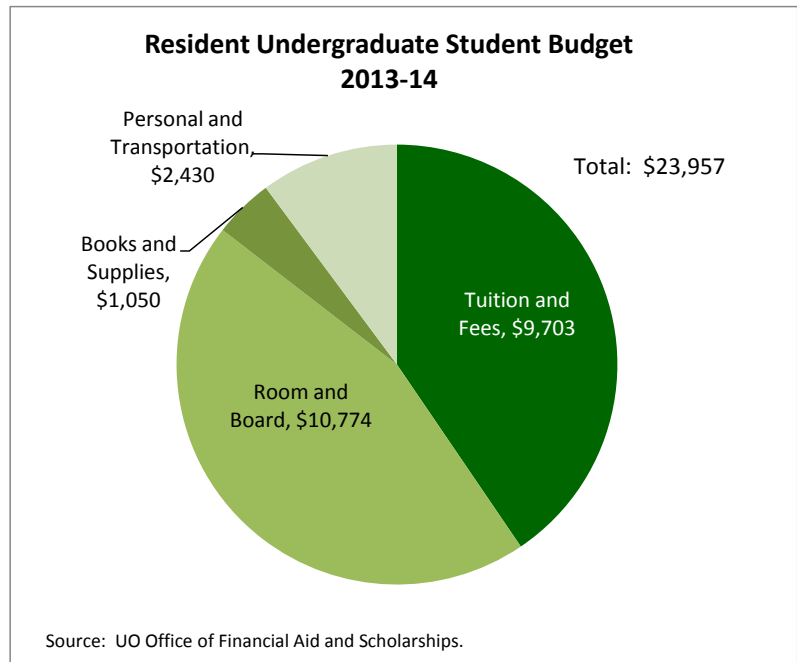




As a public university, the University of Oregon is committed to providing access for Oregon residents. Over the past 20 years, tuition has become a serious concern for students and their families, the university, and policy makers alike. However, affordable access is more than simply the sticker price. Access to a university education also means providing financial aid and scholarships to reduce the burden and, importantly, helping the student to complete a degree on time.

A student budget includes tuition and fees, room and board, books, and personal expenses. Tuition and fees reflect the “gross” published price for enrolling at the UO. Applying price offsets in the form of financial aid, scholarships, grants, and fee remissions results in an “adjusted” or “net” price. The university has invested heavily in institution-based scholarships to significantly reduce the financial burden on students.

Compared to other public universities in Oregon, a higher percentage of UO students are able to complete a degree on time. This has a profound effect on net cost since each additional academic term increases a student’s expenses and limits the opportunity for full-time employment. A comprehensive view of the cost of attending the UO should include direct expenses, price offsets, the expectation of completing a degree and how long it will take to complete it, the debt the student carries following graduation, and the lifetime value of the education received.



### Tuition and Fees

Annual tuition and fee rates are set by the OUS board in the spring of the preceding academic year, based on recommendations provided by the university president.<sup>1</sup> The university’s recommendations are developed in consultation with the UO Tuition and Fee Advisory Board, which is made up of students, faculty, and staff. The tuition and fee recommendations submitted to the OUS board take into account the cost of providing education to students, the need to keep rates to an affordable level, and the university’s ability to provide price offsets in the form of institutional aid.

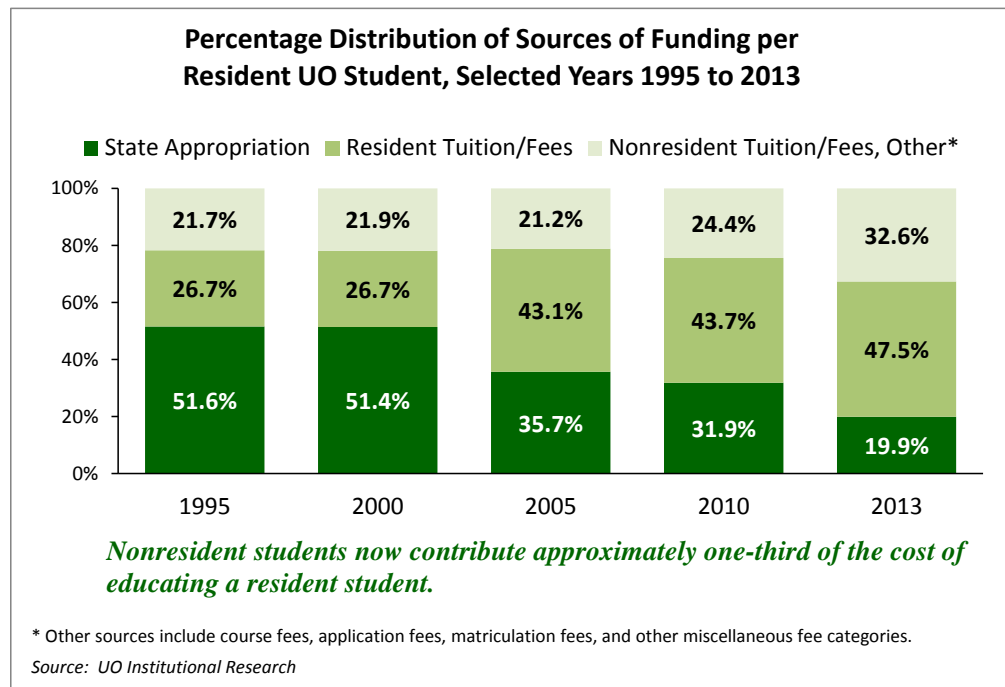
Resident undergraduate tuition and fees for 2013-14 are \$9,703. This rate is 15% below the average rate of \$11,378 for other public universities in the Association of American Universities (AAU). The UO’s median annual increase in tuition and fee rates over the past ten years is 5.5%; adjusted for inflation, the median annual increase is 4.5%.

<sup>1</sup> Tuition and mandatory fees are set by the OUS board based on recommendations of the university president. Incidental fee recommendations are developed by the ASUO Student Senate and provided to the university president for review, approval, and submission to the OUS board.

Tuition levels have fluctuated due to variation in the level of state appropriation the university has received. In 1995 and 2000, the state provided more than half of the revenue needed to educate a resident UO student. By 2005, the state's share had dropped to 35.7%. It continued to decline and now represents less than 20% of resident per-student funding. UO's state funding per student is the lowest among its public AAU peers.<sup>2</sup> As the level of state funding has decreased, the UO has had to increase the student's share of costs to maintain a quality education.

The tuition increases for resident students have been held to a minimum in part because of the

revenue streams provided by nonresident students, who pay the market value of a UO degree and cover the full cost of instruction. Nonresident students now contribute nearly a third of the cost of educating a resident student. In addition, the university has worked hard to manage its resources efficiently, keeping operating expenses to among the lowest of its peers,<sup>3</sup> thus reducing the cost to students.



## Financial Aid and Scholarships

Oregon residents have access to a wide variety of financial aid through federal and state government need-based aid and through scholarships provided by UO. Currently, 64% of UO undergraduates receive financial aid; 37% of Oregon first-time freshmen receive federal Pell grants, provided to eligible lower-income students. Costs not covered by financial aid are covered by employment, loans, personal savings, and family help.

**PathwayOregon.** UO's PathwayOregon program for Oregon's lower-income students has become a model for similar programs at other OUS universities and was recently cited as an exemplar by U.S. Secretary Arne Duncan. PathwayOregon is the UO's promise to cover four years of tuition and fees for eligible lower-income Oregon residents. In addition to financial support, PathwayOregon students have access to comprehensive academic support and career guidance, ensuring a rich academic experience and timely graduation. As a result, students in the program have a freshman-to-sophomore retention rate of over 86%.

In fall 2013, 1,628 Oregonians were enrolled in the PathwayOregon program. These students entered UO with an average high school GPA of 3.67. Starting in fall 2013, Oregon residents who have at least a 3.4 high school GPA and are eligible for the Pell Grant are automatically enrolled in the program.

<sup>2</sup> Source: UO Institutional Research, from data provided through the AAU Data Exchange.

<sup>3</sup> The UO's FY13 average cost to educate a student is \$16,492, of which \$5,379 is contributed by nonresident students. In FY 2012, UO's cost per student was the second lowest among the public AAU universities reporting data and was more than 38% lower than the peer group average.

**Solari Scholarship.** In recognition of and appreciation for the value of her UO education, UO alumna Mary Corrigan Solari of Klamath Falls provided a gift of \$5 million to address the critical unmet needs of middle-income students. Solari Scholarships are awarded competitively to high achieving incoming freshmen who have attended all four years of high school in the state of Oregon and who come from middle-income households. These scholarships provide \$5,000 per year for up to four years. In fall 2013, 239 Oregonians received a Solari Scholarship. The fall 2013 class is the final freshman class that will receive funds from the scholarship. Fall 2014 continuing students who received the scholarship previously, and remain eligible, will continue to receive the funds for a total of 12 terms.

**Stamps Scholarship.** The Stamps Scholarship – the University of Oregon’s most prestigious and generous undergraduate scholarship – is awarded competitively to the brightest incoming freshmen from Oregon. The UO is one of only thirty-eight universities selected by the Stamps Family Charitable Foundation to be partners in providing unprecedented financial support and unique learning opportunities to five new scholars each year for four years. Stamps Scholars receive full tuition and fees, room and board, and automatic admission to the Robert D. Clark Honors College. Recipients have access to enrichment funds that can be used for leadership and scholarly opportunities, including study abroad, unpaid internships, research projects, and academic conferences. The total value of a Stamps Scholarship for four years is approximately \$110,000.

**Summit and Apex Scholarships.** Beginning in fall 2013, the Summit and Apex scholarships for high achieving students are granted automatically to incoming freshmen based on GPA and test scores. The Summit Scholarship gives Oregon residents \$20,000 over four years. Apex Scholarships award residents \$12,000 over four years. Recipients of either scholarship can combine their award with most other UO scholarships, such as the Presidential, General University, or Diversity Excellence Scholarships.

**Presidential Scholarship.** Oregon residents who are incoming freshmen with a stellar academic record and who demonstrate leadership experience and a commitment to volunteer service can apply for a Presidential Scholarship. Scholars receive approximately \$9,000 per year, renewable for up to four years of undergraduate study. Over the past decade, 44% of the students receiving a Presidential Scholarship also had financial need.

**General University Scholarship.** Select outstanding incoming freshmen will be offered a General University Scholarship ranging from \$1,500 to \$3,000. These one-year scholarships are awarded based on a student’s admission application, high school GPA, and test scores.

**Diversity Excellence Scholarship.** The Diversity Excellence Scholarship (DES) recognizes students who enhance the educational experience of the entire UO community by sharing diverse cultural experiences. The DES is a renewable tuition-remission scholarship of \$6,500 for undergraduates and \$9,000 for graduate students.

## **Student Debt**

The issue of student debt is serious and growing across the U.S. and the university is striving to keep debt to the lowest levels possible. UO has the lowest percentage of students with debt among all OUS institutions and UO’s average debt at graduation per borrower is the second lowest.<sup>4</sup>

Just over half of UO students receive loans for their education. For class of 2013 students who took out loans, the average debt at graduation was \$24,540. Calculated across all graduates (those with loans and those without loans), the average debt for UO graduates was \$12,135.

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<sup>4</sup> Oregon University System, Institutional Research Services.

While the University is taking steps to make the cost of attending as affordable as possible, students and families need to have a clear understanding of and plan for taking on long-term debt. To that end, all first-time, first-year federal student loan borrowers are required to participate in loan entrance counseling before the University will disburse any loan funds to them. In addition, the UO's Financial Flight Plan program provides students information on money management and financial literacy.

### **Saving Money by Completing on Time**

Affordability depends to a large extent on the likelihood that a student will complete a degree in the shortest amount of time possible since each additional term adds over \$7,900 in costs for a resident undergraduate. Adding to that cost the additional borrowing costs for each term or year, the short- and long-term costs of obtaining a degree grow significantly if students do not graduate on time. Extended time to degree also carries a substantial opportunity cost, as students still working on their degree must wait another term or year to find full-time permanent employment.

UO's graduation rates are the highest in OUS and have been increasing. Since 1994, the six-year graduation rate (the conventional yardstick nationally) has grown from 59% to 67%. Moreover, a significantly larger percentage of UO students complete the bachelor's degree in four years than at any other OUS university.<sup>5</sup> UO's undergraduates, on average, are more likely to finish their degree, complete their degree faster, spend less overall on tuition, and enter the job market or graduate school sooner than any other public university students in Oregon.

### **Return on Investment for Students and the State**

The investment in a UO education, while certainly a significant cost for students and families, also provides a very great return. The return is measured not just in the immediate employment payoff but in the long-term benefits of having a valued, respected degree and essential career skills that greatly enhance the graduate's chances for lifelong success. Lower unemployment rates, higher lifetime earnings, more taxes paid, higher rates of voting and volunteering, and better health are just some of the important outcomes of having a university degree.<sup>6</sup>

To the extent that UO strives to hold tuition and fee rates to the lowest level possible, manages resources efficiently to reduce operating costs, provides access across all income levels through comprehensive and innovative scholarship programs, and works to ensure that once admitted, students are provided the support needed to complete the degree in a timely way, the university demonstrates its broad-based commitment to an affordable, high quality education for Oregonians.

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<sup>5</sup> Oregon University System, *2009 Facts and Figures*.

<sup>6</sup> Sandy Baum, Jennifer Ma, and Kathleen Payea, *Education Pays 2013: The Benefits of Higher Education for Individuals and Society*. The College Board, Trends in Higher Education series, 2013.