



# Higher Education Costs: A Brief Summary

## Oregon University System Chancellor's Office

Jay Kenton, Vice Chancellor for Finance and Administration

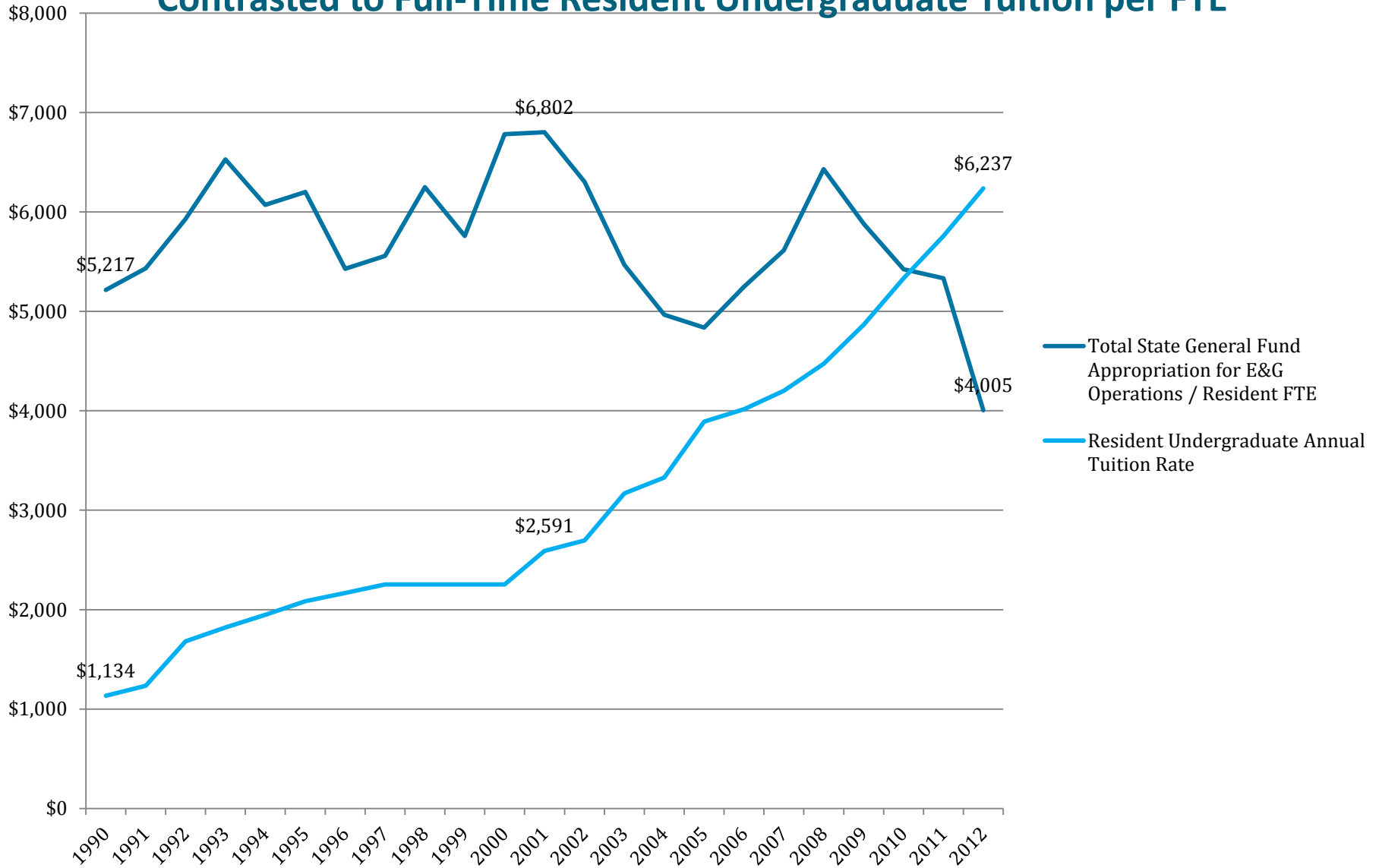
February 15, 2012



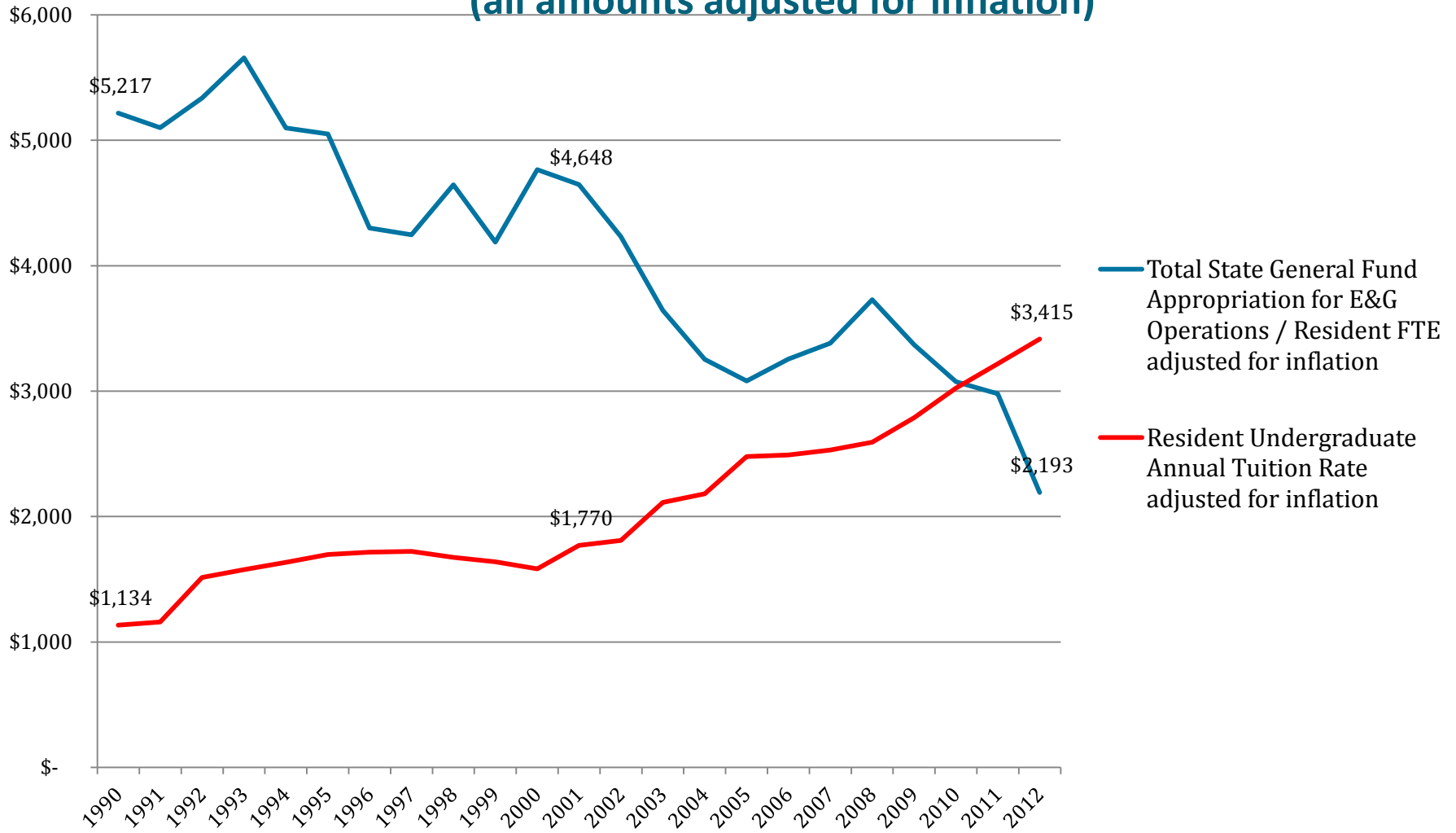
# State funding and tuition

- State funding per student is single largest factor in determining tuition rates each year
- State funding per student has been declining – Oregon ranks 44<sup>th</sup> in the country in state funding per student\*
- Tuition has been increasing – Oregon ranks 20<sup>th</sup> in the country in annual resident undergraduate tuition and fees per student\*
- Over the last twenty years, resident undergraduate tuition has increased an average of nearly 6% per year
- Adjusted for inflation, Oregon receives 18% less funding (State \$ plus tuition \$) per student today compared to 1990

# State General Fund per Resident Student FTE Contrasted to Full-Time Resident Undergraduate Tuition per FTE

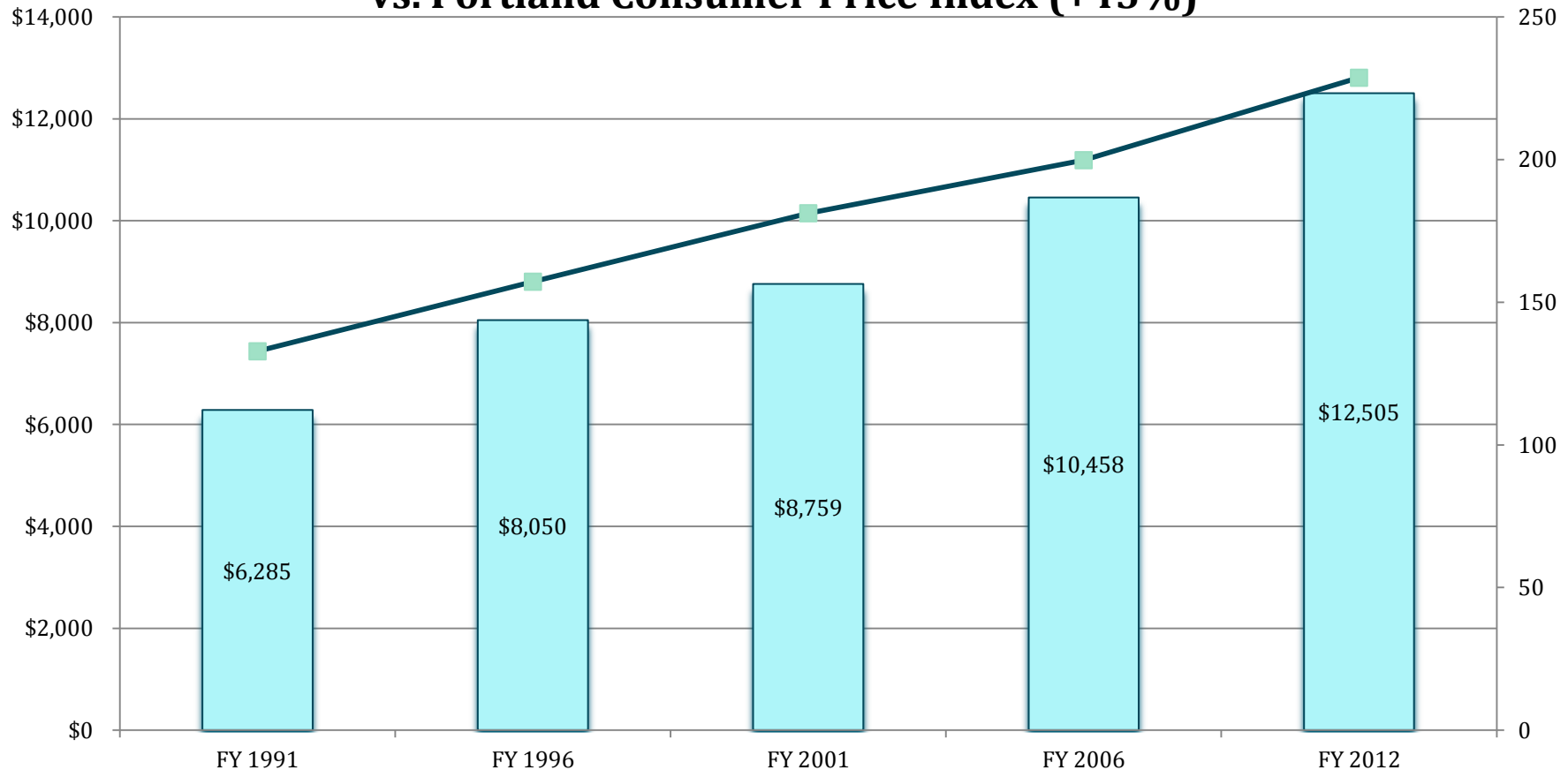


## State General Fund per Resident Student FTE Contrasted to Full-Time Resident Undergraduate Tuition per FTE (all amounts adjusted for inflation)



# Average Costs of Instruction Per FTE Student 1996-2012 – up 55% (CPI +45%)

Average Costs of Instruction per Student FTE (+55%)  
vs. Portland Consumer Price Index (+45%)

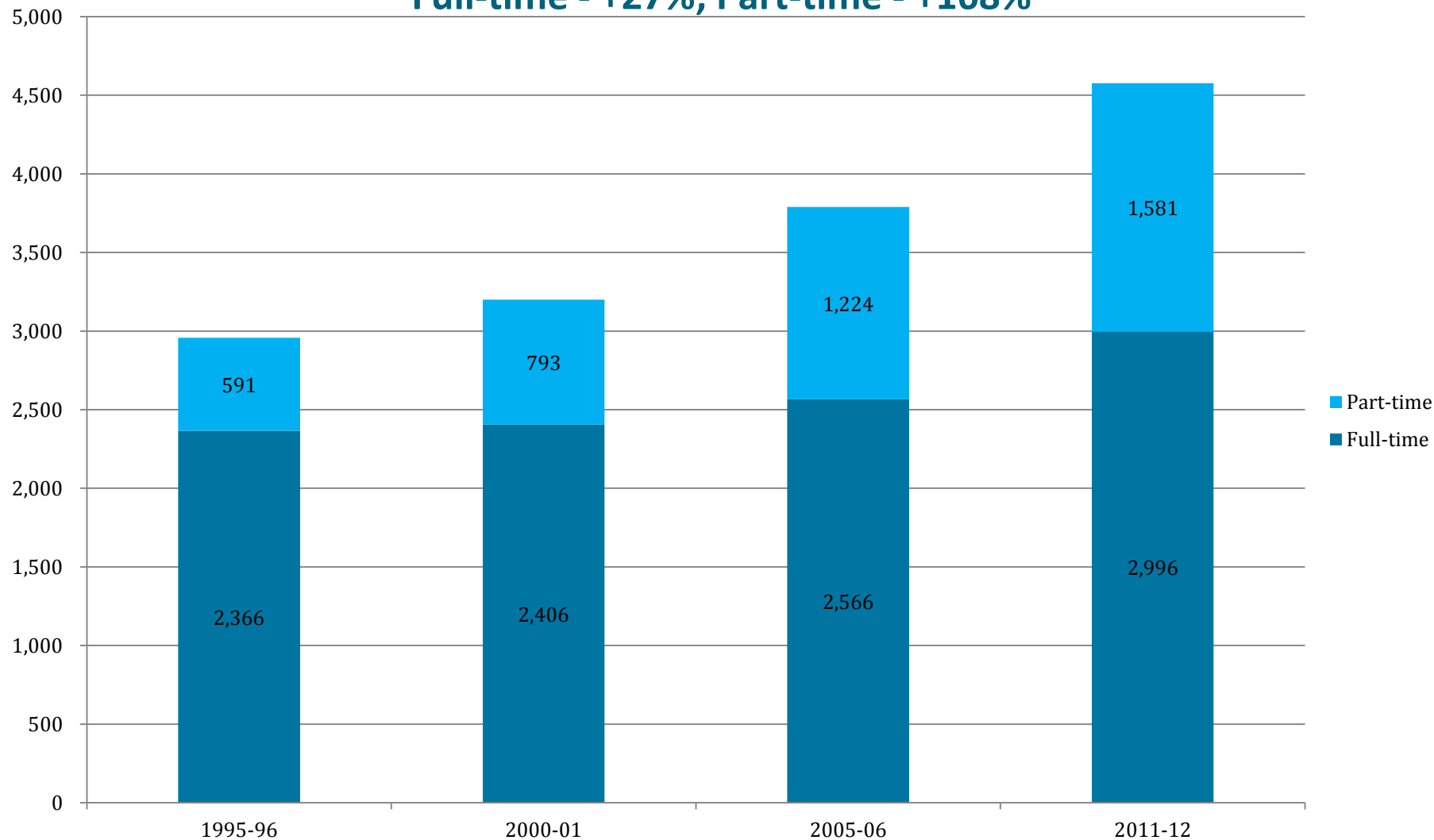


# Types of Faculty: A Driver of Costs and Quality

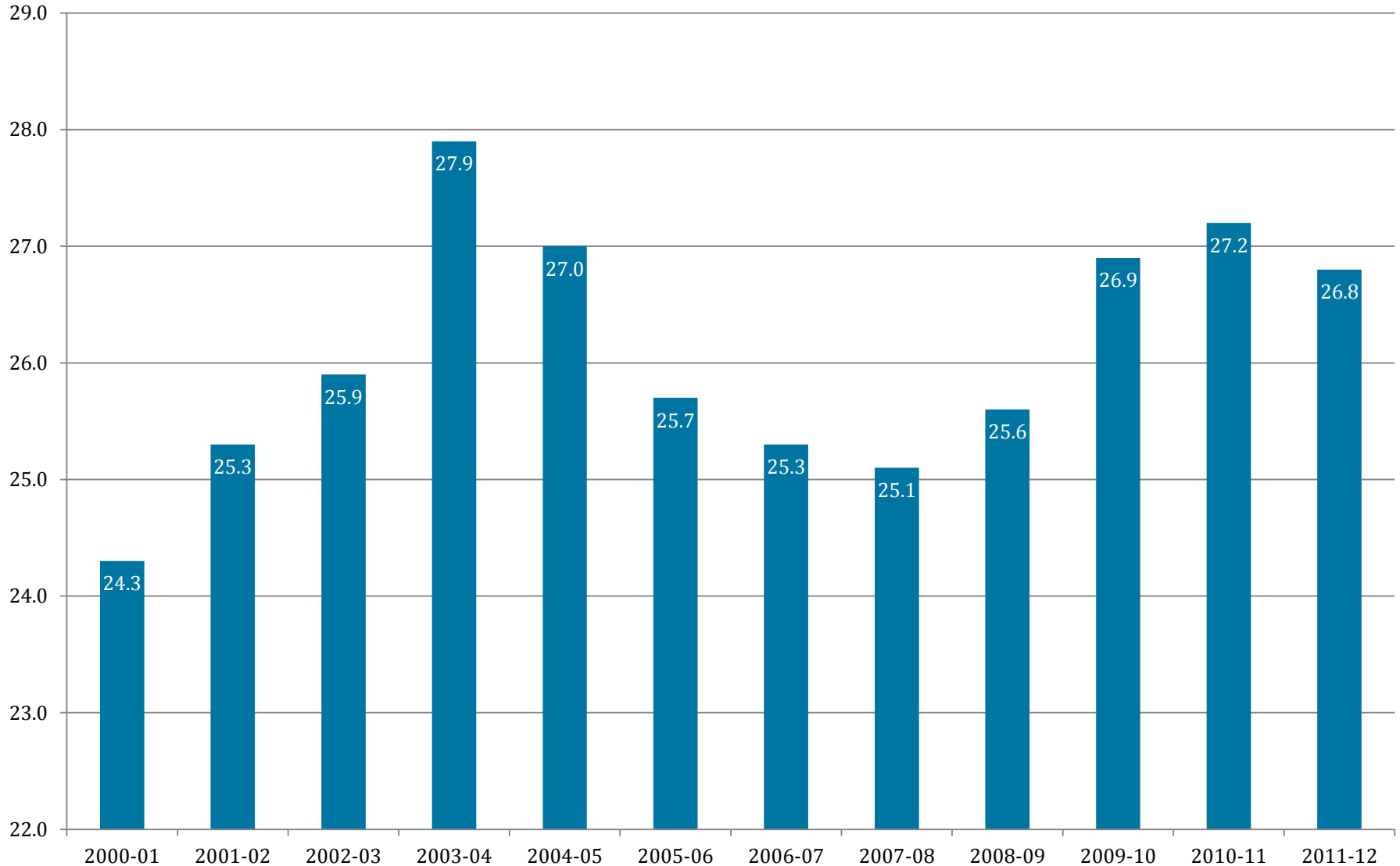
- Full-time faculty are essential in maintaining the curriculum, student advising, and performing other functions that are critical to conducting the business of the institutions and in maintaining quality
  - Part-time faculty working less than .50 FTE are not eligible for health benefits
  - Fixed term and part-time faculty have higher teaching loads than full-time tenure track faculty
  - Tenure/Tenure Track faculty are expected to contribute in instruction, research, public service and administrative functions, whereas fixed term and part-time faculty are generally more specialized
- Given the increased demand in the face of declining per student resources institutions have struggled to maintain an appropriate balance of faculty

## Oregon University System Instructional Faculty Headcount 1996-2012

Full-time - +27%; Part-time - +168%

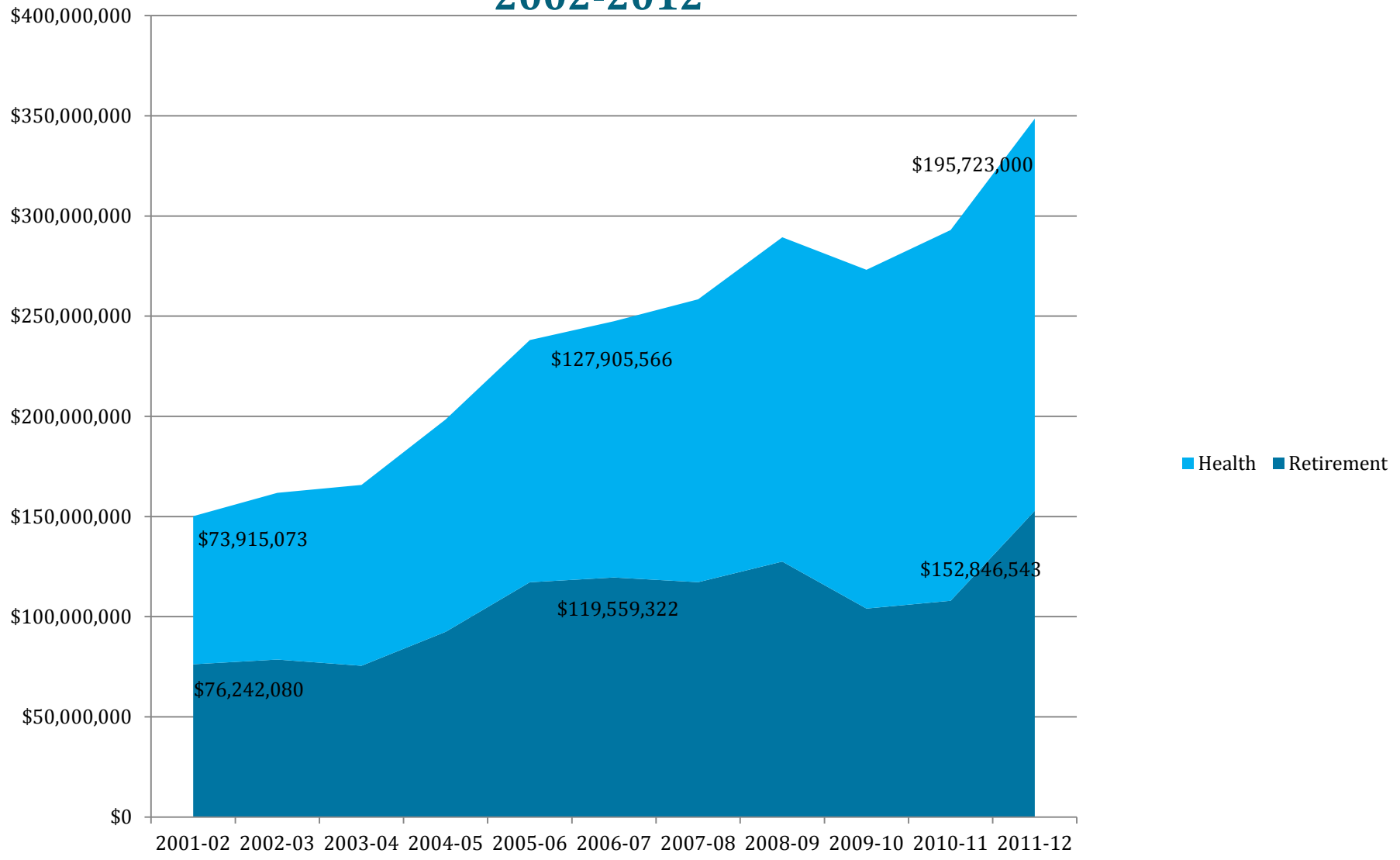


## Students per Full-time Faculty Fall Term Each Year





# Oregon University System Costs of Retirement and Healthcare 2002-2012



# Benefit Costs Compared to National Peers

- According to AAUP (The Annual Report on the Economic Status of the Profession, 2012):
  - **Public Institutions Average:**
    - Retirement – 10.6% of salary (OUS = 18% and could increase to 24%)
    - Healthcare Contributions - \$10,351/covered employee (OUS = \$14,940)
  - **Private Institutions Average**
    - Retirement – 9.1% (OUS = 20%)
    - Healthcare Contributions - \$10,825/covered employee (OUS = \$14,940)
  - **Total Benefits as a % of Salary**
    - Public – 29.7% (OUS = 49.6%)
    - Private – 27.9% (OUS = 49.6%)
- When using % salary calculations bear in mind that OUS salaries are lower than national peer groups, thus inflating our contributions when expressed as a percent of salary

Thank you.

Questions?