Oregon TECH
Oregon Institute of Technology

Meeting of the
Oregon Tech Board of Trustees
Finance and Facilities Committee
virtually via Microsoft Teams
Wednesday, October 15, 2025
9:30 AM – 12:00 PM

Finance and Facilities Committee
Agenda

1. **Call to Order/Roll/Declaration of a Quorum** (9:30 AM) (5 min) *Chair Vince Jones*

2. **Consent Agenda** (9:35 AM) *Chair Jones*

   2.1 **Approve Minutes of the June 10, 2025, meeting** (5 min) *Chair Jones*

3. **Reports** (9:40 AM)

   3.1 **FOAC Report-** No report

   3.2 **FY 2025-26 YTD August Management Report** (15 min) Sr. *VP for Finance and Administration, John Harman*

   3.3 **Q-4 FY 2024-25 Financial Dashboard** (10 min) *Sr. VP Harman*

   3.4 **Q -4 FY 2024-25 Investments Report** (10 min) *Sr. VP Harman*

   3.5 **Banner Finance Reimplementation Update** (10 min) *Sr. VP Harman*

   3.6 **Collaborative Shared Services Update** (10 min) *Sr. VP Harman*

   3.7 **Q-1 FY 2025-26 Facilities Report** (15 min) *Director of Facilities and Capital Planning, Dana Miller*

   3.8 **Eide Bailly, LLP- Internal Audit Update** (11:00 AM) (15 min) *Eide Bailly- Audrey Donovan and/or Kristin Diggs*

4. **Action Items**

   4.1 **New Student Housing Naming Request** (11:15) (10 min) *Sr.VP Harman and VP Clark*

5. **Discussion Items** (11:25 AM) (5 min) *Chair Jones*

6. **Other Business/New Business** (11:30AM) (5 min) *Chair Jones*

7. **Adjournment** (11:35 AM) *Chair Jones*

All times are approximate

Meeting of the
Oregon Tech Board of Trustees
Finance and Facilities Committee
Virtually via Microsoft Teams
Tuesday, June 10, 2025
9:30 am – 12:00 pm

Finance and Facilities Committee also serving as the Audit Committee DRAFT Minutes

Member Trustees Present:
Chair Vince Jones
Kanth Gopalpur
David Cauble
President Nagi Naganathan (*ex officio*)
Dr. Vijay Dhir
Mike Starr

Member Trustee(s) not present:
Michele Vitali

Other Trustees in Attendance:
Board Chair John Davis, Esq
Cecelia Amuchastegui
Dr. Mark Neupert

University Staff and Faculty Present in person:
Dr. Mandi Clark, Vice President, Student Affairs
Thom Darrah, Director-Facilities Management Services
Professor Don DaSaro, Chair, Fiscal Operations Advisory Council
Alicia Dillion, CPA, AVP Finance and Administration
Michelle Meyer, Director of Audit and Compliance
Audrey Donovan, Eide Bailly
Dr. Ken Fincher, Vice President of University Advancement & Board Secretary
Dr. Hesham El-Rewini, Interim Provost and VP for Academic Affairs and Strategic Enrollment Management
Dr. Neslihan Alp, Dean College of Engineering, Technology and Management (ETM)
David Groff, Esq., General Counsel
John Harman, Vice President, Finance & Administration
Diana Angeli, Executive Assistant, President's Office
Adria Pachal, Sr. Executive Assistant, President's Office
Bryan Wada, Information Technology Consultant 2

1.0 Call to Order/Roll/Declaration of a Quorum *Chair Vince Jones*

Chair Jones called the meeting to order at 9:30 a.m. The Board Secretary called the roll, and a quorum was declared.

2.0 Consent Agenda *Chair Vince Jones*

2.1 Minutes of the April 9, 2025, meeting.

- No changes to the minutes were made. The minutes were approved as submitted.

3.0 Reports

3.1 Fiscal Operations Advisory Council (FOAC): Written report submitted

- Professor DaSaro was unable to attend; a written FOAC report was submitted to the board.

3.2 FY 2024-25 YTD April Management Report: *Vice President of Finance and Administration, John Harman*

- VP Harman provided a slide deck that included an update and summary as of April 30, 2025, which indicated an upward trend in revenue and below-budget spending on labor. The latest projection is that the university will not need to utilize reserve funds. He noted the increase in fixed costs (utilities), the use of sustainability funds, and investments in student enrollment and retention efforts. VP Harman answered questions related to open positions, student recruitment, and budget impact.

3.3 Q-3 FY 2024-25 Financial Dashboard: *Vice President Harman*

- VP Harman reviewed the 2024-25 Q-3 financial dashboard. He noted trends and key financial indicators. VP Harman answered questions related to the debt burden based on the new student housing, with the debt burden being around 6% of the budget.

3.4 Q-3 FY 2024-25 Investment Report: *Vice President Harman*

- VP Harman provided an update on the university's investment performance, which he indicated is doing well.

3.5 FYE 2023-24 Financial Statement Ratios *Vice President Harman*

- VP Harman indicated this report is based on board policy to "*Monitor five financial ratios to assist the board in evaluating debt capacity and affordability.*" His report covered items, including but not limited to: ratios related to debt burden, debt servicing, debt to operating ratios, viability ratios, and composite finance index. VP Harman addressed questions related to state funding support and Oregon Tech's short-term and long-term budgetary responsibilities.

3.6 GLBA Report on ITS Security: *Vice President John Harman*

- VP Harman shared a report related to the Gramm-Leach-Bliley Act. Mandated to be reported annually, his report included practices in place related to our cyber-risk, and actions taken to ensure we meet national standards related to Information Security. The report indicated that no critical findings were found during this annual review.

3.7 Q-4 FY 2024-25 Capital Improvement: *Director of Facilities, Management Services and Capital Planning, Thom Darrah*

- Director Darrah provided an overview of four current capital and facility improvement projects. His report noted projects that include new student housing, with a planned tour for board members taking place later in the week. VP Harman noted the discussion taking place or needed discussion to discuss the naming of the ***new student housing.*** A conversation ensued related to the housing facilities and student housing transitions.

- VP Clark addressed questions related to the residence hall occupation plan for the 25-26 academic year.

3.8 Eide Bailly, LLP., Internal Audit Report, *Eide Bailly representative Audrey Donovan.*

- Donovan and Villamar provided an internal audit update, which included risk assessment, HR's Internal Audit, the student enrollment internal audit, the third internal audit, and an ethics line status update(no new cases). Donovan indicated the review of follow-up actions taken to address any past findings and/or identified risks. She noted they are on track to provide a report at the next audit committee meeting in the fall of 2025.

After a brief recess, Committee Chair Jones called the meeting back to order

4.0 Action Items

4.1 Approval of FY 2025-25 Budget *Vice President Harman*

- VP Harman provided a slide deck that included the 2025-2026 Budget development process, student tuition and fees, state funding, and other types of funds such as investment earnings. He also noted items not in the budget, such as capital improvement and renewal funds and capital construction funds.
- Harman shared the sources of revenues and expenses, with labor costs at 70% being the largest cost for the university. He noted challenges and accomplishments, enrollment projections, and historical budget trends. Harman provided a budget by division and the adjustments needed for the permanent general fund budget, including PERS and other rate changes.
- General discussion related to the budget ensued.
- Motion by Trustee Bird
  After review and discussion of the proposed FY 2025-26 All-funds Budget documents, staff request a Motion by the Finance and Facilities Committee to the full Board for approval of the FY 2025-26 All-funds Budget as provided herein.
- Seconded by Trustee Dhir
- Aye votes were Trustee(s) Jones, Bird, Starr, Gopalpur, Cauble, and Dhir.
- No trustee voted against or abstained from the motion. Although not able to attend and vote in person, Trustee Vitali voiced support of the motion.
- The motion passed.

4.2 Authorization to Negotiate and Execute a Medical School Planning Study Agreement *Vice President Harman*

- Trustee Cauble disclosed he may have a potential conflict of interest given his role as CEO of Sky Lakes Medical Center. General Counsel David Groff advised that Trustee Cauble, after such a disclosure, is allowed to continue to attend and be involved with the conversation.
- VP Harman shared several points related to the need to conduct a planning study. He noted the materials in the board packet that provide a compelling case for this endeavor. VP Harman also shared the anticipated needs for the study to be conducted and be successful, including calendarization, deliverables, a business plan, staffing, and compensation planning, among others. President Naganathan added that the university will continue to work with the legislature for funding and support.
- Trustee Gopalpur noted the language in the motion and that we should be mindful that it might cause others to not provide funding. Chair Davis added his concern related to the motion language.

- Motion made by Trustee Gopalpur:
  After review and discussion of the draft scope of services and related project documents,* and with the recommendation of the Finance and Facilities Committee, staff *requests a Motion by the Finance and Facilities Committee to the full Board for Authorization of the President or his designee to negotiate and execute a Comprehensive Osteopathic Medical School Planning Study Agreement in an amount not to exceed one million-five hundred thousand dollars ($1.5M), to be supported either from state funding allocated specifically for this initiative and/or from other philanthropic sources, if available, as well as delegation of authority to the President or his designee, as available under policy and law, to make minor and technical adjustments as necessary and execute the Board's directives.
- Seconded by Trustee Starr
- Aye votes were Trustee(s) Jones, Bird, Starr, Gopalpur, Cauble, and Dhir.
- No trustee voted against or abstained from the motion.
- The motion passed.

5.0 Discussion Items

- None

6.0 Other Business/New Business *Chair Vince Jones*

- None

7.0 Adjournment: 11:50 a.m.

This meeting can be viewed in its entirety at: https://www.oit.edu/trustees/meetings-events/recordings

Finance and Facilities June 10, 2025

REPORT

Agenda Item No. 3.0

Finance, Facilities and Audit: Quarterly Update

Background

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

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

Staff Recommendation

No action required. For information and discussion purposes only.

Reports/Attachments

Due to the timing of the October 2025 Board meeting and the related document submission deadline, some financial data through the end of the first quarter (September 2025) is not yet available. Finance, Facilities and Audit Status Reports include the following Attachments:

3.1- Fiscal Operations Advisory Council (FOAC) Report- *verbal*
3.2- FY 2025-26 YTD August Management Report
3.3- Q-4 FY 2024-25 Financial Dashboard
3.4- Q-4 FY 2024-25 Investments Report
3.5- Banner Finance Reimplementation Update- *verbal*
3.6- Collaborative Shared Services Update- *verbal*
3.7- Q-1 FY 2025-26 Facilities and Capital Projects Report
3.8- Eide Bailly, LLP- Internal Audit Report

General Fund Monthly Report

FY 2025-26 August (in thousands)

	YTD Comparison		FY 2025-26 Budget & Forecast			
	FY 2024-25 August Actuals	FY 2025-26 August Actuals	FY 2024-25 Year End Actuals	FY 2025-26 Board Adopted Budget (BAB)	FY 2025-26 Adjusted Budget	Notes
Revenue						
State Appropriations	$14,056	$13,784	$38,160	$38,573	$38,573	
Tuition & Fees	15,599	17,084	41,833	43,368	43,368	
Remissions	(150)	(215)	(8,031)	(7,907)	(7,907)	
Other	592	605	4,067	3,912	3,912	
Total Revenue	**$30,096**	**$31,259**	**$76,029**	**$77,946**	**$77,946**	
Expenses						
Administrative Staff Salary	$1,564	$1,718	$9,724	$11,463	$11,463	
Faculty Salary	456	521	12,926	14,660	14,720	
Adjunct and Admin/Faculty Other Pay	770	765	3,797	3,338	3,364	
Classified	1,144	1,207	6,906	7,313	7,313	
Student	132	162	1,004	809	818	
GTA	4	5	113	121	121	
OPE	2,553	2,776	17,745	20,547	20,585	
Total Labor Expense	**$6,621**	**$7,152**	**$52,215**	**$58,252**	**$58,385**	
Service & Supplies	$4,273	$3,770	$17,423	$16,375	$16,626	
Internal Sales	(223)	(221)	(1,283)	(1,243)	(1,243)	
Debt/Investment	925	1,063	1,207	1,318	1,318	
Capital	87	29	379	472	472	
Utilities	165	230	1,910	1,292	1,292	
Transfers In	-	-	-	-	-	
Transfers Out	335	335	1,351	1,481	1,481	
Total Direct Expense	**$5,562**	**$5,206**	**$20,988**	**$19,694**	**$19,946**	
Total All Expense	**$12,183**	**$12,358**	**$73,203**	**$77,946**	**$78,331**	
Net from Operations before Other Resources (Uses)	**$17,913**	**$18,901**	**$2,827**	**$ -**	**($384)**	
Other Resources (Uses)						
Transfers In	$0	$0	$802	$ -	$ -	
Transfers Out	-	(1)	(3,050)	-	-	
Use of Reserve	-	-	-	-	-	
Total Other Resources (Uses)	**$0**	**($1)**	**($2,249)**	**$ -**	**$ -**	
Total from Operations and Other Resources (Uses)	**$17,913**	**$18,900**	**$578**	**$ -**	**($384)**	
Beginning Fund Balance	$14,789	$15,388	$14,789	$15,388	$15,388	
Fund Balance Adjustment	-	-	21	-	-	
Ending Fund Balance	**$32,703**	**$34,288**	**$15,388**	**$15,388**	**$15,004**	
Fund Balance as % Operating Revenues	108.7%	109.7%	20.2%	19.7%	19.2%	
Ending Cash Balance	$21,424	$22,101	$18,603			

Notes:

(1) **FY 2025-26 State Appropriation Actuals** - The decrease in July state appropriations from FY 2024-25 reflects the delay in the final signing of the appropriations bill and the subsequent distributions from HECC. The remainder of the quarter one distribution was distributed in August.

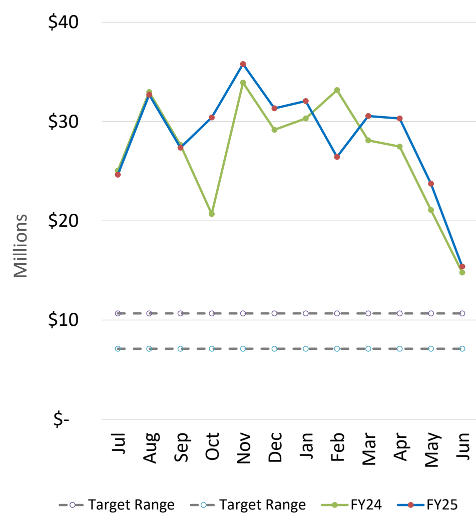
FF&A Item 3.3- FY 2024-25 Q-4 Dashboard

Oregon TECH

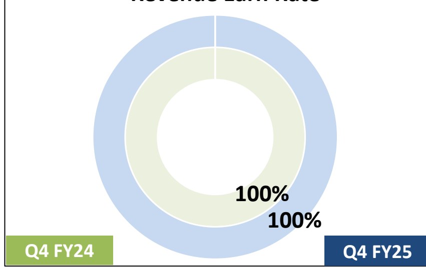
Quarterly Financial Dashboard

As of June 30, 2025

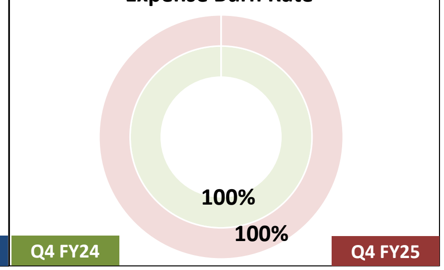
E&G Fund Balance



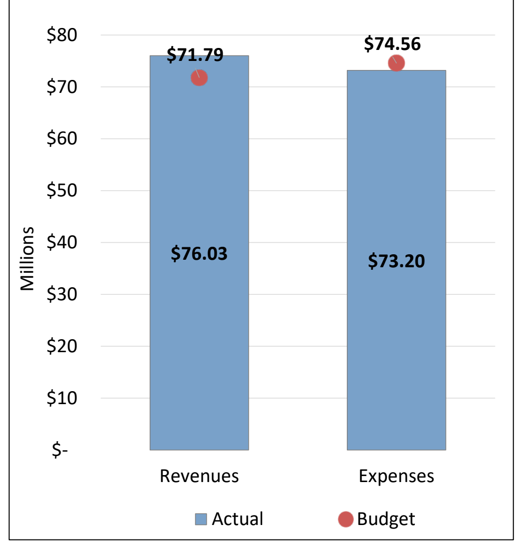
Revenue Earn Rate



Expense Burn Rate



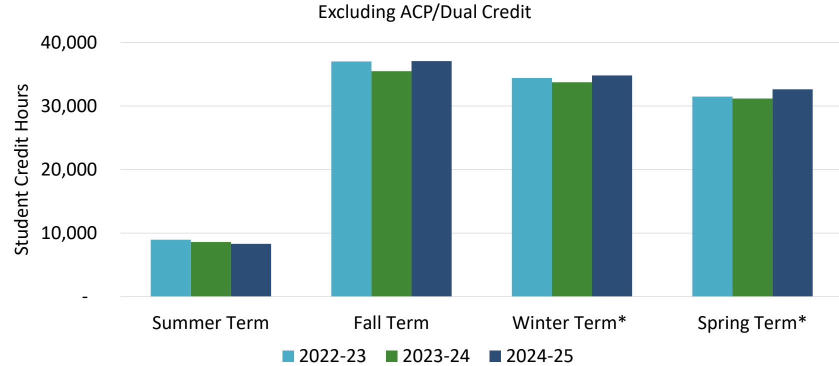
E&G YTD Revenues & Expenses



Key Financial Indicators		
E&G Fund Balance:	$15,388	As of June 30, 2025
Debt Burden Ratio:	5.88%	As of June 30, 2024
Quasi Endowment:	$7,297	As of June 30, 2025
Foundation Assets:	$45,088	As of June 30, 2024

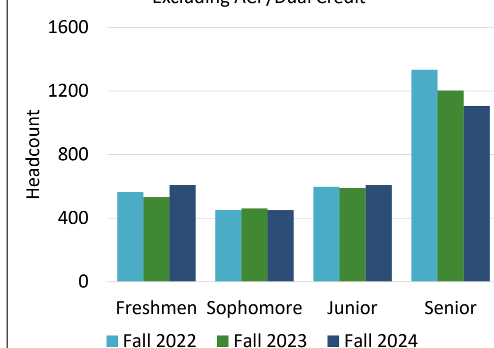
Total Student Credit Hours

Excluding ACP/Dual Credit



Undergraduate Student Pipeline

Excluding ACP/Dual Credit



Student Tuition

Undergraduate Tuition	2023-24	2024-25
Resident:	$10,492	$10,964
Non-Resident:	$33,397	$34,900
WUE:	$15,738	$16,447
Online:	$13,860	$14,490
Differential:	37%	37%

Graduate Tuition	2023-24	2024-25
Resident:	$19,306	$20,174
Non-Resident:	$32,409	$33,868
Online (MS-AH):	$15,768	$16,488
Online (MS-ET):	$22,968	$24,012
Resident (DPT):	$21,848	$22,831
Non-Resident(DPT):	$36,677	$38,327
Differential:	37%	37%

Degree Completions

	2024-25	2023-24	2022-23	3 Year Δ
Undergraduate				
Resident:	458	477	470	-2.6%
Non-Resident:	185	207	193	-4.1%
Graduate				
Resident:	25	20	17	47.1%
Non-Resident:	20	19	20	0.0%

Notes:

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

(2) * Note: Student Data for Winter & Spring 2025 is not final and subject to change.

FY2025 Q4 Investment Report

BACKGROUND

The Oregon Tech (university) investment report for the fourth quarter (Q4) of FY2025 is presented in the following sections:

- **FY2025 Q4 Oregon Tech Investment Report** – This section includes a report on the investments of the operating and endowment assets of the university. This report reflects the university's operating assets that are invested in short and intermediate-term fixed income funds and the university's endowment assets managed by the Oregon State Treasury.

- **FY2025 Q4 Market Commentary –** This section provides a general discussion of the investment markets and related performance data for the fourth quarter of FY2025 (i.e., April 1 – June 30, 2025).

FY2025 Q4 OREGON TECH INVESTMENT REPORT

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

Oregon Tech Operating Assets

The Oregon Short Term Fund (OSTF) increased 1.1% for the quarter and rose 4.9% for the fiscal year, outperforming its benchmark by 10 basis points and 20 basis points, respectively. The Public University Fund Core Bond Fund (PUF) increased 1.7% for the quarter and rose 6.7% for the fiscal year, matching its benchmark for the quarter and fiscal year periods. The PUF's investment yield was 1.1% for the quarter and 4.5% fiscal year-to-date. As of June 30, 2025, OIT had $22.7 million on deposit in the OSTF and $20.6 million invested in the PUF.

Investor demand for fixed income remains strong, narrowing spreads (coupon variance to a similarly dated Treasury bond) on high quality corporate bonds to tight levels (83 basis points). The Oregon State Treasury investment officers trimmed corporate bond positions into this pricing strength during the quarter, resulting in an underweight position in corporate bonds for the PUF (27.5%) compared to its benchmark (29.3%). The sale proceeds were reinvested into on-the-run Treasuries to support ample liquidity. On-the-run Treasuries are recently issued securities compared to Treasuries trading in the secondary markets.

Oregon Tech Quasi-Endowment Fund

The Oregon Tech Quasi-Endowment assets rose 1.7% for the quarter and increased 6.7% for the fiscal year. The Oregon Intermediate-Term Pool performance equaled its benchmark for the quarter and fiscal year. The Endowment assets were valued at $7.3 million, as of June 30, 2025.

as of June 30, 2025

(Net of Fees)

	Quarter Ended 6/30/2025	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation[1]
OIT Operating Assets								
Oregon Short - Term Fund	1.1%	4.9%	4.9%	4.2%	2.8%	2.2%	$ 22,689,009	52.4%
Benchmark - 91 day T-Bill	1.0%	4.7%	5.4%	4.6%	2.8%	2.0%		
PUF Core Bond Fund	1.7%	6.7%	5.1%	4.0%	1.5%	N/A	20,609,313	47.6%
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index[2]	1.7%	6.7%	4.2%	3.6%	0.6%	2.1%		
Investment Yield[3]	1.1%	4.5%	4.8%	4.3%	3.7%	N/A		
Total Operating Assets							$ 43,298,322	100.0%
OIT Endowment Assets								
Oregon Intermediate-Term Pool	1.7%	6.7%	5.0%	4.0%	1.5%	N/A	$ 7,296,995	100.0%
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index[4]	1.7%	6.7%	4.2%	3.6%	0.6%	1.9%		

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

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

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

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

Note: Outlined returns underperfomed their benchmark.

Oregon Short-Term Fund
June 30, 2025

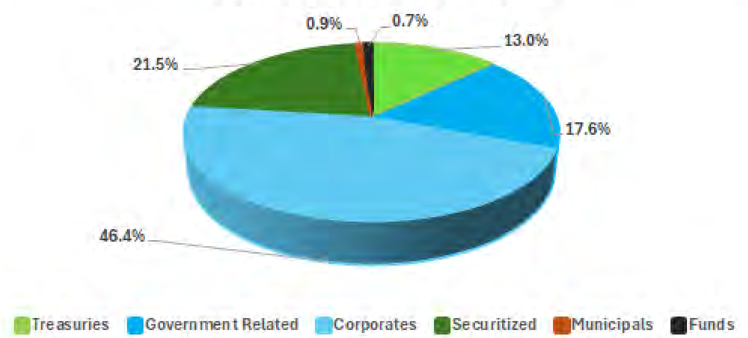
Portfolio Characteristics

Net Asset Value 6/30/2025	$ 34,734,058,739
Weighted Average Credit Quality	AA
Book Yield (%)	4.73%
Weighted Average Maturity (days)	75 days
Duration (years)	0.18
Spread Duration (years)	0.81

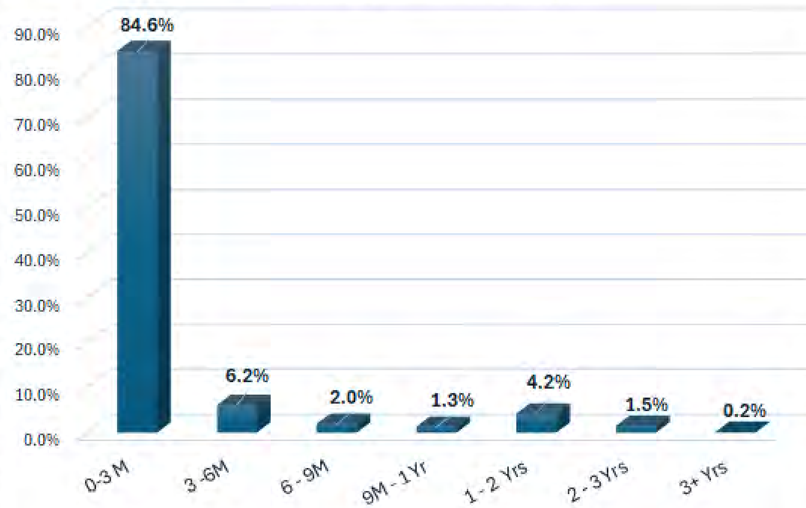
Top 10 Issuers

United States Treasury	13.0%
Federal Farm Credit Banks	4.2%
Canada Pension Plan Investment Board Capital Incorporated	3.1%
National Rural Utilities Cooperative Finance Corporation	2.4%
American Honda Finance Corporation	1.9%
Toyota Motor Credit Corporation	1.9%
Royal Bank of Canada	1.8%
The Toronto-Dominion Bank	1.6%
New York Life Global Funding	1.6%
National Securities Clearing Corporation	1.3%
Total	**32.8%**

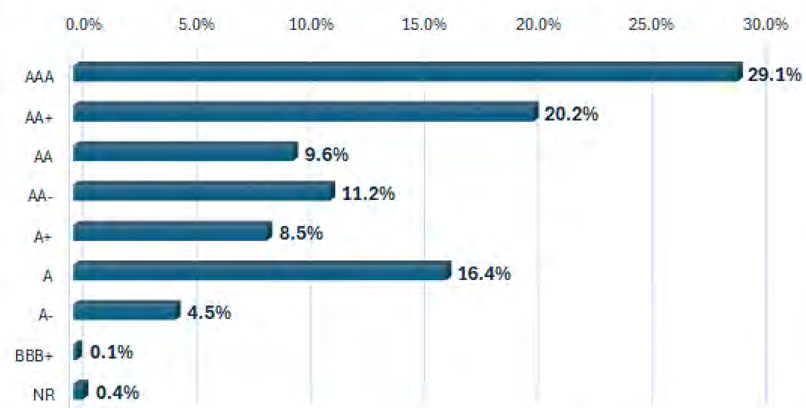
Sector Allocations



Maturity Breakdown



Credit Quality Distribution



Source: Oregon State Treasury

Core Bond Fund

June 30, 2025

Portfolio Characteristics

Market Value 6/30/2025	$	250,146,574
Weighted Average Credit Quality		AA-
Book Yield (%)		4.74%
Weighted Average Maturity (years)		4.42
Duration (years)		3.81
Spread Duration (rate)		1.81

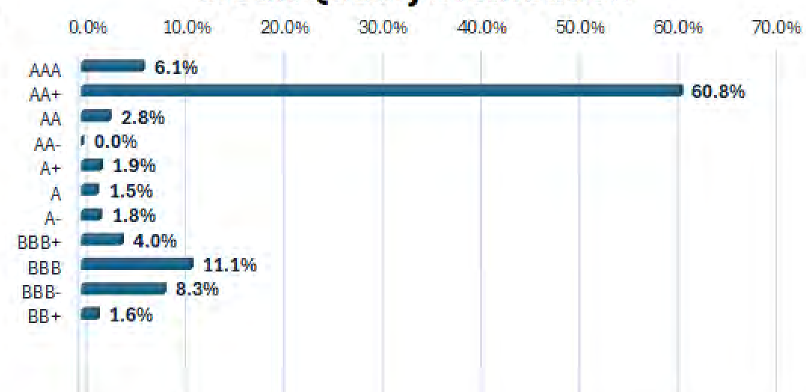
Top 10 Issuers

United States Treasury	51.5%
Federal National Mortgage Association	4.0%
Federal Home Loan Mortgage Corporation	3.9%
Agree Realty Corporation	2.7%
Ford Credit Trust 22-C	2.5%
Rexford Industrial Realty Incorporated	2.1%
Charles Schwab Corporation (The)	2.0%
Wheels Fleet Lease Funding LLC 24-2	2.0%
Gracie Point International	1.6%
DLLMT LLC Trust 24-1	1.5%
Total	73.8%

Maturity Breakdown

Sector Allocations

Credit Quality Distribution



Source: Oregon State Treasury

FY2025 Q4

MARKET COMMENTARY

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

Report on Investments – as of June 30, 2025

Economic and Market Update

In the second calendar quarter of 2025, U.S. trade policy drove market dynamics. Significant volatility in early April after the initial tariff announcement was followed by a recovery in risk assets on their later temporary suspension. In fixed income markets, fiscal policy uncertainty and growing debt levels shaped market sentiment.

- Domestic equities rose in the second quarter with the (S&P 500) rising (+10.9%) with growth stocks, particularly technology, leading the way.
- Non-U.S. developed market stocks (Morgan Stanley Capital Indices (MSCI) Europe Australasia Far-East (EAFE)) gains of 11.8% beat U.S. markets, extending their outperformance over most asset classes year-to-date by returning +19.4%.
- Emerging market stocks were the best performers, returning +12.0% for the quarter, despite a modest +2.0% return in China.
- In mid-June, the Federal Reserve held rates steady (but the messaging was perceived as more accommodative by market participants compared to earlier in the year), with inflation, while improving, remaining above target and the unemployment rate still low.
- Outside of longer dated government bonds, most fixed income markets rose for the quarter as yields remained stable or declined. The broad Bloomberg Aggregate Index returned +1.2%, while long-term Treasuries fell -1.5%. Riskier bonds performed better as risk sentiment improved with emerging market debt increasing +7.6% and high yield bonds gaining +3.5%.
- Looking ahead, continued uncertainty related to the U.S. administration’s tariff policies and their impact on the economy, inflation, and Fed policy will be key. The track of the U.S. deficit, China’s economy and relations with the U.S., as well as concerns over elevated valuations and weakening earnings in the U.S. equity market, will also be important focuses for the rest of this year.

Market Returns[1]
June 30, 2025

	Month	Quarter	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
S&P 500	5.1%	10.9%	6.2%	15.2%	19.7%	16.6%	14.4%	13.6%
MSCI EAFE-ND	2.2%	11.8%	19.4%	17.7%	16.0%	11.2%	7.2%	6.5%
MSCI EM-ND	6.0%	12.0%	15.3%	15.3%	9.7%	6.8%	4.5%	4.8%
MSCI China-ND	3.7%	2.0%	17.3%	33.8%	3.1%	-1.0%	0.1%	2.1%
Bloomberg US Aggregate	1.5%	1.2%	4.0%	6.1%	2.5%	-0.7%	1.8%	1.8%
Bloomberg US TIPS	1.0%	0.5%	4.7%	5.8%	2.3%	1.6%	3.0%	2.7%
Bloomberg US Corporate High Yield	1.8%	3.5%	4.6%	10.3%	9.9%	6.0%	5.3%	5.4%
ICE BofAML US 3-Month Treasury Bill	0.3%	1.0%	2.1%	4.7%	4.6%	2.8%	2.5%	2.0%
ICE BofAML 1-3 Year US Treasury	0.6%	1.2%	2.8%	5.7%	3.4%	1.4%	2.1%	1.6%
ICE BofAML 10+ Year US Treasury	2.5%	-1.4%	3.4%	1.8%	-3.5%	-7.8%	-1.0%	0.3%

[1]Source: Oregon State Treasury

U.S. Equities: U.S. stocks rose during the second calendar quarter as tariff concerns stabilized after the early April volatility. Strong corporate earnings, particularly in the technology sector, and a relatively resilient U.S. economy also drove results.

Growth stocks outpaced value stocks across the market capitalization spectrum during the quarter, particularly in large cap (+17.8% versus +3.8%) due to strong gains in the large-cap companies focused on artificial intelligence (AI).

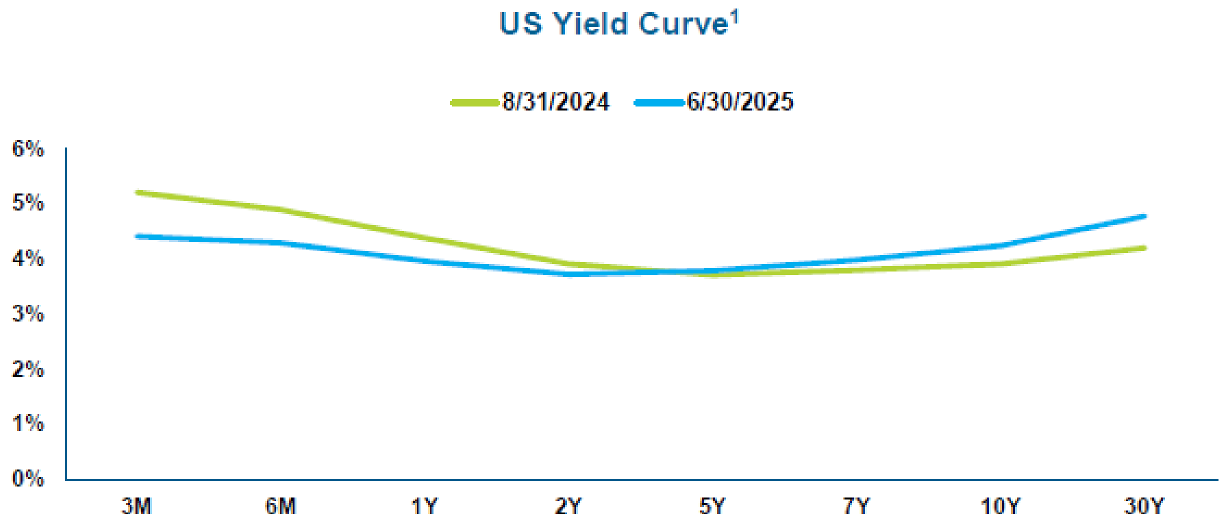
Small cap stocks (Russell 2000) had strong results (+8.5%) in Q2 but trailed large cap stocks (Russell 1000), which gained +11.1%. Gains in the large cap technology sector, elevated interest rates, and overall uncertainty related to the path of the U.S. economy drove the underperformance.

Foreign Equity: Developed markets outpaced U.S. peers as continued weakness in the U.S. dollar (USD) acted as a significant tailwind adding +7.0% to local returns. Eurozone equities had strong results, led by real estate and industrials (particularly defense) and benefited from two rate cuts over the quarter as inflation fell below the European Central Bank target of 2%. Japan also saw strong returns led by growth stocks after initial tariff-related declines.

Emerging markets ended the quarter slightly ahead of developed peers, also benefiting from the weakening USD. After the pronounced “Liberation Day” selloff, the 90-day tariff pause, and U.S.-China dialogue eased many fears. Korea and Taiwan tech stocks benefited from continued AI optimism. China posted a small gain for the quarter as domestic consumption data continued to weigh on sentiment, and trade uncertainty lingered. India underperformed, as growth expectations were tempered, and valuations remained high.

After a considerable pullback in April, U.S. stock valuations rallied and finished the quarter above where they started. They continue to trade well above their long-run cyclically adjusted P/E average of 28.3. While non-U.S. developed stocks have performed very well this year, at the end of June their valuations remain close to their long-run P/E ratio of 21. Emerging market stocks continued to rally this year and are now trading at valuations near their long-run average.

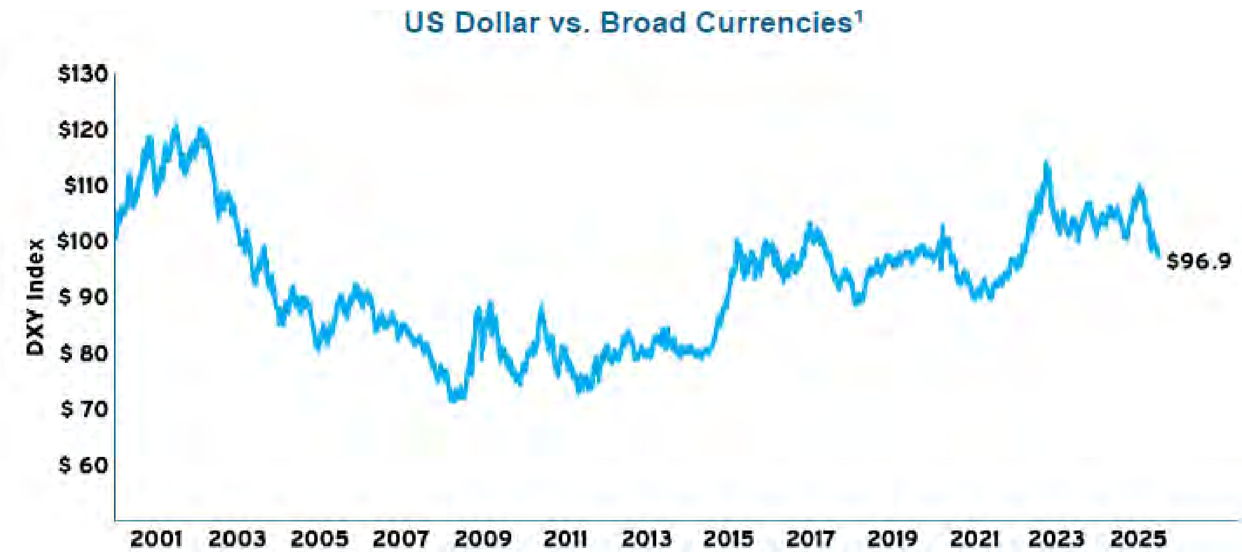
Fixed Income: The broad U.S. bond market (Bloomberg Aggregate) rose 1.2% with both short (+1.0) and longer dated (+0.5%) Treasury Inflation Protected Securities outperforming as inflation risks rose modestly. Long-term Treasuries (-1.5%) underperformed as fiscal concerns in the U.S. drove rates higher, particularly for 30-year Treasuries (+20 basis points). Given the improving risk sentiment, emerging market debt (+7.6%) and high yield (+3.5%) led the way for the quarter.



[1] Source: Bloomberg. Data is as of June 30, 2025.

Fiscal concerns related to a growing U.S. government debt load and interest expense dominated headlines and market participant concerns, as did ongoing inflation-related uncertainty. The policy sensitive 2-year nominal Treasury yield was volatile but ultimately declined by 16 basis points to close near 3.7% as market participants factored in a greater likelihood of lower policy rates going forward. The 10-year nominal Treasury was also volatile but ended the period largely unchanged (4.2%), while the 30-year nominal Treasury increased by 0.2% over the quarter to 4.8% on growing debt concerns. These dynamics led to a continued steepening of the yield curve over the quarter.

Inflation has been slow to return to the Fed's 2% average target, with headline twelve-month inflation rising from 2.4% to 2.7% over the quarter. In the June report, goods facing tariffs saw increases in prices, while a measurable decline in auto inflation, easing of cyclical services prices, and continued housing sector disinflation served as counters. Core inflation year-over-year also rose over the quarter, reaching 2.9%. For the month it increased 0.2%, and most core sectors outside of new and used cars saw prices increase. Market participants continued to highlight the dynamic of what appears to be disinflationary pressures in non-tariff exposed prices driven by weakening growth expectations, versus prices rising for those assets and sectors likely to see tariff polices solidified in the coming weeks.



[1] Source: Bloomberg. Data as of June 30, 2025

Over the quarter, the U.S. dollar declined an additional -7% bringing its year-to-date drop to close to -11%.Typically, higher interest rates support the U.S. dollar but recent concerns over changing U.S. administration policies, potentially slower growth, non-U.S. investor currency hedging, and fiscal concerns, all led to investors shedding U.S. assets.

Summary-Key Trends:

- According to the International Monetary Fund's April annual report, global growth in 2025 was downgraded from +3.3% to +2.8%, 0.5% lower than 2024. Concerns related to tariffs and their impact on growth drove the reduction. The U.S. growth forecast saw one of the larger declines for 2025 (+2.7% to +1.8%). China's growth forecast was also substantially lowered for this year (+4.6% to +4.0%), while growth in the European Union is projected to be slightly higher (+1.3%) in 2025.
- Despite the recent pause and negotiations related to tariffs, many questions remain. Overall, higher tariff levels and continued uncertainty could weigh on growth while increasing prices. Inflation levels and recent developments with tariffs will likely lead to a slower pace of interest rate cuts by the Fed. Uncertainty in the U.S. and the potential for slower growth could support a continued rotation out of U.S. assets and put sustained downward pressure on the dollar.
- Some signs of stress have started to emerge on the U.S. consumer with sentiment weakening since the start of the year. Consumers are particularly concerned about losing their jobs and the potential for higher prices. Overall, the risk to economic growth and to inflation from tariffs, as well as elevated borrowing costs, could put further pressure on consumers and lead to a weaker job market. The recent resumption of collecting and reporting delinquent student loans could be a further headwind to consumption.
- U.S. equities recovered from losses experienced during the first week of April and ended the quarter at all-time highs. A focus 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 continue to be important.

- Trade tensions between the U.S. and China will remain a key focus. Recently, the two countries agreed on a 90-day truce with the U.S. lowering its maximum tariff rate on Chinese goods from 145% to 30%, with a 10% baseline level. China agreed to lower its 125% tariff on American goods to 10%. Questions remain about what will happen after the 90-day period. Notably, tariff levels on China remain higher than where they previously were.

FINANCE AND FACILITIES COMMITTEE OF THE BOARD OF TRUSTEES / 10.15.2025

Oregon Tech's - Capital Projects Update

Dana Miller | Director of Facilities and Capital Planning

Thom Darrah | Interim Capital Projects Manager

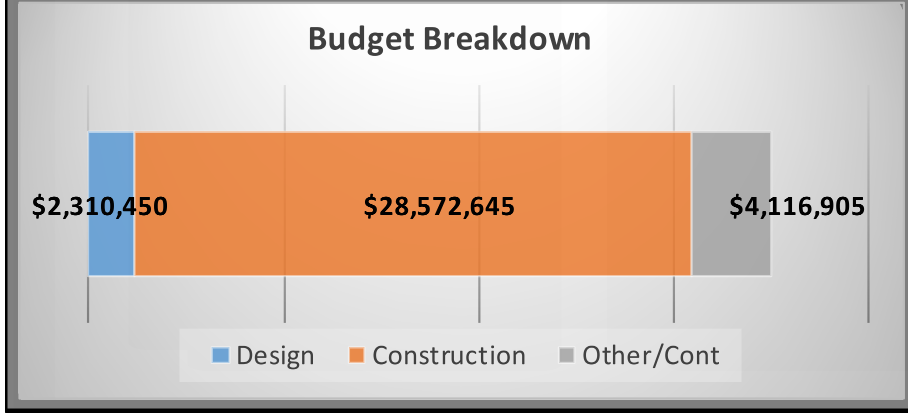
Presentation Outline

Capital Projects – Underway

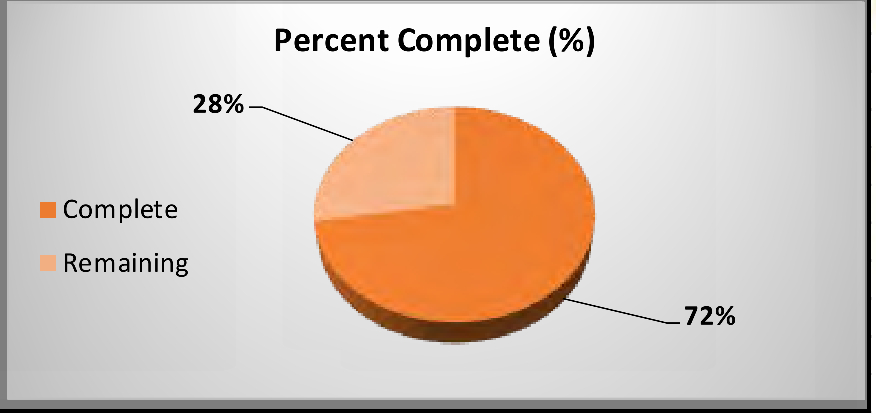
- New Student Housing
- Geothermal Systems Emergency Renovation
- Campus Booster Station
- *Project status updates reflect progress through 9.30.25*

New Student Housing

New Student Housing (85,000 sq ft)							
Project Start: 4.01.2023		Project Completion: 3.20.2026					
Project	**Progress Highlights**	**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE 822 / FNRESH	Visioning: January 2023 - February 2023						
Bond Type: XI-F 2022	Design: March 2023 - April 2024						
	Construction: May 2024 - Dec. 2025	Visioning/Design (7%):	$ 2,231,400	$ 2,310,450	$ 2,120,045	92%	$ 190,405
	Project underway.	Construction (82%):	$ 28,000,000	$ 28,572,645	$ 22,262,125	78%	$ 6,310,520
Design: Mahlum Architects		Other (11%):	$ 4,768,600	$ 4,116,905	$ 964,900	23%	$ 3,152,005
CM/GC: Bogatay Const.	Plan Design Bid **Build** Closeout	Wonderwheel luation Forms	$ 35,000,000	$ 35,000,000	$ 25,347,070	72%	$ 9,652,930



CO's / Amendments	
MA: Amd. 1	$ 32,500
MA: Amd. 2	$ 35,100
MA: Amd 3	$ -
MA: Amd. 4	$ 11,450
BCI: Amd. 5	$ 72,645
	$ -
	$ -
	$ -
	$ -
Total:	$ 151,695



New Student Housing

Extended Project Highlights

- Early Work: 4.08.24 through 6.07.2024
- Project Construction: 6.10.2024 through 2.20.2026
- Project Closeout: 2.20.2026 through 3.20.2026
- Discussion of factors causing three-month extension on completion
- Project GMP of $28,500,000 approved on 5.23.2024
- Project Scope: New 85,000 sqft, four story building with 511 beds.
- 89% of work by firms within 100-mile radius of project. (57% Klamath Falls / 32% Southern Oregon)
- Project Camera: https://app.truelook.cloud/?code=cnpi13lm080mqpqm2fupahbuj

New Student Housing

New Student Housing

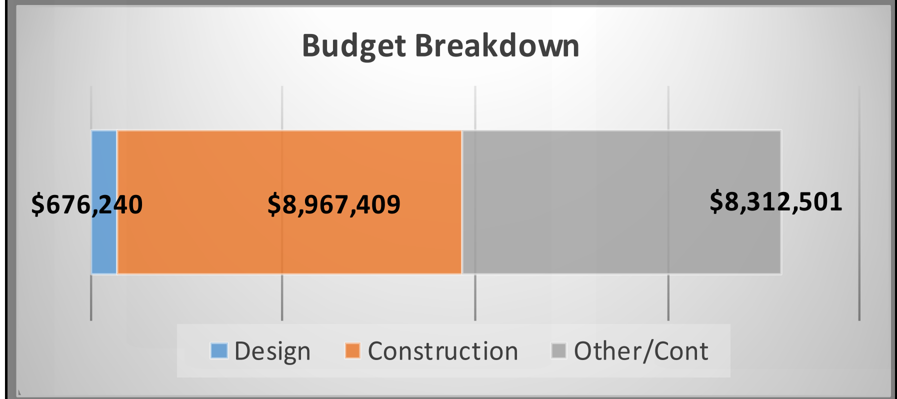
New Student Housing

New Student Housing

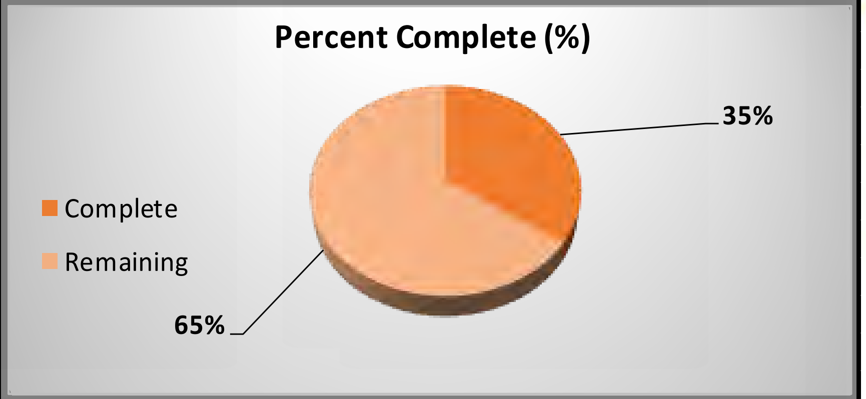
New Student Housing

Geothermal Systems Emergency Renovation

Geothermal Systems Emergency Renovation							
Project Start: 11.06.23		Project Completion: 11.14.2028					
Project	**Progress Highlights**	**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE 830	Design: Underway						
Bond Type: XI-Q 2023K	Construction: Pending						
		Design (7%):	$ 1,295,615	$ 676,240	$ 645,410	95%	$ 30,830
	Project underway.	Construction (84%):	$ 2,018,747	$ 8,967,409	$ 5,536,724	62%	$ 3,430,685
Design: AES		Other (9%):	$ 14,641,788	$ 8,312,501	$ 30,669	0%	$ 8,281,832
CM/GC: Bogatay Const.	Plan / Design / Bid / **Build** / Closeout	Project Totals:	$ 17,956,150	$ 17,956,150	$ 6,212,803	35%	$ 11,743,347



BCI - Amendments	
Geo Tank	$ 610,304
Amd. 1	$ 325,746
Amd. 4	$ 1,445,424
Amd. 6-7	$ 121,617
Amd. 8	$ 3,472,747
Amd. 3-5-9	$ 635,088
Amd. 10	$ 337,737
	$ -
	$ -
Total:	$ 6,948,662



Geothermal Systems Emergency Renovation

Extended Project Highlights

- Project is made up of six phases.
- Phase 1 - Geo HX Building Renovation
  - New 20,000 gal. geo storage tank completed.
  - HX Renovation underway.
- Phase 2 - Geo Distribution Piping
  - Direct bury geo distribution piping completed.
  - Tunnel geo distribution piping underway.
- Phase 3 – Geo Wells
  - Geo Well 6 renovation underway.
- Phase 5 – Campus Electrical Distribution
  - Design complete.

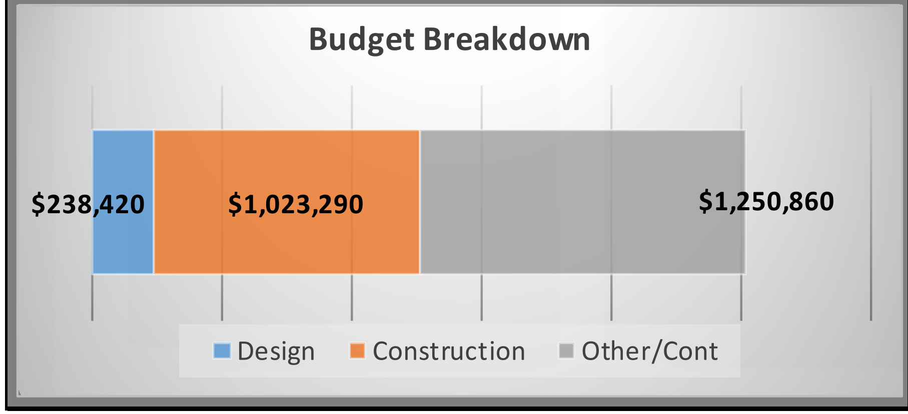
Geothermal Systems Emergency Renovation

Geothermal Systems Emergency Renovation

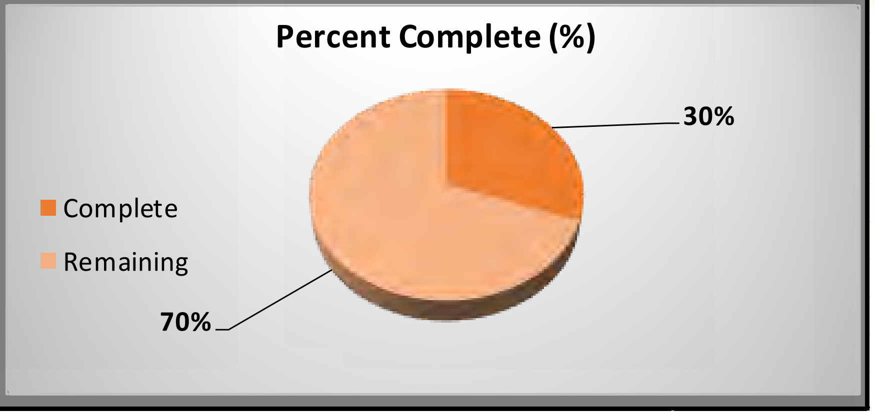
Geothermal Systems Emergency Renovation

Campus Booster Station

Campus Booster Station							
Project Start: 9.04.25		Project Completion: 11.30.25					
Project	**Progress Highlights**	**Cost Breakdown**	**Orig. Budget**	**Rev. Budget**	**Cost To Date**	**%**	**Balance**
UPE 831	Design: Completed						
	Construction: Underway						
		Design (10%):	$ 211,070	$ 238,420	$ 199,725	84%	$ 38,695
	Project closeout.	Construction (40%):	$ 1,023,290	$ 1,023,290	$ 562,810	55%	$ 460,480
Design: HBH Engineering		Other (50%):	$ 1,278,210	$ 1,250,860	$ 1,320	0%	$ 1,249,540
Build: Bogatay Const.	Plan / **Design** / Bid / **Build** / Closeout	Project Totals:	$ 2,512,570	$ 2,512,570	$ 763,855	30%	$ 1,748,715



CO's / Amendments	
HBH - Amd. 1	$ 2,800
HBH - Amd. 2	$ 24,550
Total:	$ 27,350



Campus Booster Station

Extended Project Highlights

- Project required due to campus switchover to City water.
- Project Scope: Domestic water booster station with new 12” water line connecting to existing campus loop.
- Project Schedule: September 2025 through November 2025

Campus Booster Station

Campus Booster Station

Campus Booster Station

Campus Booster Station

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OREGON INSTITUTE OF TECHNOLOGY

September 2025

HUMAN RESOURCES WORKFORCE MANAGEMENT ASSESSMENT

Submitted By:

Eide Bailly LLP

Eide Bailly

TABLE OF CONTENTS

Executive Summary

Eide Bailly LLP performed a workforce management assessment of the Oregon Institute of Technology ("Oregon Tech", "Institution", or "University") Office of Human Resources ("OHR") and HR functions across the University. The engagement was identified as part of the 2023 University-wide Risk Assessment and Audit Plan, with a focus on supporting operational efficiency, strengthening internal controls, and aligning HR practices with institutional goals.

This assessment evaluated the efficiency and effectiveness of OHR's core responsibilities and HR processes shared throughout the University, including recruitment, onboarding, performance evaluations, and training. The assessment also considered how these functions support broader institutional goals.

OHR has demonstrated a commitment to improvement through several initiatives, such as implementing market-based salary adjustments, initiating a new performance management program, and developing strategic workforce policies. These efforts reflect a forward-looking approach to workforce management. At the same time, opportunities remain to enhance governance, strategic alignment, and consistency in policies and talent development practices.

We identified four (4) findings and two (2) observations, each accompanied by recommendations designed to promote greater consistency, efficiency, and strategic alignment. These suggestions are intended to support OHR operations and shared HR procedures across the University in better aligning with institutional goals and recognized best practices in higher education.

We extend our appreciation to the Associate Vice President of OHR and the Assistant Vice Provost of Faculty Relations for their thoughtful engagement throughout this assessment. Their insights were invaluable in enhancing our understanding of OHR and HR operations and informing recommendations that support continued growth and improvement.

Background Information

OHR serves as a strategic partner to Oregon Tech by aligning workforce management with institutional objectives. Their mission is to promote the University's vision, mission, and values while seeking to model best practices through their core values. This mission extends beyond administrative functions to supporting employee engagement, ensuring fair and equitable practices, and fostering a workplace culture built on growth, accountability, and inclusivity.

Workforce management encompasses a broad range of activities, including recruitment, onboarding, training, performance management, compensation and benefits administration, employee relations, workforce planning, and compliance with federal, state, and local labor laws. Together, these functions are essential to attracting, developing, and retaining a qualified and engaged workforce while maintaining compliance with applicable requirements and institutional policies. These functions are supported by PeopleAdmin or HEROES, the University's primary system for managing HR processes.

OHR has a critical role in workforce management. Responsibilities are centralized within OHR and require significant coordination between various administrative departments, academic colleges, and other various activities across the University. Certain responsibilities are shared institution-wide, while others remain distinct within departments and divisions depending on the respective employee group (classified, unclassified, and faculty). OHR is comprised of four full-time positions: Associate Vice President, Assistant Director, HR Generalist for Recruitment, and HR Associate. Together, they support approximately 453 employees located in 35 states, including 174 unclassified, 124 classified, and 155 faculty. Given the broad scope of responsibilities and limited staffing, clear communication, standardized policies, and efficient processes are especially important to promote consistency and support HR operations across the University.

Objective & Scope

The **objective** of this assessment was to review and ensure that the human resources functions, including roles, procedures, and communication, are well-coordinated to support recruitment, onboarding, employee performance evaluations, and training across the entire institution to ensure integration with organizational objectives. Additionally, to assess the University's workforce planning, compliance efforts, and internal control structure.

The **Scope** of the engagement covered the period from July 1, 2024, through current operations.

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

Methodology

To achieve the stated objective of the assessment, we performed a series of procedures designed to evaluate the effectiveness, consistency, and compliance of HR operations. These activities included:

1. Reviewed relevant policies and procedures (P&Ps), manuals, workflows, and monitoring reports related to recruitment, onboarding, performance evaluations, and training.
2. Conducted process walkthroughs and interviews with management and key personnel to assess internal controls related to hiring, onboarding, training, performance evaluations, and terminations.
3. Analyzed HR recruiting activities to determine alignment with established best practices and compliance with applicable rules and regulations, as well as alignment with the University's strategic plan and Academic Master Plan.
4. Evaluated communication and collaboration between OHR and other departments and colleges during the recruitment, including hand-off points and overall process efficiency.
5. Assessed onboarding processes to determine consistency and adherence to compliance protocols.
6. Reviewed employee performance evaluation processes to assess consistency, coverage, and effectiveness.
7. Evaluated procedures for identifying and tracking training needs to determine whether programs are comprehensive and aligned with employee development plans and organizational goals.
8. Analyzed employee turnover metrics by department and position to identify trends and potential retention risks.
9. Assessed the design and operational effectiveness of HR controls to ensure compliance with federal and state regulations, as well as internal P&Ps.
10. Assessed whether the University's compensation and benefits strategies are informed by market analysis and effectively support employee retention.

Results of the HR Workforce Management Assessment

The HR Workforce Management Assessment conducted for Oregon Institute of Technology found that OHR has demonstrated meaningful progress in advancing their role as a strategic partner in support of the University's institutional goals. Several initiatives are currently underway or have recently been completed, reflecting OHR's commitment to strengthening workforce management practices:

1. **Compensation Analysis**: A third-party consulting firm conducted a market-based compensation study to ensure salaries are competitively valued relative to comparable positions. New salary ranges are being implemented in phases to promote equity and long-term competitiveness.

2. **Strategic Planning**: OHR is actively developing a new strategic plan for all HR functions, including workforce management. This plan will align with the Academic Master Plan and University Strategic Plan and incorporate an employee retention strategy to support long-term workforce stability.
3. **Policies and Procedures**: Work is underway to create a comprehensive set of internal HR policies and procedures designed to standardize practices, promote consistency, and ensure compliance.
4. **Performance Evaluation**: A formal, software-based performance management program was initiated in September 2025 and is envisioned for both unclassified and classified employees. This initiative establishes a more consistent framework for assessing performance across the institution.

These efforts reflect OHR's commitment to continuous improvement and alignment with best practices in higher education workforce management. This assessment also identified areas where additional structure, coordination, and integration would help maximize the impact of these initiatives and further reduce operational risks.

In total, the assessment identified **four findings** and **two observations**, each accompanied by recommendations for enhancement. Addressing these items will support improved operational efficiency, promote accountability and consistency, and strengthen alignment with institutional goals.

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

Findings

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

Observations

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

FINDING #1 – Training and Professional Development

The University requires all new hires to complete 1 mandatory training course that is formally tracked and reported externally. An additional 15 training courses are mandatory for specific employee groups and are managed at the departmental level without centralized oversight. This decentralized approach limits visibility into completion rates and results in inconsistent monitoring. Additionally, there is no standardized process or clear guidance for identifying new hires or new faculty, including those hired off-cycle. This may lead to delays or missed training requirements if individuals responsible for coordinating onboarding and training do not receive timely or complete information.

Beyond onboarding, the University does not currently have a formal, institution-wide program to identify, monitor, or support ongoing employee training needs. Structured professional development opportunities are not consistently available, and existing efforts rely heavily on manual or ad hoc departmental oversight. There is no centralized or system-driven mechanism to ensure compliance with required training or to promote employee growth and development across the institution. These conditions present risks such as possible noncompliance with external requirements, skill gaps, reduced productivity, and challenges in attracting and retaining top talent.

Turnover data indicates that unclassified staff leave at a higher rate than faculty and classified employees. Without enhanced retention strategies, such as structured professional development pathways, targeted engagement efforts, and consistent performance evaluation practices (see **Finding #4**), the University may continue to face challenges in retaining administrative talent, which could affect institutional continuity and efficiency.

The underlying cause of these challenges appears to be the absence of a coordinated, institution-wide approach to workforce training and development, compounded by limited resources and system functionality for tracking compliance and learning needs. Leading workforce management practices emphasize the value of structured training and development programs that include centralized tracking, formal needs assessments, and professional growth opportunities aligned with organizational goals.

Recommendation

We recommend that the University develop and implement a comprehensive training and development monitoring program that supports both compliance and professional growth across the institution. OHR may be responsible for compiling the comprehensive listing in coordination with departments that develop and deliver the respective training. This program may include:

a) Establishing a centralized monitoring system to track completion of all mandatory training requirements across departments to promote accountability and compliance.
b) Creating clear, documented guidance and communication processes for identifying all new hires and new faculty, including those with off-cycle appointments, to ensure timely onboarding and training.
c) Assisting departments in facilitating regular training needs assessments for each employee group to identify skill gaps, while ensuring alignment with applicable Collective Bargaining Agreements (CBAs).
d) Supporting departments to designing and delivering training programs that address both compliance requirements and job-specific or career advancement skills.
e) Continuing to update and standardize onboarding and compliance training processes to promote consistency and timely completion.
f) Monitoring and revising training offerings regularly to ensure alignment with institutional priorities, regulatory requirements, and workforce planning needs.

Implementing a comprehensive training and development framework will strengthen compliance, enhance workforce capabilities, and support faculty and staff retention efforts.

Management Response

Management respectfully agrees with the finding and recommendations. The University acknowledges the need for a more coordinated and comprehensive approach to training and professional development. Management is committed to strengthening workforce capabilities, improving compliance, and supporting employee retention through the following actions:

a) Centralized Monitoring of Mandatory Training

The Office of Human Resources (OHR), in collaboration with individual departments, will evaluate available software tools to establish an electronic, centralized system for tracking completion of all mandatory training requirements, as applicable for each employee group. This system will promote accountability and compliance across employee groups while reducing reliance on manual departmental oversight. OHR will prioritize leveraging current software solutions to expand training completion data. For unclassified administrative staff, this centralized tracking will be integrated with the newly initiated performance management process.

b) **Identification of New Hires and Off-Cycle Appointments**
OHR will strengthen its collaboration with the Provost's Office to jointly track new hires, including off-cycle faculty appointments, to ensure timely onboarding and training. Clear guidance and communication protocols will be formalized to support consistent identification and notification of new personnel between OHR and the Provost's Office. A shared electronic drive has been implemented by OHR to support this process. These efforts will reduce the risk of missed or delayed training requirements and improve coordination among responsible parties.

c) **Monitoring Department Training Needs Assessments**
OHR will collaborate with departments responsible for training development and delivery to support regular training needs assessments, also providing department support as needed. These assessments will be integrated with departmental performance management programs to align individual development goals with institutional priorities, in accordance with applicable institutional priorities and the respective Collective Bargaining Agreements (CBA). Through the newly initiated performance management software tool for unclassified administrative staff, departments and managers will be equipped to identify skill gaps and inform the design of targeted training programs that support strategic workforce planning.

d) **Structured Training and Development Programs**
In partnership with departments that manage specialized training, OHR will help coordinate the design and delivery of structured programs that address both compliance-based requirements and job-specific or career advancement skills utilizing the to be established electronic, centralized tracking system for mandatory training requirements. Additionally, OHR currently provides free training resources through monthly newsletters, and these offerings will be expanded and better aligned with institutional goals.

e) **Continued Update and Standardization of Onboarding and Compliance Training**
OHR will continue to refine and standardize its onboarding and compliance training processes to ensure consistency and timely completion. This includes updating existing OHR-materials and integrating them into a centralized platform accessible to all departments.

f) **Monitoring and Revision of Training Offerings**
As part of the centralized training monitoring system described in recommendation (a), OHR will also monitor departmental efforts to ensure training offerings remain current. OHR will conduct periodic reviews—no less than annually—of department-led training programs. Departments will be expected to revise training content as needed to maintain relevance and effectiveness.

Implementation Timeline
These actions will be implemented in phases beginning Fall 2025 through September 30, 2027, under the oversight of OHR and with input from division and departmental leadership. Progress will be monitored by OHR through semi-annual updates.

FINDING #2 – Policies and Procedures

While the University has developed user guides and "how-to" instructions for navigating HEROES, it does not yet have a comprehensive set of documented policies and procedures that provide clear guidance for core HR processes across the University. Existing materials are primarily system-focused rather than policy-driven.

Checklists are outdated and incomplete, and key areas such as recruitment, onboarding, position description development, search committee formation, interview practices, and evaluation tools lack standardized documentation.

The absence of robust, policy-driven resources may result in inconsistent application of HR practices and reduced efficiency in recruitment and onboarding at both the department and OHR levels. Without standardized processes, departments may interpret requirements differently, which can lead to inequities, compliance concerns, and challenges in accountability. This gap appears to stem from limited capacity within OHR and competing priorities that have slowed progress in this area.

Recommendation

We recommend that OHR prioritize the development of a comprehensive set of policies and procedures that provide consistent, institution-wide guidance for key HR functions. This effort should begin with recruitment and onboarding and expand to other critical areas. Specifically, policies should:

a) Adapt existing documentation to create step-by-step procedures and checklists for recruiting and onboarding that outline responsibilities, timelines, and required documentation. These should clearly distinguish departments-specific actions from OHR responsibilities to support shared understanding.
b) Update the existing OHR onboarding checklist to include expected timelines for completing specific tasks and incorporate automated alerts to notify responsible parties when deadlines are missed. This should clarify OHR's role while reinforcing that departments maintain an active role in onboarding.
c) Establish standardized templates and review criteria for position descriptions to ensure accuracy, alignment with budgeted positions, and equity across roles.
d) Define search committee formation processes for classified and unclassified staff recruitment, including composition, roles, and expectations such as confidentiality and fairness. Continue using the existing process for faculty recruitment.
e) Develop structured interview guidelines with standardized questions based on employee classification, evaluation methods, and training to reduce bias and support compliance.
f) Expand the use of search committee-specific training modules, scoring rubrics and candidate evaluation forms to promote consistency in decision-making and documentation.

These policies and procedures should be reviewed and updated regularly, made easily accessible, and clearly define requirements by employee group. They should also align with applicable CBA provisions to ensure consistency and compliance.

Management Response

Management respectfully agrees with the finding and recommendations. The University recognizes the importance of comprehensive, policy-driven documentation to guide core HR processes across departments. To address this gap, the Office of Human Resources (OHR) will lead a phased initiative to develop and implement HEROES-system standardized policies and procedures that promote consistency, equity, and compliance. This work will be conducted in collaboration with departmental stakeholders and will include the following actions:

a) Recruitment and Onboarding Procedures

OHR will adapt existing HEROES documentation to create step-by-step procedures and checklists for recruitment and onboarding. These materials will clearly define responsibilities, timelines, and required documentation. Roles and responsibilities will be delineated between OHR and individual departments to ensure shared understanding and accountability. Additionally, OHR is revising its user guides and will restructure them into modular training units for easier access and use.

b) Updated Onboarding Checklist with Alerts
The current OHR onboarding checklist will be revised to include expected timelines for task completion. Automated alerts will be incorporated to notify responsible parties when deadlines are missed, subject to system capabilities. The checklist will clearly distinguish OHR-specific onboarding responsibilities from those managed at the departmental level, reinforcing the shared nature of the onboarding process and ensuring departments understand their continued role in onboarding.

c) Position Description Templates and Review Criteria
OHR will develop standardized templates and review criteria to ensure position descriptions are accurate, aligned with budgeted positions, and equitable across classifications. These templates will be reviewed periodically to maintain relevance and consistency.

d) Search Committee Formation Guidelines
OHR will update existing guideline documentation and training materials. Additionally, the current annual delivery of search committee training will be transitioned to a per-search basis. This will include guidance on committee composition, roles, confidentiality expectations, and fairness. The existing faculty search committee process will remain unchanged.

e) Structured Interview Guidelines
OHR will revise interview guidelines to include standardized questions tailored to employee classification. Evaluation methods and bias-reduction training—currently offered annually—will be adapted for delivery to each search committee at the time of recruitment to ensure equitable and compliant hiring practices.

f) Search Committee Tools and Training
OHR will expand the use of training modules, scoring rubrics, and candidate evaluation forms to support consistent decision-making and documentation. These tools will be made accessible to all search committees and updated regularly. OHR will collaborate with departments to ensure these tools are actively utilized.

Implementation Timeline
This initiative will begin in December 2025 and continue through December 31, 2027, based on current resource levels. OHR will lead the development process with input from departments. Progress will be monitored through semi-annual updates.

FINDING #3 – OHR Strategic Plan

OHR has demonstrated meaningful progress in advancing workforce management priorities, having completed 13 of 36 initiatives in their prior strategic plan. This reflects a strong commitment to strengthening HR processes and enhancing support for the University's workforce. At present, OHR is collaborating on the development of an updated workforce strategic plan to guide current and future priorities. Without a refreshed plan, there is a risk that efforts may become reactive, which could lead to misalignment with institutional goals, inefficiencies in workforce planning, and delays in addressing hiring needs.

The absence of a current plan appears to be influenced by competing operational priorities and limited resources dedicated to strategic planning. According to leading practices in higher education workforce management, such as those outlined by the Society for Human Resource Management (SHRM), strategic plans should be updated on a recurring basis, include measurable objectives, and provide clear accountability to ensure OHR efforts remain aligned with institutional needs and adaptable to evolving workforce demands.

Recommendation

We recommend that OHR continue in their process of developing an updated OHR workforce strategic plan, building upon the workforce priorities outlined in the Academic Master Plan and University Strategic Plan. This updated plan should include a focused employee retention strategy to be completed by the end of the current fiscal year. Key components may include:

a) Clearly define OHR priorities, timelines, and responsibilities.
b) A review of in-progress and on-hold initiatives from the previous OHR plan to assess relevance and alignment with current institutional needs.
c) Alignment with the University's Strategic Plan and Academic Master Plan, including measurable objectives to guide progress.
d) Coverage of key areas such as recruitment and selection, onboarding, training, performance management, career planning, and succession planning.
e) A dedicated retention plan for each employee group to identify trends and workforce challenges.
f) Mechanisms for monitoring and conducting regular reviews to ensure the OHR's strategic plan remains effective and responsive to evolving workforce needs.

Completing and implementing the updated OHR strategic plan will help the University coordinate workforce management efforts and strengthen their ability to attract, develop, and retain top talent.

Management Response

Management respectfully agrees with the finding and recommendations. OHR acknowledges the importance of maintaining a current OHR-specific strategic plan to guide HR-specific workforce priorities and ensure alignment with institutional goals. Building on the successful completion of 13 initiatives from the prior plan, OHR will develop a refreshed strategic plan that includes:

a) Defined Priorities, Timelines, and Responsibilities

The updated plan will clearly outline OHR's strategic priorities, associated timelines, and responsible parties to ensure accountability and transparency.

b) Review of Previous Initiatives

OHR will revisit in-progress and on-hold initiatives from the prior strategic plan to assess their relevance and alignment with current institutional needs.

c) Alignment with Institutional Plans

The OHR strategic plan will be closely aligned with the University's Strategic Plan and Academic Master Plan. It will include measurable objectives to guide progress and ensure integration with broader institutional goals.

d) Coverage of Key HR Functions

The plan will address OHR-specific recruitment, onboarding, training, performance management, career planning, and succession planning. These areas will be addressed specifically as they relate to OHR policies and procedures, in support of university-wide responsibilities.

e) Dedicated Retention Strategies

OHR will collaborate with divisions to develop retention plans for each employee group. These plans will be informed by turnover data and workforce trends to proactively address risks and support talent retention. Recognizing that retention is multifaceted and significantly influenced by departmental practices, OHR will support these efforts by providing training resources, data analysis, and strategic guidance. This collaborative approach acknowledges that departments play a critical role in day-to-day retention strategies, with OHR assisting through tools, insights, and development support to strengthen institution-wide retention outcomes.

f) Monitoring and Review Mechanisms
OHR will establish mechanisms for regular review and updates to ensure the strategic plan remains responsive to evolving workforce needs and institutional priorities.

Implementation Timeline
The updated strategic plan will be finalized by June 30, 2027, with semi-annual reviews beginning Spring 2026.

FINDING #4 – Integration of the Performance Management Program

The University recently initiated the software implementation of their performance management program in September 2025 for unclassified staff. This represents a significant advancement in establishing a consistent framework for assessing employee performance, promoting accountability, and aligning individual contributions with institutional goals. The new program lays the groundwork for improved workforce planning, employee development, and retention.

While this progress is encouraging, the program is not yet fully embedded into institutional practice. The current does not yet include faculty and classified staff, and comprehensive documentation and consistent application across all employee groups are still in development. Integration with related HR processes, such as training, development, and succession planning, is also needed to maximize the program's effectiveness. Without these elements, the University may encounter inconsistent performance management practices, potential compliance concerns related to CBAs and missed opportunities to support workforce planning and employee growth.

Recommendation
We recommend that OHR continue strengthening the performance management program by ensuring it is fully documented, clearly communicated, and consistently applied across respective employee groups. To maximize their effectiveness and reinforce alignment with broader workforce initiatives, OHR should ensure the pilot project includes:

a) Establishing monitoring controls to evaluate compliance and effectiveness of the evaluation program.
b) Integrating evaluation outcomes with training and development efforts outlined in **Finding 1 – Training and Professional Development**, using performance data to identify skill gaps and inform targeted learning opportunities.
c) Using evaluation results to support retention strategies referenced in **Finding 3 – OHR Strategic Plan**, ensuring performance insights contribute to succession planning and career development.
d) Including mechanisms to identify underperformance early and provide structured improvement plans.
e) Developing clear procedures for addressing continued underperformance, including timelines, accountability, and escalation protocols.
f) Continuing the University's evaluation and feasibility assessment to expand the program to include faculty and classified staff, ensuring equitable assessment practices across respective employee groups.

By fully implementing and integrating the performance management program, the University can continue to foster a culture of continuous improvement, enhance employee development, and strengthen alignment between individual performance and institutional objectives.

Management Response

Management respectfully agrees with the finding and recommendations. The University acknowledges the importance of a fully integrated performance management program to support workforce planning, employee development, and institutional alignment. OHR is currently implementing the performance management system for unclassified administrative staff in January 2026 . The system is also under consideration for classified and faculty employee groups. This marks a significant step forward in establishing a consistent framework for assessing employee performance. To build on this progress, the Office of Human Resources (OHR) will undertake the following actions:

a) **Establish Monitoring Controls**
OHR will implement monitoring mechanisms to evaluate compliance and effectiveness of the performance management program. These controls will include periodic audits of completion rates, quality of evaluations, and adherence to timelines.

b) **Integration with Training and Development**
Evaluation outcomes will be integrated with training and development initiatives outlined in Finding #1. Performance data will be used to identify skill gaps and inform targeted learning opportunities. This alignment will support strategic workforce planning and ensure that development efforts are responsive to actual performance needs.

c) **Support for Retention and Succession Planning**
Evaluation results will be used to inform retention strategies and succession planning efforts referenced in **Finding #3**. Performance insights will help identify high-potential employees, guide career development conversations, and support long-term talent management goals.

d) **Early Identification of Underperformance**
Mechanisms will be established to identify underperformance early in the evaluation cycle. Structured improvement plans will be developed in collaboration with supervisors, department heads and OHR, including clear expectations, timelines, and support resources, ensuring supervisors meet regularly and timely with staff for feedback and mentoring. Faculty-specific processes will continue to be followed, such as the post tenure review process.

e) **Procedures for Continued Underperformance**
OHR will develop formal procedures for addressing continued underperformance. These will include escalation protocols, documentation requirements, and accountability measures to ensure fair and consistent handling across departments.

f) **Expansion to Faculty and Classified Staff**
OHR will continue its feasibility assessment to expand the performance management program to include faculty and classified staff. This will involve evaluating software capabilities, gathering stakeholder input, and ensuring alignment with applicable Collective Bargaining Agreements (CBAs). The goal is to ensure equitable assessment practices across all employee groups.

Implementation Timeline

These actions will be implemented in phases beginning Winter 2026 and continuing through June 30, 2027, with oversight from OHR and input from division and departmental leadership. Progress will be monitored through semi-annual updates.

OBSERVATION #1 – Recruitment Workflow

The University's approval workflow for key recruitment processes, including position descriptions, job postings, hiring proposals, and offer letters, involves multiple layers of review. While these reviews are intended to ensure oversight and alignment with institutional priorities, the current process is lengthy, duplicative, and lacks defined expectations for turnaround times. This contributes to delays and unpredictability in hiring, increasing the likelihood of losing qualified candidates to competing institutions.

During the assessment, 34 active positions were still in the draft phase, with 32 open for more than 100 days. Additionally, 30 positions took longer than 30 days to post, and 29 remained open for over 90 days. These extended timeframes suggest that the approval process may be contributing to prolonged vacancies, which can disrupt departmental operations and affect student services and institutional performance. There is also no clear ownership for maintaining position status updates in the system, which limits visibility and accountability. Furthermore, offer letters may be modified during the workflow without notification to other reviewers, creating risks of inaccurate or unauthorized information being included in finalized offers.

The root cause of these challenges appears to be the absence of a streamlined workflow design, clearly defined timelines, and system controls to monitor document changes and status updates.

Recommendation

We recommend that OHR take the following steps to improve the recruitment workflow:

a) Review the approval workflow process to eliminate duplicative steps and clarify the roles and responsibilities of each reviewer. Configure the system to enable automated notification and set up additional system users as needed to maximize notification functionality.
b) Establish expectations for turnaround times at each stage of the review process to promote consistency and accountability.
c) Consider implementing automated workflow triggers within HEROES to update position status in real time based on user actions.
d) Ensure system notifications are functioning properly so approvers are alerted to pending actions.
e) Assign clear ownership for maintaining and updating position statuses within HEROES.
f) Consider identifying and designating a process owner to monitor and track approval status progress within HEROES.
g) Introduce version control and audit trails to monitor edits to offer letters and ensure transparency and integrity in document changes.
h) Update and standardize offer letter templates by respective employee groups with input from all approvers to reduce the need for ad hoc edits.
i) Conduct regular reviews of both the workflow and templates to ensure continued alignment with best practices, compliance requirements, and institutional goals.

These improvements will enhance hiring efficiency, reduce risk, and promote consistency and integrity in recruitment communications.

Management Response

Management respectfully agrees with the observation and supports the recommendations. The University recognizes that the current recruitment workflow—particularly the approval process for position descriptions, job postings, hiring proposals, and offer letters—requires refinement to improve efficiency, transparency, and accountability. The Office of Human Resources (OHR) will lead a phased initiative to streamline the recruitment workflow and address the issues identified in the audit. The following actions will be taken:

a) Streamline the Approval Workflow
OHR will conduct a comprehensive review of the existing approval workflow to identify and eliminate, where feasible, duplicative steps. This effort will also clarify the roles and responsibilities of each reviewer to ensure accountability and reduce delays. As part of this process, OHR will review the current configuration of HEROES to ensure automated notification functionality is optimized and system user access is appropriately expanded. OHR will also take steps to encourage system users to actively monitor and respond to existing automated notification emails. These efforts will further enhance responsiveness and improve overall functionality throughout the recruitment lifecycle.

b) Establish Turnaround Time Expectations
Defined expectations for turnaround times will be implemented at each stage of the review process. These benchmarks will improve consistency, accountability, and predictability in hiring timelines.

c) Automate Position Status Updates
OHR will review and assess the current implementation of automated workflow triggers within HEROES, to update position status in real time based on user actions. This will enhance visibility and reduce manual tracking errors.

d) Ensure Notification Functionality
System notifications will be tested and validated to ensure approvers are alerted to pending actions. OHR will work with IT and system administrators to resolve any notification issues.

e) Assign Ownership for Position Status Maintenance
Clear ownership will be assigned for maintaining and updating position statuses within HEROES. This will improve accountability and ensure timely updates.

f) Designate a Process Owner
OHR has a designated staff member who is responsible for monitoring and tracking the progress of approval workflows within HEROES. OHR will develop additional system reports to review approval process workflow processes more frequently. As resources allow, this role will support continuous improvement and ensure alignment with institutional priorities.

g) Introduce Version Control and Audit Trails
Version control and audit trail functionality will be introduced to monitor edits to offer letters. This will ensure transparency and integrity in document changes and reduce the risk of unauthorized modifications.

h) Standardize Offer Letter Templates
In collaboration with relevant stakeholders, on an annual basis OHR will update and standardize offer letter templates by employee group to ensure consistency across departments and reduce the need for ad hoc edits. While the goal is to streamline and unify offer communications, the process will also allow for individually tailored offer letters when warranted by specific circumstances. This approach balances consistency with flexibility and ensures that all offer letters reflect institutional standards while accommodating unique recruitment needs.

i) Conduct Regular Workflow Reviews
OHR will conduct regular reviews of both the recruitment workflow and offer letter templates to ensure

continued alignment with best practices, compliance requirements, and institutional goals.

Implementation Timeline

These actions will be initiated in January 2026 and phased through December 2027, with oversight from OHR and collaboration with division and departmental leadership. Progress will be monitored through semi-annual updates.

OBSERVATION #2 – HR Related Policies

Key HR-related policies are maintained on the OHR website; however, the current structure lacks prominence, and topical search functionality. Policies are listed individually in numerical policy number order without clear topic categorization, which can make it difficult for employees to locate relevant information by subject. Additionally, there is no formal process for monitoring these HR-related and other department-level policies to confirm accuracy and compliance. Of the more than 100 policies published online, only 20 have been revised within the past two years.

The absence of effective monitoring or enforcement of review cycles, combined with limited topic categorization and search functionality, may result in employees being unable to locate policies, receiving inconsistent guidance, or relying on outdated information. These conditions may increase the inherent risk of noncompliance with employment laws, and inconsistent or inaccurate application of University policies.

Best practices and higher education HR standards recommend maintaining comprehensive, current, and easily accessible HR-related policies that are subject to a structured review cycle (e.g., every one to three years) to confirm accuracy, relevance, and compliance with applicable laws and regulations.

Recommendation

We recommend that OHR and the University take the following steps to enhance the accessibility, oversight, and transparency of HR-related policies:

a) Redesign the OHR website to improve policy prominence, incorporating topical categorization, search functionality, and display revision dates to support transparency.
b) In collaboration with departments that own HR-related policies, OHR should assign ownership and responsibility for each policy, including establishing a schedule for policy review, updates, creation or removal.
c) Establish a structured monitoring process to periodically assess whether HR-related policies remain current. This process should include monitoring review dates, identifying overdue policies, and escalating items that require attention to ensure timely updates and compliance.

Enhancements to OHR's website, combined with a formalized review and monitoring process, will improve transparency, accessibility, strengthen compliance, and support consistent application of institutional guidance.

Management Response

Management respectfully agrees with the observation and supports the recommendations. The University recognizes the importance of maintaining HR-related policies that are current, accessible, and clearly organized. The Office of Human Resources (OHR) will lead a phased initiative to improve the structure, visibility, and oversight of HR-related policies published on the OHR website. The following actions will be taken:

a) Improve Accessibility and Organization

OHR maintains a centrally located website that serves as a single, accessible repository for HR-related policies and procedures. To enhance visibility and usability, OHR will increase the prominence of this site by linking directly to it from TechWeb—a shared resource commonly used by all employee groups. Additionally, OHR, in collaboration with President's Council will develop and publish a topical index on the HR-related policies and procedures website to support easier navigation. These enhancements will include consistent indexing, clear topical categorization, and improved search functionality. Revision dates will be prominently displayed to promote transparency and reinforce user confidence in the accuracy and currency of the information.

b) Monitor Review Schedules
In collaboration with departments that own HR-related policies, OHR will monitor the timing of policy review and updating, recognizing that individual departments retain responsibility for the development, review, and relevance of their respective policies. Clear ownership will be assigned for each policy to promote accountability and ensure alignment with institutional priorities.

c) Establish a Monitoring Process
In collaboration with departments that own HR-related policies, OHR will establish a structured monitoring process to track HR-policy update timelines. While individual departments retain responsibility for the development, review, and relevance of their respective policies, OHR will support this process by monitoring review cycles and prompting updates as needed. This approach respects existing departmental ownership while promoting accountability and ensuring alignment with institutional priorities and compliance standards.

Implementation Timeline
These actions will be implemented in phases beginning Fall 2025 and continuing through March 31, 2026, with oversight from OHR and input from division, departmental leadership, and President's Council.

ACTION

Agenda Item No. 4.1
New Student Housing Naming

Background

Oregon Tech received final approval for state bond funding to construct new student housing on the Klamath Falls campus in the 81st Oregon Legislature. The amount awarded for the project was $35 million from Series XI-F bonds, the debt service will be retired by the University through student housing fees over a period of 30 years.

An open bid process was followed for selection of the project architects and developer through a construction manager, general contractor model (CMGC) allowing for synergies in design and project coordination. Design and visioning work began in the spring of 2023 and featured a diverse work group comprised of the architect, faculty, staff and numerous students, including some affiliated with ASOIT. This group worked collaboratively in developing the initial design and physical layout as well as color schemes, etc. Once the contractor was engaged on the project, some minor modifications were necessary in order to remain within the project budget. Construction on the 511-bed building began during May 2024.

Construction was progressing on schedule for December 2025 final completion, however in early September, administration learned that an issue had emerged with delivery of a critical project component, the electrical switch gear. This component is integral to energize the entire building, including the elevators. As a result, certain elements of the project will be delayed until it is installed. Delivery of this equipment is expected later this month. A three-month no-cost extension has been granted to the contractor, but any further delays will trigger liquidated damages payments from the contractor.

In the meantime, and in keeping with Oregon Tech's shared governance process, students were polled earlier this month about naming preferences for the new student housing. Over the past year there has been quite a bit of conversation among students and others around considering 'the Nest", which is synonymous with the Oregon Tech Owl mascot. Another top name discussed has been the "the Timbers" in recognition of the prevalence of the use of mass timber and the first student housing project in Oregon using this construction material as a primary component. This material is also often referred to in the industry as cross laminated timber or CLT.

The results of the student poll indicate that a majority of students prefer the name *"the Xxxx"* for the student new housing. Since the building will be opening in March, Oregon Tech needs to begin referring to the new building in printed and digital media, reporting to the state and campus maps with clarity.

In accordance with *Board Policy on Delegation of Authority*, Board approval is necessary for naming and renaming buildings.

Staff Recommendation

After review and discussion, **staff requests a Motion by the Finance and Facilities Committee to the full Board for Approval of "the Xxxx" as the authorized name for the new student housing located on the Klamath Falls campus.**