



**President's State of the University Address
Rice Auditorium
September 23, 2020**

Below is the script for President Rex Fuller's State of the University Address. His address may also be viewed on [WouTV](#).

Good Morning.

As we gather to start this academic year, we need to pause and reflect on the devastating loss that has reigned down on Oregon because of the extensive firestorms that have destroyed so many towns, neighborhoods, businesses, and homes. Sadly, we know that some of our colleagues and their families have suffered loss. We extend our gratitude to the countless firefighters who have risked their own lives to save others. We know that it will take many weeks to recover and heal from these horrific events. Oregon's motto is, "She flies with her own wings." Let us pledge to support one another as we embrace what lies ahead.

The year 2020 will be remembered as historic for many reasons. Foremost among them are the challenges posed by COVID-19 and the tragic loss of lives in our state and nation. The abrupt shutdown in March that led Western, and other universities, to pivot from a traditional approach to remote and online classes. The shutdown of campus itself, led to remote work, telecommuting and what seemed to be endless meetings by WebEx and Zoom.

And now in September, who would have imagined that the sudden shutdown in March would continue to thwart reopening efforts in fall 2020? Moreover, the pandemic has disproportionately targeted the poor and minority populations among us. COVID-19 exposed and widened our socio-economic fault lines, and without effective intervention, it will have long-lasting negative effects on society.

I am proud of all of our faculty and staff who worked tirelessly to pivot to a remoted working environment. From our remote and on-line instructional formats to our basic operations, the university adapted its work to accommodate the social distancing requirements and public health guidance. I want to express my deep appreciation and gratitude to all of Western's employees in making these changes in a manner that kept our focus on our mission—student success and campus health.

Let's take a few minutes to look back at 2019-20 through the lens of our strategic plan, ***Forward Together***.

2020 will be remembered forever as Western held its first, and hopefully, its last virtual graduation. It was held on June 13 at 10 am just as if we were gathered on campus. We had over 700 of our 1700 graduates participate and we have also invited any 2020 graduate to return to campus and join the class of 2021 if they want the added experience of our traditional graduation. All told, these 1,741 graduates earned 1,755 degrees. I am told that it rarely rains on graduation, yet this year we had significant rain on commencement day —ironic that it would rain during a virtual graduation ceremony.

Our Strategic Plan, ***Forward Together***, has five initiatives. The first is:

Student Success: promote student success, learning and graduation through personalized support in a student-centered education community.

- One of the main accomplishments of the past year was a successful transition to remote learning and advising during the spring term.
 - Academic Affairs distributed hotspots and technology to students.
 - With the support of the Academic Innovation team, faculty and staff were able to adapt quickly and nimbly to the challenge.
 - In the end, students were supported by dedicated faculty and staff, who were able to offer students a new grading option of satisfactory.

- Student Success and Advising supported student success by adding degree completion outreach and advising to students who left WOU, launched an enhanced Wolf Connection System tool, created strategies for online/remote learning to support students in the transition during COVID-19, and successfully shifted to remote appointments for advising and tutoring, and, in partnership with Student Affairs, they delivered successful virtual SOAR and TSOAR experiences for our incoming students.
- Academic Affairs successfully implemented an enhanced schedule planning tool, College Scheduler, that provides students with optimum course schedules that help keep students on track for timely graduation.
- A new registration **nudge** program was developed by Academic Advising, which brought the percentage of unregistered students down to 7.9% for winter term and 6.0% for spring term. These efforts encourage our students to graduate in a timely fashion.
- In support of student success and academic excellence, the new General Education program was successfully launched. Students and professional advisors report finding the new program easier to navigate.
- **WOU:Salem:** As we start our first full academic year of classes in Salem, we are excited to start offering classes in the Vick Building.
 - Over the past months, our facilities staff has coordinated the remodeling work to make the building ready by mid-fall.
 - The Vick Building will have space for up to eight classrooms, office spaces and meeting spaces to support our work. The property has access to 40 parking spaces and ample street parking is available in the evenings with a City of Salem parking structure within easy walking distance.
 - From Spring 2019 to Spring 2020, enrollments at WOU:Salem went from 62 seats to 210 seats, a 340% increase. Average class size exceeded our planning projections.
- Last year, we launched an initiative to become a federally recognized **Hispanic Serving Institution (HSI)**, which requires 25% of our student FTE to identify as Hispanic. We continue our efforts to recruit, admit and graduate a diverse student

body. According to data for 2018-19 from the Higher Education Coordinating Commission, WOU has the largest share of Hispanic enrollment, with 26% of its enrollment, and is the second most diverse campus among the public universities in Oregon.

- The Office of Admissions continues to work on increasing the number of publications available in Spanish based on appropriateness. WOU also placed ads on Spanish radio in the greater Portland market.
- Before the COVID-19 lockdown, WOU hosted 117 Latinx high school students (grades 9-12) and their families in February. The event, **Journey to College**, included presentations addressing topics such as the college search, financial aid and scholarships, and the transition to college for seniors. Other activities included a keynote speaker, department information tables, and tours of campus. Journey to College was a new event that aligns with WOU's Emerging Hispanic Serving Institution (HSI) designation.
- Student Affairs successfully launched a peer mentorship program for student veterans and hosted its first state conference for student veterans with attendees from 10 colleges and universities.
- On the transfer front—we continue to add Oregon community colleges to our Degree Partnership Program Agreement.
- On the athletic front, NCAA Division II prides itself on “Life in the Balance” for our over 300 student athletes. Our student athletes have higher retention and graduation rates than our general student body and they are competitive in sports.
 - Women's Soccer had the most wins in a season since 2002 and qualified for the GNAC Championship tournament.
 - Football clinched a share of the GNAC title for the first time in history.
 - Grace Knapp qualified for the NCAA Cross Country Championship and posted the highest women's finish at nationals since WOU joined the NCAA.
 - 20 student athletes have a cumulative GPA of 3.85 or higher and all told student athletes have a GPA of 3.15.

ACADEMIC EXCELLENCE: promote academic excellence in an engaged student-focused learning environment.

- Academic Innovation supported academic excellence by launching a redesigned summer faculty development initiative. *Catalyst*, a two-week program, provided a pedagogical foundation for online teaching, peer mentoring, and instructional design support to over 40 faculty members.
- Faculty oversaw the development of several new programs including Cybercrime, Investigation and Enforcement, Professional Studies in the Deaf Communities, Aquarium Sciences, Economics & Mathematics, Sustainability, Professional Writing, and numerous certificates. In addition, online pathways were created in Psychology and Criminal Justice.
- Graduate Studies saw considerable growth in enrollment in several of our graduate programs from Fall 2019 to Fall 2020 including:
 - 38% increase in the Organizational Leadership program
 - 29% increase in the Rehabilitation Counseling program
 - 19% increase in the Interpreting Studies program.
- Looking ahead to this fall, WOU joins nine other colleges and universities in a new American Council on Education (ACE) initiative on learner success. With the support of ACE and other participating institutions, we will explore and integrate evidence-based practices for promoting student persistence and completion, life design and career exploration, and workforce skills development.
- Dr. Kathy Cassity (Dean, LAS) and Dr. Adry Clark (Director, Service Learning and Career Services) will lead a team of faculty and staff from across campus to create a comprehensive strategy for enhancing learner success at WOU. In the near future, you will receive invitations to participate in the steering group as a leader or a member. I am particularly excited about this work because it will feed into our next strategic planning cycle, providing space for broad-based and in-depth conversation about what learner success at WOU means and the steps we can take to support it.
- Quite simply, equitable student success is central to WOU's mission, and is reflected in the goals we have set for ourselves regarding retention, persistence, and

graduation rates for all students. And, each of these is dependent on our commitment to personalized support for each and every student.

COMMUNITY ENGAGEMENT: create meaningful opportunities for lasting partnerships with local communities and regional and global organizations.

- Community Health faculty Dr. Emily Vala-Haynes and Dr. Meegan Patton-Lopez and Community Health students have coordinated with Polk County Health to significantly increase COVID-19 contact tracing capacity.
- In March of 2020, shortly after the Governor's declaration of a State of Emergency, Oregon's Early Learning Division approached WOU's Center on Early Learning and Youth Development (CELYD) with a contract to provide essential services to Oregon's early learning system and child care response to the pandemic. The Center's staff became a vital part of Oregon's response by supporting system partners, childcare providers, and essential workers needing childcare during the pandemic.
- Student Affairs expanded WOU Grow, a program of structured conversations between student employees and their supervisors to help students connect the skills and knowledge they are gaining in the classroom with the work they are doing, and vice versa. Sixty-seven supervisors have been trained and are utilizing this program.
- Student Affairs initiated an on-campus work program, WOU WorkStart, for first year students to attract students to WOU and provide accessible path to student employment that advanced best practices.
- Upward Bound held a successful Summer Academy program having to convert all classes and activities to a virtual format. Upward Bound also partnered with Campus Dining to provide meal boxes to students each week.

ACCOUNTABILITY: promote teamwork and transparency in budgeting, decision-making and the stewardship of resources.

- **Enhanced cybersecurity capabilities:** University Computing Solutions (UCS) has continued to increase the University's Cybersecurity capabilities. This includes:
 - Beginning of migration of servers to new DataCenter firewall with enhanced security
 - Deployment of Umbrella Roaming Client for VPN users (more secure at home)
 - Ongoing Information Security trainings
 - redWOLF3 development (automated security monitor and response tool). This tool has blocked more than 25,000 attackers automatically in the last year. It has also given us more visibility into attacks and trends.
- **Financial statements/treasury management in house:** The university realized almost two-hundred thousand dollars in savings by designing our own infrastructure for the preparation, presentation, and publication of the annual financial statements. A portion of those savings correspond to taking on the University Shared Services Enterprise's treasury management services.
- **Emergency Notification System:** WOU switched vendors for more reliable communication and updated mode of emergency notification. The new emergency notification system is integrated with our Alertus desktop application and the emClocks. Test notifications have all been delivered in less than 60 seconds.
- Successful conclusion to bargaining with WOUFT and SEIU for a set of successor collective bargaining agreements.
- Substantial revision to procurement processes, including automatic filing and signatures, to streamline start-to-finish contracting.
- In support of our contact tracing work related to COVID-19, WOU negotiated and implemented an intergovernmental agreement with Polk County. The project enables our students, under the guidance of Community Health faculty, to increase contact tracing substantially and provide trained students with real-world opportunity to apply their studies to the COVID-19 pandemic.
- The Human Resources Office made significant changes in processes and policies related to COVID-19 and its workplace disruption, including but not limited to, negotiations of multiple letters of agreement, management of a novel Work Share

program to leverage federal and state benefits, implementation of new federal sick leave benefits, and revamping telework requirements.

- WOU also converted its Board meetings to a virtual environment.

SUSTAINABILITY & STEWARDSHIP: promote effective university stewardship of educational, environmental, financial, human and technological resources.

- **Distribution of CARES Act funds:** In coordination with University Computing Solutions, the financial aid office disbursed CARES Act funds to student accounts. WOU developed a new check process that produced and mailed just under 800 refunds to our students totaling nearly \$1.5 million dollars in May. Efforts such as these are vital as we continue to make progress on becoming the most affordable public university in Oregon.
- **Transition of technology to remote instruction:** When it was announced that Spring Term instruction would be delivered remotely:
 - University Computing Solutions acquired, installed, configured, and deployed 8 new servers
 - Installed and configured additional support for Moodle
 - Installed and configured 400 additional VDI (virtual desktop) clients
 - Installed and configured streaming servers for virtual Town Halls
- Thirty staff members in Student Affairs were trained to serve as Search Advocates to help ensure searches for staff positions within the division are more inclusive.
- **External grants:** In 2019-2020, 55 external funding proposals were submitted totaling \$19,817,837 in requested funding. WOU proposals had a high success rate of 49% and we were awarded \$11,610,244 in external funding, most of which came from federal and state agencies.
 - In Student Affairs, grants of over \$2.5M support activities in veteran affairs, violence prevention, TriO Student Support Services and TriO Student Support Services Teacher Preparation.

- The 2020-2021 year is off to a strong start, as nine externally funding proposals have already been submitted totaling \$1,154,896 in requested funds.
- I am pleased to welcome Dr. Hilary Fouts, Dean of Graduate Studies and Research, who is leading our efforts to secure external grants through the Sponsored Projects Office.
- **Foundation:** In 2019-20 the WOU Foundation received gifts totaling more than 2.6 million dollars! With pledged gifts, the committed grand total is nearly 5.7 million dollars!
 - Once again, our benefactor Dr. Woodcock has chosen to make an impact on WOU students. This past year, he invested \$200,000 to help us create the Student Success Endowment, which will support scholarships and emergency student aid. He also pledged another \$2.8 million to be paid over the next three years. The additional funds will continue to grow the Student Success Endowment and his scholarship endowment to support STEM students. We are grateful to Dr. Woodcock for being the first lead gift in our comprehensive campaign, ***Forever Forward***.
- Last year, MarCom launched the innovative and wildly popular Why I Love WOU video contest, engaging both current and future students while creating content to spread the word about WOU from the students' voice. This year, this innovative program won the silver award for Electronic and Digital Media: Best Uses of Social Media at the 2020 Best of CASE VIII Competition.
- Unique to this year, the Foundation partnered with businesses in the community to host an Art & Wine Walk to celebrate the life of Fred Maurice. On what would have been his 99th birthday, more than 150 members of the campus and surrounding communities came to campus and downtown Monmouth to buy art and sample wine. This successful partnership brought new members of the community to our doorstep.
- The Welcome Center is a \$8.2M renovation project of the Oregon Military Academy. The renovation includes a new lobby to honor Jack Morton, new elevator, new classrooms, computer labs, offices, and meeting spaces. In addition, the courtyard has been redone and will be a place to host official events and public gatherings. The

Welcome Center will be the new home for Financial Aid, Admissions, Alumni Relations, Mail and Print Services. The building is scheduled to open shortly after the start of the new school year.

- The Instructional Technology Center is a \$10M renovation project. This is the completion of the Phase 3 improvements that include major seismic upgrades, HVAC improvements, additional gallery spaces, roof repairs, bathroom renovations and a new sprinkler system. ITC is scheduled to reopen January 2021.

Although we cannot gather this year in Rice Auditorium—please join me in recognizing the work of our colleagues. (applause)

As many of you know, I joined WOU in July 2015, and as part of the interview process, all finalists were asked to address a question that is as relevant today as it was then:

What is the role of a mid-sized, public comprehensive university in a changing world?

I argued then that public universities have a powerful and undeniable role in our democratic society. Public regional comprehensive universities have been the engines of change for countless members of society. More than any other sector of higher education, public regional comprehensive universities admit and enroll a higher proportion of underrepresented, low-income, and first-generation students at a much higher rate than other types of universities. And, regional comprehensive public universities are more effective in graduating these students than our larger counterparts. Western is no exception—over the years, we have committed ourselves to student success.

Over time, public comprehensive universities are adaptable, they develop new programs and adapt to the changing needs of our nation. Normal schools like Western, added new programs **and continued their long-standing commitment** to teacher education programs—put differently, public comprehensive universities are highly adaptive to changing societal needs and expectations.

In my interview address, I referred to the 2013 report by the American Academy of Arts and Sciences, *The Heart of the Matter*, as it aptly captures our role:

“As we strive to create a **more civil public discourse**, a **more adaptable and creative workforce**, and a **more secure nation**, the **humanities and social sciences are the heart of the matter, the keeper of the republic—a source of national memory and civic vigor, cultural understanding and communication, individual fulfillment and the ideals we hold in common.**” (The American Academy of Arts and Sciences, *The Heart of the Matter*, p. 9, 2013)

I stressed that we needed to reverse the trend toward an ever-more fragmented curriculum. Educators should focus new attention on the “qualities of mind”—problem-solving, critical analysis, and communication skills—that are embedded in all disciplines. I applaud our faculty who designed and implemented a new General Education program that does this. I believe our curriculum equips our graduates for leadership in an increasingly interconnected world. Moreover, I am confident that Western’s graduates will engage with people around the world to work together to address issues such as environmental sustainability and global health challenges.

I concluded my interview presentation by saying that what matters most for student success is the **TOTAL LEVEL of campus engagement**—academic, interpersonal, extra-curricular activities that REINFORCE each other. And, **access without support is NOT opportunity**, so we need to think systematically about our campus and see it from the perspective of our students and their families.

By working together, we can: **set high expectations; provide academic and social support; Use assessment and feedback to improve outcomes.** Finally, we must be persistent—engagement matters and student success is a long-term commitment. Today, as then, I am confident that these overarching principles and values need to guide our work.

In fall of 2015, at my first State of the University Address, I challenged WOU to sharpen our focus and commitment to **access, affordability, excellence, and opportunity**. I went on to say: In recent years, Western’s enrollment has not grown appreciably—one way to reverse that trend is to see more students retained through positive intervention. Our future is dependent on being seen as a place where students graduate in a timely fashion with degrees that enable graduates to take the next step. Looking forward we have more work to do in improving retention—Western’s overall retention rates are slightly below our peers, and we need to find ways to extend the successful approaches of SEP to a broader population.¹

How will Western continue to meet its mission and differentiate itself from the other public universities?

I believe a key is to hold onto the foundation that has made Western well-respected within the state—a comprehensive liberal education. Comprehensive universities must excel at providing educational opportunities in fields of study that society demands—such as business, education, and STEM fields, but comprehensive universities must also recognize the vital contribution of humanities and social sciences. The American Academy of Arts and Sciences in *The Heart of the Matter* states that a liberal, or comprehensive education, is an approach to college that:

“... provides **both broad knowledge in a variety of areas of study and knowledge in a specific major or field of interest**. It also helps students develop a sense of social responsibility, as well as intellectual and practical skills that span all areas of study, such as communication, analytical, and problem-solving skills, and a demonstrated ability to apply knowledge and skills in real-world settings.” (The American Academy of Arts and Sciences, *The Heart of the Matter*, p. 33, 2013)

¹ IPEDS 2014, freshman to sophomore retention rate for WOU was 69% compared to 74% for peers.

Put differently, schools that follow this approach provide an educational footing that is relevant and long-lasting. Graduates of these programs—Western’s programs – are prepared to make a positive contribution to their communities and society at large. In this sense, the experience for our students at Western is ***transformational***.

I also asked us to develop clear pathways to graduation, and as noted earlier, our new general education program, coupled with degree requirements has improved our ability to see most students graduate with no more than 180 credits.

I went on to say at the graduate level, we need to evaluate our current program array and identify opportunities for development of new programs. I have asked many this summer to identify opportunities to strengthen our existing programs and to develop new programs that will serve our region. As part of our accreditation and planning process, we need to evaluate our graduate program array in relation to the emerging needs of the state of Oregon.

Looking back five years, these themes and values still ring true and we have done a great many things to address the issues that were outlined.

In 2016, I noted that one of the biggest threats to WOU’s future funding prospects is the impact that years of declining enrollment will have on some performance metrics. Degrees granted cannot increase if enrollment is falling. **Unless we see improvement in such things as retention and graduation rates, increased numbers of transfers, and improved time-to-degree, degree production is likely to decrease. Quite simply, enrollment drives our degree production and is key to our financial health.**

I also challenged WOU to have a goal of working with our community college partners to ensure that all credits transfer and count toward the degree so they can attain a bachelor’s degree within 180 credits. **Western needs to be seen as a campus that welcomes transfer students and guides them through the pathways that lead to degree attainment.**

Finally, Western also has an opportunity to partner with community colleges, to provide a pathway for degree completion for persons who have some college but no degree.

These individuals may have started college years ago and “stopped-out” to pursue other activities. By providing a pathway for degree completion, these individuals will improve their position in the job market and provide greater economic security for their families.

By gaining a bachelor’s degree these individuals are better positioned to pursue their dreams. Today, I am so pleased that we have opened WOU:Salem to provide improved access for this population of students.

By fall 2017, I used the State of the University Address to call our attention to our diversity and growing Hispanic enrollment. I stated, “At Western, enrollment of Hispanic students will exceed 15% of total enrollment this fall and Hispanics represented nearly 20% of our incoming freshman class. Closing the educational attainment gap for Hispanics is vital to our nation’s future. Growing Hispanic enrollment is essential and Western will continue to host events such as the César Chávez Leadership Conference, which gives Western a leading role in shaping the college plans for nearly 2,000 high school students each year.”

The fall 2017 address also focused on a growing concern related to budgets. “We will use a portion of our reserves in the current year to balance the budget, but Western will need to make decisions that lead to a balanced budget for 2018-19. ... If unabated, this level of spending will reduce our fund balance below the Board mandated minimum of 10% of total operating revenue which could lead to **retrenchment activity** to address the structural deficit.”

Since enrollment is key to our fiscal health, I included another reminder of how new graduate programs could be developed. **A study by Stamats Market Research in 2016 identified the following graduate program areas for Western as opportunities: MS in Exercise Science, Doctor of Physical Therapy and a Master’s in Organizational Leadership.** The exercise science program could be developed as a foundation for

building capacity for the doctoral program. In its review of the Organizational Leadership program, Stamats identified our proximity to the state capitol as a major competitive advantage. There is no doubt that Western needs to explore additional graduate programs to diversify our graduate array. Additionally, the proximity to the state capitol might afford Western some unique undergraduate program opportunities too.

By fall 2018, I challenged us to “focus on improving retention and graduation rates—that is to improve student success for what many call the “murky middle” and to identify new pathways for increased enrollment. This will include new locations such as Salem including improved access through hybrid programs as well as new programs that serve new markets such as health science and organizational leadership.”

I also raised the explicit goal “of becoming a **Hispanic Serving Institution**. Once achieved, WOU would be the only public four-year institution in Oregon with such a designation. To achieve this, we need to see Hispanic enrollment grow to 25% of total enrollment.” As noted earlier, official data from HECC for 2018-19 has WOU’s Hispanic enrollment at 26%. If sustained, this will move Western from an “emerging” HSI status to meeting the eligibility requirements for formal recognition as an HSI.

As we aim to continue to evolve to meet our ever-important mission, we all know that our financial health is critical. To that end, our Board of Trustees gave us a clear mandate at the start of last year to balance our structural budget deficit to support the future. This is a journey we have now been on for a year and will continue this year. Here is a brief recap.

We started 2019-20 with a clear mandate from the Board of Trustees to balance our structural deficit and as we developed FY2019-20 budget:

- Oregon Legislature’s financial support of the seven public universities fell short of maintaining the same service level provided in FY2018-19. The amount sought was \$120M, and we were allotted \$100M for all seven public universities.

- WOU made the decision to keep our tuition increase at the lowest rate of all universities, at 2.33%. This decision is part of a larger effort to make WOU the most affordable public university in Oregon. Coupled with this low tuition increase, WOU built its budget with the expectation of flat enrollment, which was based on application and acceptance data in spring 2019.
- Other factors included PERS expenses, higher employee wages, and additional services and supplies.
- All of these decisions and assumptions led to a budget for FY2019-20 that was in deficit by \$1.3 million and this budget plan was approved by the WOU Board of Trustees at its June 2019 meeting.

In fall 2019, enrollment was down more than 200 FTE, and winter 2020 enrollment was down nearly 250 FTE compared to fall 2018 and winter 2019. This coupled with current expenditures has increased the deficit to over \$4 million.

At its Board meetings, the trustees affirmed their expectation that the university needed to consider ***all aspects*** of university expenditures in our FY2019-20 budget with a goal of making the necessary adjustments to not exceed the Board approved deficit of \$1.3 million.

Steps taken in FY2019-20 to address the deficit:

- We applied a reduction of 4.5% to S&S budgets.
- The Budget and Planning office met with campus leadership to identify salary savings to contribute to annual savings and review other options. This means that salaries from unfilled positions are not held in individual units.
- The net effect of these efforts is that we have identified \$1.9M in budget savings for FY2019-20.

In early April, we made additional adjustments in which we:

- Eliminated vacant unclassified positions for a savings of over \$300,000

- Eliminated vacant classified positions for a savings of over \$350,000
- Nonrenewed selected unclassified positions for an estimated savings of over \$350,000
- Laid off selected classified positions for an estimated savings of over \$600,000
- Redirected funding for selected positions from E&G to other sources for an estimated savings of over \$100,000. Together these changes yielded another \$1.7M.

The Board of Trustees met on June 10 in its final meeting of 2019-20. One of the major agenda items was consideration of the FY21 budget (i.e., July 2020 to June 2021). Every year, our budget is developed with assumptions about tuition and expected enrollment for the coming year. In April, the Board approved a tuition increase of 4.55% (\$8 per credit) for resident undergraduate tuition and given our enrollment trends, we assumed an overall enrollment decrease of 2.5% in building the budget for FY21. Following guidance from HECC all public universities in Oregon were directed to plan on a decrease of 17% for FY21. Fortunately, the legislature passed a budget in the special session in August that provided flat funding to all universities for FY21. This one time increment of over \$4M has reduced our expected budget deficit for FY21 from \$6.5M to just over \$2M. However, this figure is dependent on an enrollment decrease of 2.5% and current indicators show a decrease of 7%, which widens the deficit to over \$4M. Enrollment also has an adverse effect on auxiliary budgets such as housing and dining. All told, we find ourselves with deficit budgets in all major funds for FY21.

As we look to FY21 and the upcoming biennium for 2021-23, the university must align its workforce with our enrollment condition. The Governor's budget will be released in December, and early discussions with agency heads show a state-wide deficit of \$4.4 billion. HECC is predicting cuts to higher education funding of 20%, which translates to a cut of nearly \$6M for FY2021-22. To summarize, the decision by the legislature to provide flat funding for FY21 gives the campus a year to plan for steep budget cuts in state funding.

FY21 will be challenged by continued enrollment declines. As noted earlier, WOU built its FY21 budget on a decreased of 2.5%, and as of now fall 2020 enrollment is tracking below fall 2019 by 7%. If final enrollment for fall is 7.5% below last year, tuition revenue will be reduced by \$2M. This coupled with a starting deficit of \$2M means that the structural deficit for FY21 is over \$4M. For these reasons, I have worked with Cabinet to develop reduction plans affecting classified and unclassified personnel. This will lead to unfilled positions and layoffs for some people. These decisions are painful and have profound impact on members of our campus community. **None of us take these decisions lightly, however failure to address this challenge will only serve to make the cuts deeper in the future.**

In addition, I have enacted the layoff article in the faculty contract. The program curtailment process is one form of retrenchment. The faculty contract calls for a plan to be developed and once implemented, affected faculty are given 12 months notice of layoff. I initiated this process in May, and I expect to have a plan developed by December. Deans were required to provide initial guidance on ways to capture 10 and 17% of their respective personnel budgets. This same exercise was completed by each Cabinet member for unclassified and classified staff.

In the final analysis, the budget cuts for Cabinet divisions and the reductions related to Article 15 of the faculty contract will form the basis for structural realignment. Throughout this process, one of our primary goals will be to retain as many employees as possible.

To summarize, our budget condition today is the results of two factors: the short-term impact of COVID-19 and the more problematic long-term structural misalignment of our budget to enrollment which has decreased by nearly 20% in the past decade. During this same time period, our student to faculty ratio has decreased from 19:1 to 13:1, a ratio that cannot be sustained.

As we work on these budget reductions, I recognize the stress that we are feeling—from the COVID-19 pandemic, to historic wildfires, to enrollment pressures—Western and our

communities are facing unprecedented challenges. Yet throughout these times, I know that we are also doing the hard work that creates the other half of this equation – growing our revenue through enrollment. We have added new programs, opened WOU:Salem, and improved our retention rates, **all** of which will help us in the future with enrollment and degree production. Looking ahead, the work that we do at Western is absolutely vital to the health of communities, state, and nation.

As I stress every fall during my State of the University address, it is critical that we all take an active role in student success –from recruitment to graduation. Reaching out to students, encouraging their return, and providing personalized support is what makes WOU the special place **we are all fighting for**. It will take all of us to reverse the enrollment trend and provide opportunities for students to enroll and graduate from Western. Each of us has the **opportunity and responsibility** to be a positive force in a **transformational process** that is designed to help each student **graduate**.

As we reflect on the past few years, I ask you to appreciate the strides we have made to build on our legacy of student success. We have more to do, but we have accomplished a great deal. By working together toward mission fulfillment, I know we have the capacity for Western to persevere in these turbulent times and to thrive in the years to come. Together, we will succeed.