PUF). As of June 30, 2024, WOU had \$37.4 million invested in the PUF. The PUF increased 1.1% for the quarter and 5.1% for the fiscal year. The PUF's three-year and five-year average returns were 1.3% and 1.9%, respectively.

The Oregon Short-Term Fund (OSTF) increased 1.3% for the quarter and 4.9% fiscal year, equal to its benchmark for the quarter and underperforming its benchmark by 50 basis points for the fiscal year. The Core Bond Fund (CBF) increased 0.9% for the quarter and 5.1% for the fiscal year, outperforming its benchmark by 30 basis points and 90 basis points respectively.

The PUF investment yield was 1.3% for the quarter and 4.8% for the fiscal year. The OSTF and CBF annualized investment yields as of June 30, 2024, were 5.2% and 5.0%, respectively.

The OSTF continues to benefit from an inverted yield curve as short-dated maturities, such as 3-month Treasury Bills, provide higher coupons (5.22%) than longer dated maturities, such as 5-year Treasury Bonds (4.33%). The primary reason for the OSTF's 50 basis point relative underperformance for the fiscal year was the fund's higher average duration versus its benchmark during the early portion of the year, reducing the fund's reaction to rising short-term interest rates. Short duration corporate bonds and structured credit supported the CBF's relative outperformance during the quarter and fiscal year.

Western Oregon University Quasi-Endowment Fund

The WOU Quasi-Endowment Fund (Fund) increased 1.2% for the quarter and 11.0% for the fiscal year, underperforming its benchmark by 20 basis points for the quarter and underperforming its benchmark by 30 basis points fiscal year-to-date. The Fund ended the quarter with a balance of \$2.8 million.

The Fund's assets are allocated to a global equity index strategy (BlackRock All-Country World Index – 55.3%) and an “actively” managed fixed income fund (Western Asset Core Plus Bond – 39.7%). The remaining assets are invested in the Oregon Short Term Fund (5.0%).

For the three months ended June 30, 2024, the Blackrock All-Country World Index increased 2.5%, outperforming its benchmark by 10 basis points. The Western Asset Core Plus Bond Fund decreased 0.6% for the period, underperforming the Bloomberg Barclays U.S. Aggregate Bond Index by 50 basis points.

The university received a \$400,000 distribution from the endowment in June 2024.

Western Oregon University
Investment Summary
as of June 30, 2024
(Net of Fees)

	Quarter Ended 6/30/2024	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation	Policy Allocation Target
WOU Operating Assets Invested in Public University Fund									
Oregon Short - Term Fund	1.3%	4.9%	2.9%	2.8%	2.3%	1.8%	\$ 11,566,318	30.9%	1
Benchmark - 91 day T-Bill	1.3%	5.4%	3.6%	3.0%	2.2%	1.5%			
PUF Core Bond Fund	0.9%	5.1%	0.4%	-0.5%	1.5%	N/A	25,873,917	69.1%	1
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index ²	0.6%	4.2%	-0.1%	-1.2%	0.7%	1.7%			
Public University Fund Total Return	1.1%	5.1%	1.3%	1.3%	1.9%	N/A	<u>\$ 37,440,235</u>	<u>100.0%</u>	
Public University Fund Investment Yield ³	1.3%	4.8%	3.4%	3.2%	2.9%	N/A			
WOU Endowment Assets									
BlackRock ACWI IMI B	2.5%	18.6%	16.4%	4.9%	10.6%	N/A	\$ 1,571,933	55.3%	55.0%
Benchmark - MSCI ACWI IMI Net	2.4%	18.4%	16.1%	4.7%	10.4%	8.2%			
Western Asset Core Plus Bond Fund	-0.6%	1.6%	-0.4%	-5.4%	-1.2%	N/A	1,128,065	39.7%	40.0%
Benchmark - Bloomberg Barclays Aggregate Index	0.1%	2.6%	-0.9%	-3.0%	-0.2%	1.3%			
Cash	1.3%	4.9%	2.9%	2.8%	2.3%	N/A	140,780	5.0%	5.0%
Benchmark - 91 day T-Bill	1.3%	5.4%	3.6%	3.0%	2.2%	1.5%			
Total Endowment Assets	1.2%	11.0%	9.4%	0.8%	5.6%	N/A	<u>\$ 2,840,778</u>	<u>100.0%</u>	
Policy Benchmark ⁴	1.4%	11.3%	8.6%	1.7%	6.0%	N/A			

¹ The Public University Fund (PUF) policy guidelines define investment allocation targets based upon total participant dollars committed. Core balances in excess of liquidity requirements for the participants are available for investment in the Core Bond Fund. Maximum core investment allocations are determined based upon anticipated average cash balances for all participants during the fiscal year.

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 yield for the quarter and fiscal year-to-date represent earned yields for the period and are not annualized rates.

⁴ Policy Benchmark Composition: 55% Morgan Stanley Capital Indices All-Country World Investable Market Index Net , 40% Bloomberg Barclays Aggregate Bond Index, 5% 91 day T-Bill.

Note: Outlined returns underperformed their benchmark.

Oregon Short Term Fund

June 30, 2024

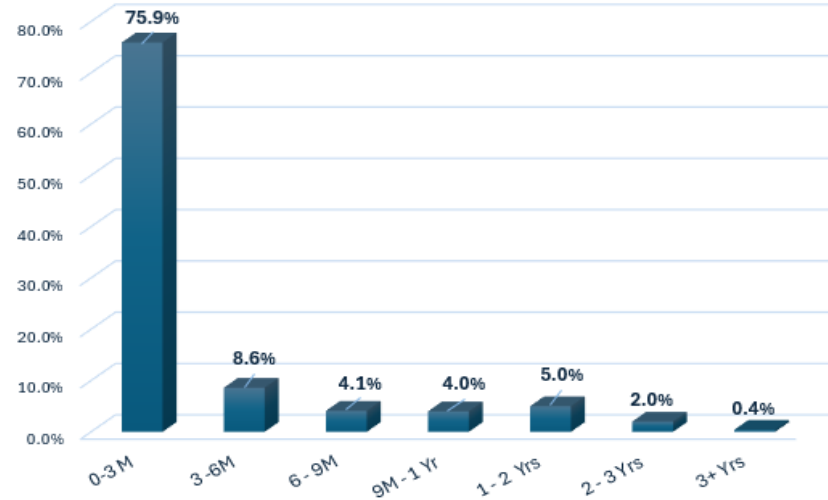
Portfolio Characteristics

Market Value 6/30/2024	\$ 170,567,010
Weighted Average Credit Quality	AA
Book Yield (%)	5.26%
Weighted Average Maturity (days)	109 Days
Duration (years)	0.25
Spread Duration (years)	0.58

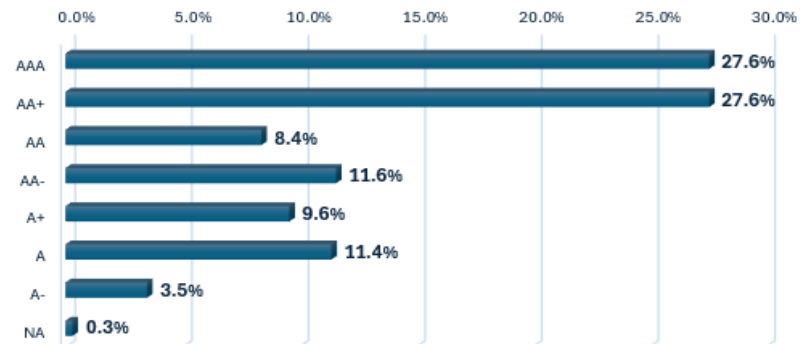
Top 10 Issuers

United States Treasury	24.4%
Canada Pension Plan Investment Board Capital Incorporated	2.6%
Royal Bank of Canada	2.3%
American Honda Finance Corporation	1.8%
Toyota Motor Credit Corporation	1.7%
CDP Financial Incorporated	1.7%
Federal Home Loan Banks	1.4%
Capital One Multi-Asset Execution Trust	1.4%
JPMorgan Chase & Company	1.3%
Toronto-Dominion Bank (The)	1.3%
Total	39.9%

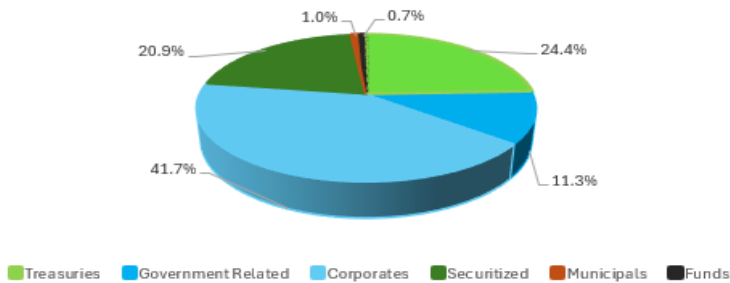
Maturity Breakdown



Credit Quality Distribution



Sector Allocations



Source: Oregon State Treasury

Core Bond Fund

June 30, 2024

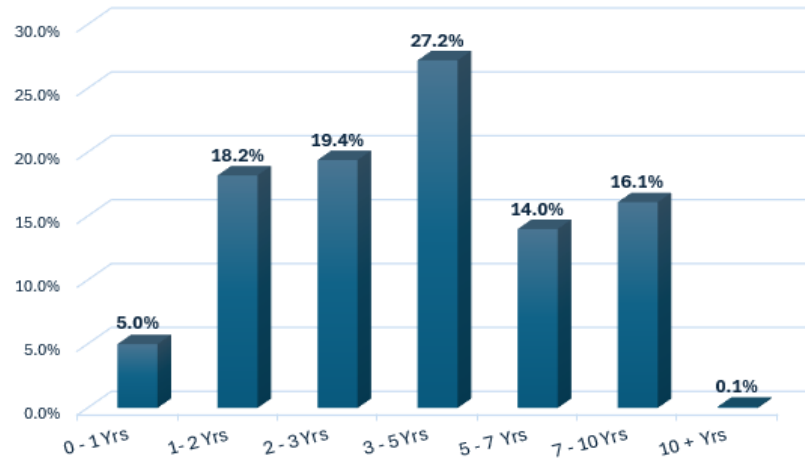
Portfolio Characteristics

Market Value 6/30/2024	\$ 381,559,335
Weighted Average Credit Quality	AA-
Book Yield (%)	4.97%
Weighted Average Maturity (years)	4.57
Duration (years)	3.76
Spread Duration (rate)	1.45

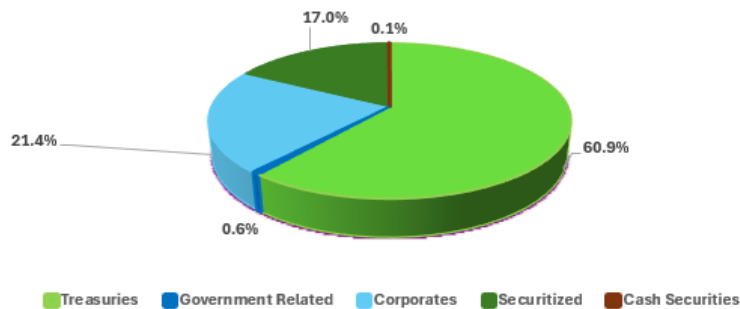
Top 10 Issuers

United States Treasury	61.0%
Federal Home Loan Mortgage Corporation	4.0%
Federal National Mortgage Association	2.3%
Rexford Industrial Realty Incorporated	2.2%
Agree Realty Corporation	2.2%
Charles Schwab Corporation (The)	1.9%
Oscar US Funding Trust	1.7%
Ford Credit Trust 22-C	1.7%
Safehold Incorporated	1.5%
CHN Equipment Trust	1.4%
Total	79.9%

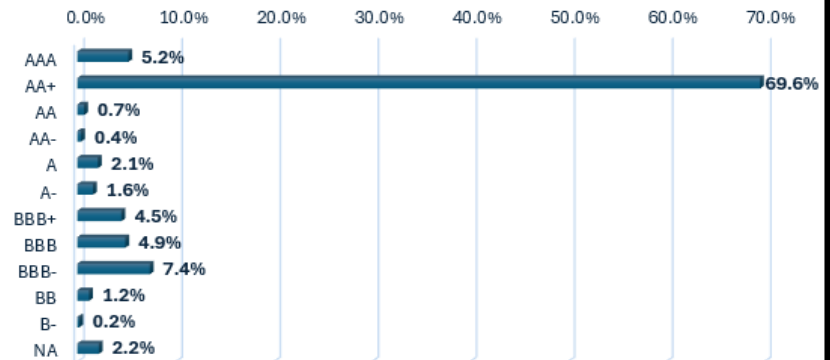
Maturity Breakdown



Sector Allocations



Credit Quality Distribution



Source: Oregon State Treasury

FY2024 Q4 MARKET COMMENTARY

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

Report on Investments – as of June 30, 2024

Economic and Market Update

Softening economic data, the potential for additional Federal Reserve Funds rate cuts, and ongoing artificial intelligence (AI) optimism drove most asset classes higher in the second calendar quarter.

- While the Federal Reserve remains data dependent, improvements in inflation and a cooling labor market may clear the way for several rate cuts this calendar year.
- Inflation pressures have eased in most countries from their pandemic peaks, but some uncertainty remains and levels are still above most central bank targets. In the second calendar quarter, headline and core inflation measures in the U.S. both fell, with most readings coming in below expectations.
- The U.S. equity market (S&P 500 index) added to its gains in the second calendar quarter, rising 4.3%. Technology continued to drive results in the calendar quarter due to AI demand and investment.
- Non-U.S. developed equity markets (Morgan Stanley Capital Indices (MSCI) Europe, Australia, Far East (EAFE)) fell in the second calendar quarter (-0.4%) on continued strength in the U.S. dollar and political uncertainty in Europe.
- Emerging market equities (MSCI Emerging Markets (EM)) rallied 5.0% for the calendar quarter. Chinese stocks were up 7.1% as coordinated buying of Chinese exchange traded funds by state-backed financial services companies helped boost stock prices.
- U.S. interest rates rose over the calendar quarter but finished off their highs. Income offset capital losses though, leading to the broad U.S. bond market (Bloomberg U.S. Aggregate) rising 0.1% in the second quarter.

Looking to the rest of this calendar year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, and the many looming elections will be key factors.

Market Returns¹ June 30, 2024

	Month	Quarter	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
S&P 500	3.60%	4.30%	15.30%	24.60%	10.00%	15.00%	14.30%	12.90%
MSCI EAFE-ND	-1.60%	-0.40%	5.30%	11.50%	2.90%	6.50%	5.70%	4.30%
MSCI EM-ND	3.90%	5.00%	7.50%	12.50%	-5.10%	3.10%	3.50%	2.80%
MSCI China-ND	-1.90%	7.10%	4.70%	-1.60%	-17.70%	-4.30%	-1.30%	1.40%
Bloomberg US Aggregate	0.90%	0.10%	-0.70%	2.60%	-3.00%	-0.20%	0.90%	1.30%
Bloomberg US TIPS	0.80%	0.80%	0.70%	2.70%	-1.30%	2.10%	2.50%	1.90%
Bloomberg US Corporate High Yield	0.90%	1.10%	2.60%	10.40%	1.60%	3.90%	4.20%	4.30%
ICE BofAML US 3-Month Treasury Bill	0.40%	1.30%	2.60%	5.40%	3.00%	2.20%	2.10%	1.50%
ICE BofAML 1-3 Year US Treasury	0.60%	0.90%	1.20%	4.50%	0.40%	1.10%	1.30%	1.10%
ICE BofAML 10+ Year US Treasury	1.60%	-1.50%	-4.40%	-5.10%	-10.00%	-4.00%	-1.30%	0.70%

¹Source: Oregon State Treasury

U.S. Equities: U.S. stocks continued their rise in June driven by on-going AI optimism. Nearly all the calendar year quarterly market gains in the S&P 500 were driven by large cap technology stocks, with the S&P 500 equal weighted index down 3.1% for the quarter. U.S. large cap stocks continue to outperform small cap stocks. This dynamic is driven by the large technology stocks like NVIDIA, Apple, and Alphabet and the underperformance of small cap biopharma companies and banks. Growth outperformed value for the calendar quarter, with the most pronounced outperformance in the large cap space (8.3% versus -2.2%).

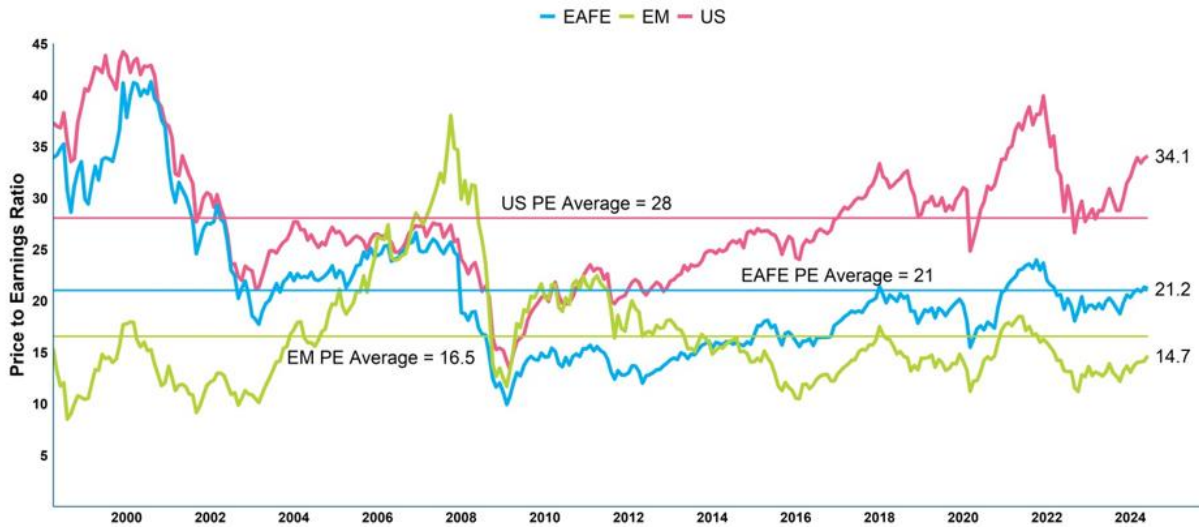
Unlike the first calendar quarter's performance, where all sectors gained, the second calendar quarter saw mixed results across the major sectors. Technology (+12.9%) continued to drive results fueled by on-going AI optimism. Utilities were a distant second, increasing 3.5% on expectations of increased demand from AI-related companies. Many other sectors fell, including financials (-1.3%), health care (-1.4%), consumer staples (-2.7%), energy (-2.9%), materials (-4.7%), and industrials (-4.9%). All sectors had positive returns for the calendar year-to-date period. Technology stocks (+27.8%) continue to lead the broader market, followed by financials (9.7%).

Foreign Equity: Developed international equities (MSCI EAFE) fell 0.4% in the second calendar quarter, while emerging market equities (MSCI EM) gained 5.0%. For the second calendar quarter, the developed market equities decline was driven by continued strength in the U.S. dollar and regional political risks, particularly in France. U.K. and Japanese equities made new all-time highs during the calendar quarter, but this was not enough to offset losses in Europe.

Emerging market equities outpaced developed market equities during the calendar quarter given strong results in China (7.1%). China equities moved into positive territory for the calendar year (4.7%) due to government purchases of shares, improving economic data, and returning foreign investors.

At the end of the second calendar quarter, the U.S. equity price-to-earnings ratio remained elevated and above its 21st century average. International equity market valuations remain well below the U.S. International developed market valuations and have increased to slightly above their long-term average, while emerging market equities remain below their long-term average despite recent gains.

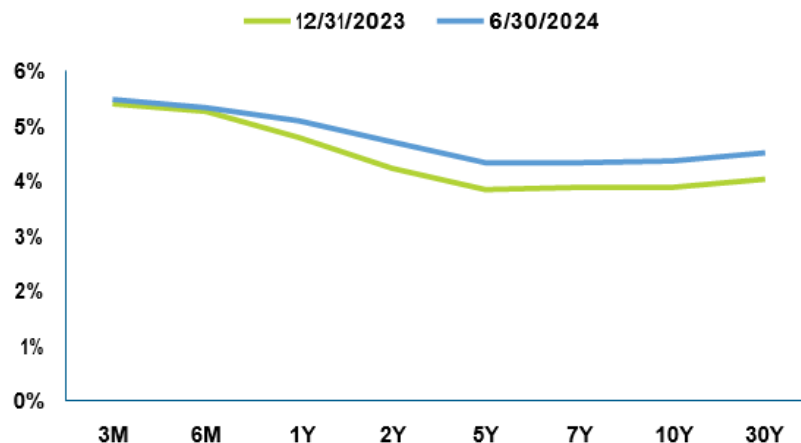
Equity Cyclically Adjusted P/E Ratios¹



¹ Source: U.S. Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of June 2024. The average line is the long-term average of the U.S., EM, and EAFE PE values from April 1998 to the recent month-end respectively.

Fixed Income: The Bloomberg Universal index rose 0.2% in the second calendar quarter, reducing the year-to-date decline to -0.3%. Bonds finished the quarter slightly up as May and June gains offset the April declines. The broad U.S. bond market (Bloomberg Aggregate) rose 0.1% in the second quarter, with the broad Treasury Inflation Protected Securities (TIPS) market gaining 0.8%. The less interest rate sensitive short-term TIPS index increased 1.4% for the quarter, leading to the best results. High yield bonds (1.1%) also rose, as risk appetite remains strong.

US Yield Curve¹



¹ Source: Bloomberg. Data is as of June 30, 2024.

Year-over-year headline inflation continued to fall in June (3.3% to 3.0%) and again came in below expectations. Over the calendar quarter, inflation fell by a total of 0.5%. Month-over-month inflation was negative for the first time since March 2020, largely because of price declines in energy and core goods. Core inflation (excluding food and energy) also declined in June (3.4% to 3.3%) and came in below expectations. A drop in used car prices, transportation services, and a slowing of the pace of shelter price increases all contributed to the decline. Inflation expectations (breakevens) have been volatile, but they finished the calendar quarter largely where they started.

US Unemployment¹

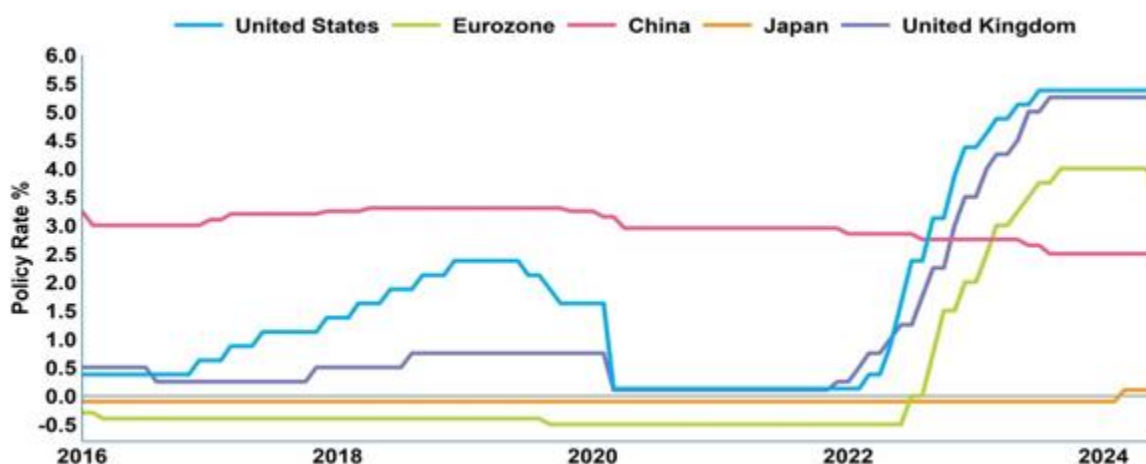


¹ Source: FRED. Data is as June 30, 2024

Overall, the U.S. labor market remains healthy, but there have been some recent signs of softening. The unemployment rate came in above expectations in June reaching 4.1%, a level not seen since early 2022. Over the second calendar quarter unemployment increased 0.3%. Wage growth remains strong though (around 3.9% annually), and initial claims for unemployment are still subdued. Despite significant downward revisions to job gains in April and May, the economy added 206,000 jobs (above expectations) in June. The government added the most jobs (70,000), followed by the healthcare sector (49,000).

Despite the strong labor market and higher wages, pressures are building on the U.S. consumer. This is an important consideration as consumer spending has been a key driver of economic growth. Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s). Recently, we have also seen payment delinquencies on credit cards and auto loans start to increase, particularly for younger people. The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially mitigated by recently initiated repayment and forgiveness programs. It is worth noting though that many people locked in low-rate fixed mortgages before rates increased and many corporations issued debt at extremely low levels, reducing the sensitivity to higher rates.

Policy Rates¹



¹ Source: Bloomberg. Data is as of June 30, 2024. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

In the U.S., interest rates have remained at current levels (5.25%-5.50%) for a year now. The most recent “dot plot” (the Fed’s expectation on the path of rates) showed a median expectation of roughly one rate cut this year. Markets are now pricing in two to three rate cuts in 2024 given the improving inflation data with the probability of a cut around 100% in September and slightly over 90% for December. The European Central Bank (ECB) cut its policy rate by twenty-five basis points at the beginning of June, as expected. Like the U.S., cuts are also anticipated at the September and December meetings. After ending the last negative interest rate policy given higher inflation levels, the Bank of Japan (BOJ) has since kept rates at slightly above 0%. Policy is expected to tighten going forward with the BOJ announcing at their recent meeting they would also start reducing their bond purchases. Interest rate futures markets are pricing in roughly two rate hikes (of 10 basis points) through the end of the year. The central bank in China has maintained interest rates at record low levels and continues to inject liquidity into the banking system, to support economic growth.

Summary-Key Trends:

- According to the International Monetary Fund’s (IMF) April report, global growth this year is expected to match the 2023 estimate at around 3.2% with most major economies predicted to avoid a recession. Continued strong economic growth does run the risk of inflation and interest rates staying higher for longer.
- Key economic data in the U.S. has largely weakened and come in below expectations, causing markets to expect between two and three rate cuts this year. Uncertainty remains though regarding the timing and pace of interest rate cuts in the coming year.

- We have started to see some divergences in monetary policy with other central banks, such as the European Central Bank (ECB), starting to cut interest rates while the Fed remains on hold. This disparity will likely influence investment flows and currencies.
- U.S. consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs are elevated, and the job market may weaken.
- A focus for U.S. equities going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and ongoing weakness in the real estate sector. Japan's recent tightening of monetary policy along with changes in corporate governance in the country could influence relative results.



Public University Fund (PUF)

**Investment Statement
April 1, 2024 - June 30, 2024
Q4 FY24**

Western Oregon University
Ana Karaman, Vice President for Finance & Administration
Nick Miller, Associate Controller
345 Monmouth Ave N.
Monmouth, OR 97361

	Quarter-to-Date as of 06/30/2024
Beginning Market Value	\$41,857,109
+ Contributions	2,463,217
- Withdrawals	(6,762,938)
+/- Change in Market Value	(117,153)
Ending Market Value	\$37,440,235

Units Owned	390,782.071
Price per Unit	\$95.80848

	<u>Quarter-to-Date</u>	<u>Year-to-Date</u>
Gross Investment Earnings	\$534,148	\$2,087,626
Participant Fees	(2,220)	(26,638)
Participant Fee Credit	-	1,323
Net Investment Earnings	<u>\$531,928</u>	<u>\$2,062,311</u>
Realized Gain/(Loss) on Sale of Investments*	(\$171,616)	(\$668,373)
Unrealized Gain/(Loss) on Investments		(\$618,092)

**Year-to-Date total includes adjustment for prior quarter.*

Questions? Please contact Mary Hatfield, 541.737.0843

mary.hatfield@oregonstate.edu