

A large group of people, including university mascots, standing on the steps of a building. The group is diverse in age and appearance, and many are wearing lanyards. The mascots in the foreground include an owl, a bear, a lumberjack, a duck, a bearded man in a green uniform, and a wolf. The background shows a large, light-colored building with a prominent window.

Oregon Public Universities

House Bill 5024 (2019) Report



House Bill 5024 (2019) Budget Note

The seven Public Universities shall collectively report to the Joint Committee on Ways and Means in February 2020 on cost management measures implemented during the 2019-20 academic year. The report should include administration and program reductions, use of fund reserve balances, positions eliminated or left vacant for more than six months, and any new positions established.

An updated report for the 2020-21 academic year shall be provided to the Emergency Board in December 2020. The seven Public Universities and the Higher Education Coordinating Commission (HECC) are also directed to coordinate in the interim to identify public university financial data and measures that will be consistently provided to HECC to improve transparency and accountability. Financial information may include administrative costs, financial activity by fund, fund reserve balances, and results of audits. HECC shall report to the Joint Committee on Ways and Means or the Emergency Board no later than September 2020 on this effort.



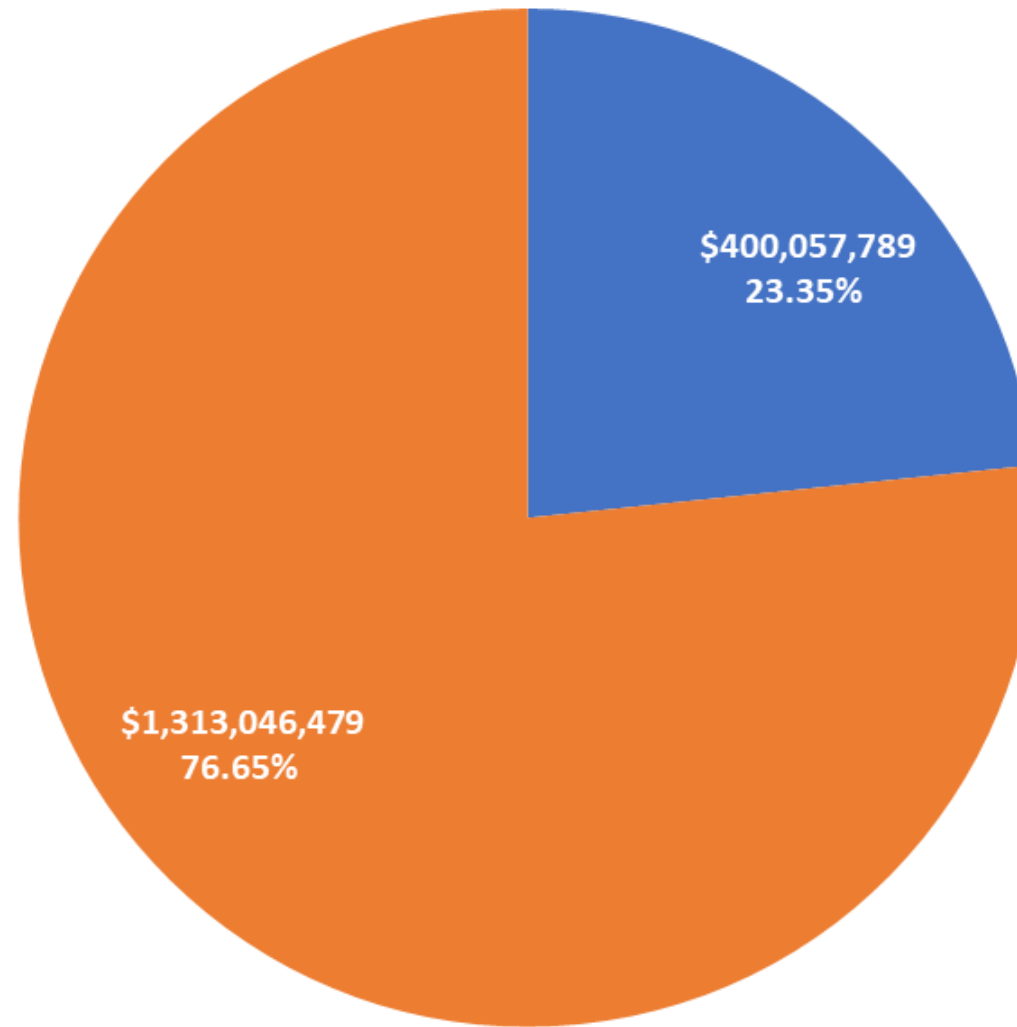
Process

- 8 workgroup meetings with Universities and HECC
- 3 Meetings with LFO and CFO along with the Universities and HECC

Education and General Funds, FY19

State Appropriations and Institutional Revenue FY19

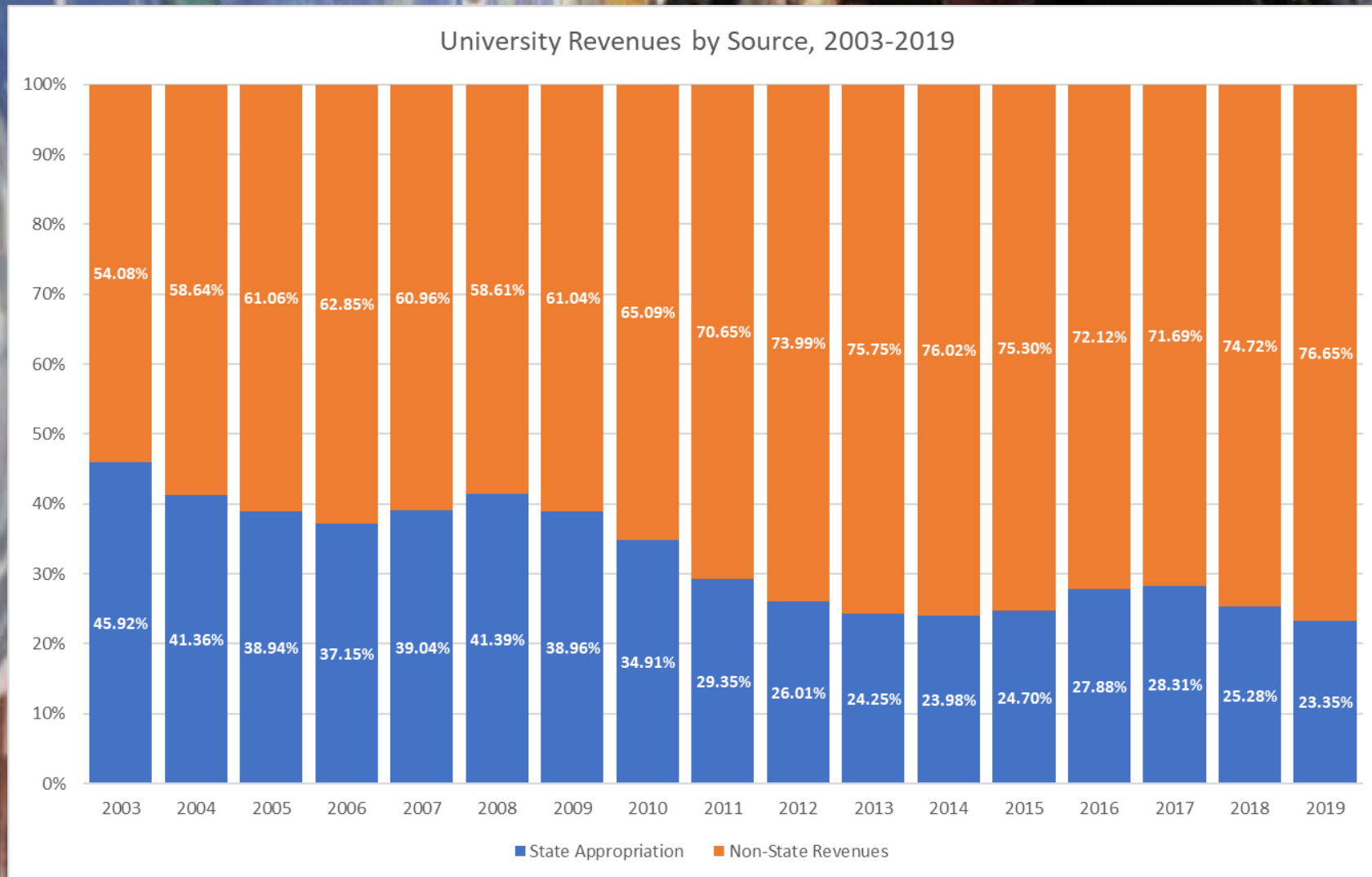
- On average, the State provides **23.4%** of the universities' Education and General (E&G) Fund
- Tuition makes up most of the remaining **76.6%** of the universities' E&G Fund



■ State Appropriation Subtotal

■ Non-State Revenue Subtotal

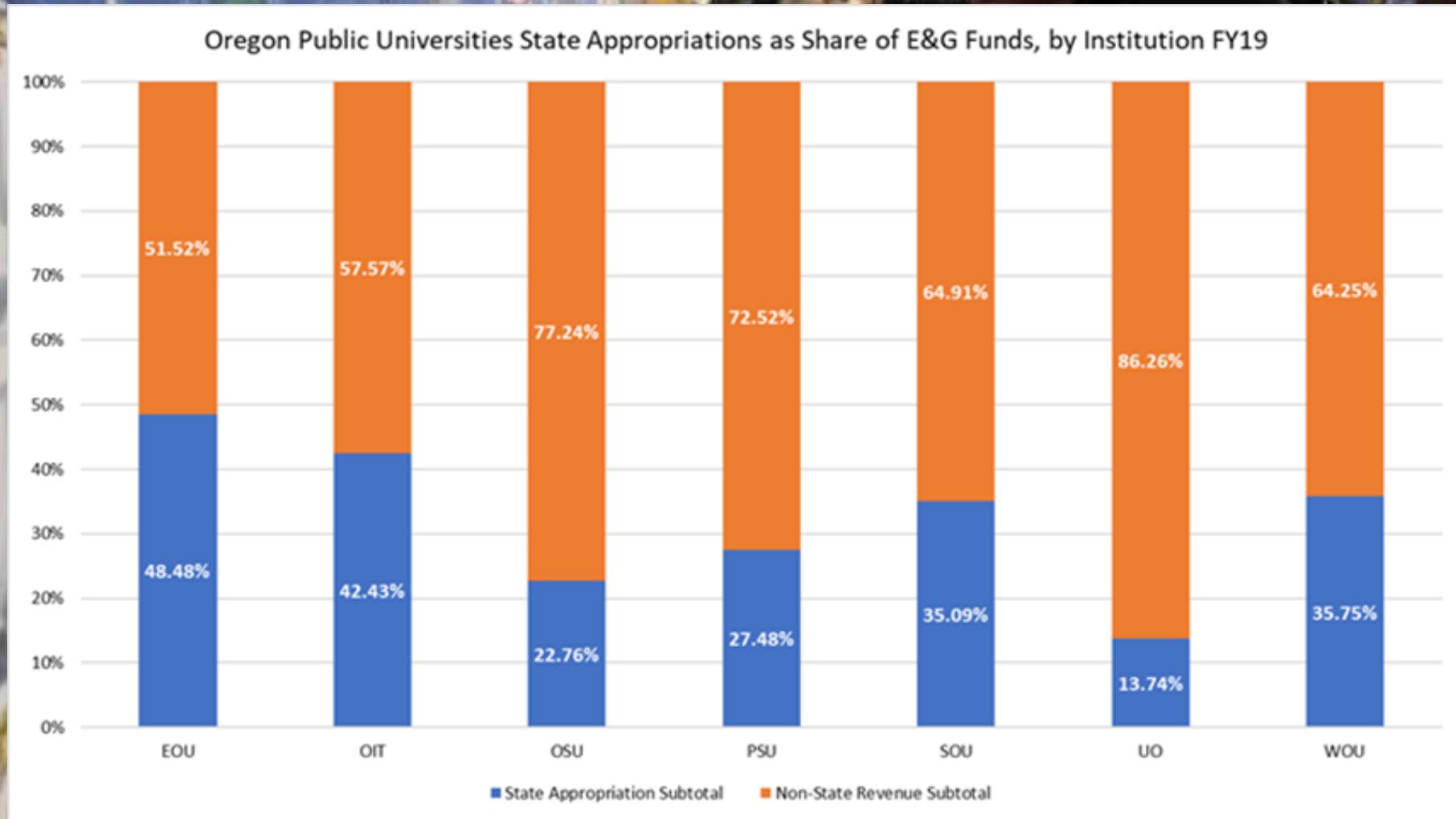
University E&G Revenues by Source



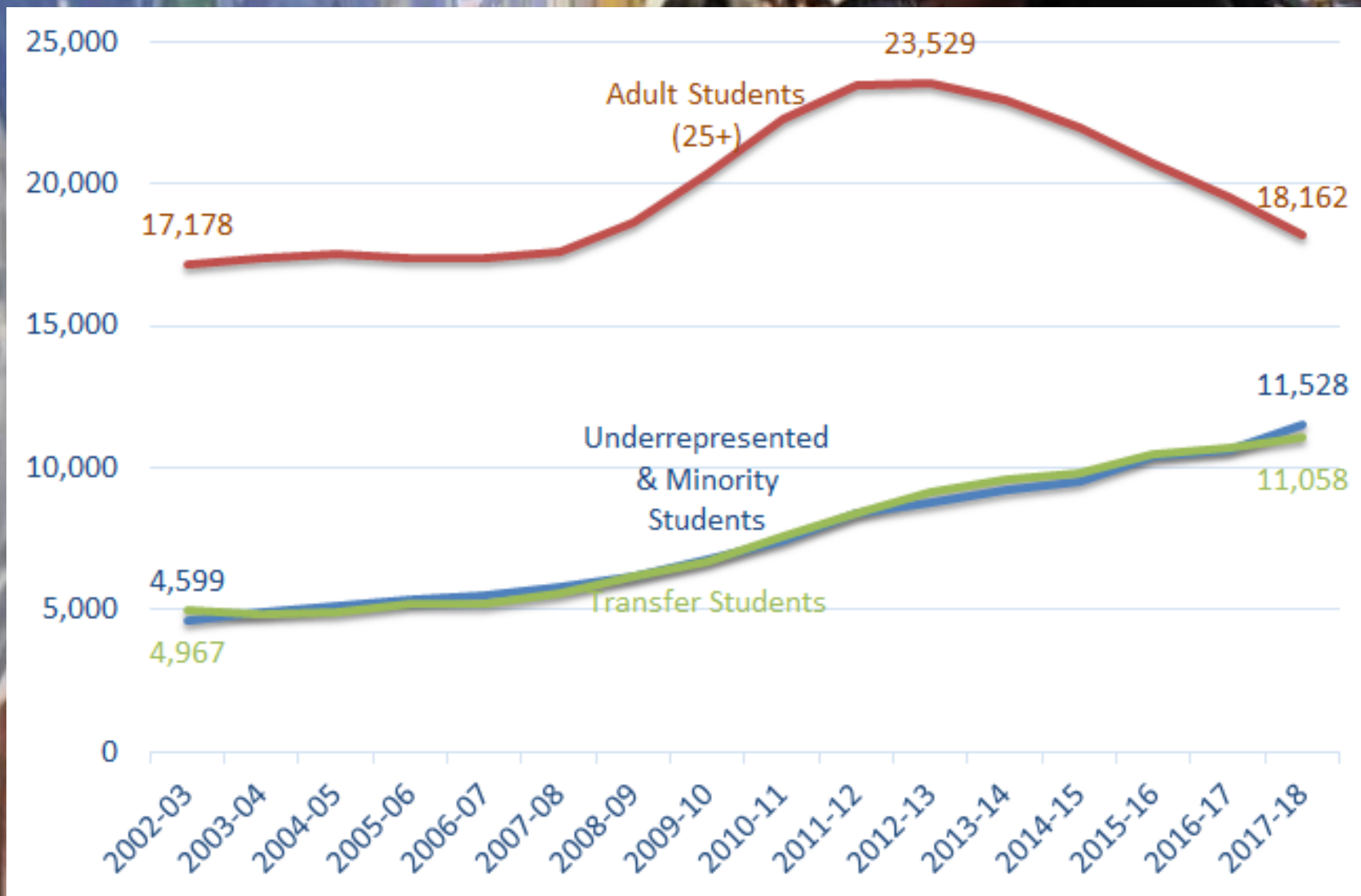
University E&G Revenues by Source

FY19	EOU	OIT	OSU	PSU	SOU	UO	WOU	Total
State Appropriation								
Total PUSF	\$ 20,186,725	\$ 27,455,305	\$ 121,751,892	\$ 91,390,178	\$ 21,270,175	\$ 69,090,989	\$ 24,673,012	\$ 375,818,276
Total State Programs	\$ 170,451	\$ 1,101,256	\$ 13,557,493	\$ 5,116,991	\$ 201,592	\$ 2,819,663	\$ 292,867	\$ 23,260,313
Total Targeted and One-time Appropriations	\$ -	\$ 255,000	\$ 627,300	\$ 96,900	\$ -	\$ -	\$ -	\$ 979,200
State Appropriation Subtotal	\$ 20,357,176	\$ 28,811,561	\$ 135,936,685	\$ 96,604,069	\$ 21,471,767	\$ 71,910,652	\$ 24,965,879	\$ 400,057,789
% of Total	48.48%	42.43%	22.76%	27.48%	35.09%	13.74%	35.75%	23.35%
Non-State Revenue								
Tuition and Fees	\$ 23,048,992	\$ 35,968,334	\$ 432,268,941	\$ 240,674,823	\$ 39,944,099	\$ 468,619,614	\$ 44,900,839	\$ 1,285,425,643
Remissions	\$ (2,734,316)	\$ (3,945,695)	\$ (42,746,333)	\$ (21,100,540)	\$ (3,637,765)	\$ (81,372,850)	\$ (5,097,159)	\$ (160,634,657)
Net Tuition	\$ 20,314,676	\$ 32,022,639	\$ 389,522,608	\$ 219,574,284	\$ 36,306,334	\$ 387,246,765	\$ 39,803,680	\$ 1,124,790,986
Other Revenues	\$ 1,320,521	\$ 7,066,985	\$ 71,913,636	\$ 35,401,305	\$ 3,408,749	\$ 64,087,179	\$ 5,057,118	\$ 188,255,493
Non-State Revenue Subtotal	\$ 21,635,197	\$ 39,089,624	\$ 461,436,244	\$ 254,975,589	\$ 39,715,083	\$ 451,333,943	\$ 44,860,798	\$ 1,313,046,479
% of Total	51.52%	57.57%	77.24%	72.52%	64.91%	86.26%	64.25%	76.65%
Total	\$ 41,992,373	\$ 67,901,185	\$ 597,372,929	\$ 351,579,658	\$ 61,186,850	\$ 523,244,595	\$ 69,826,677	\$ 1,713,104,268

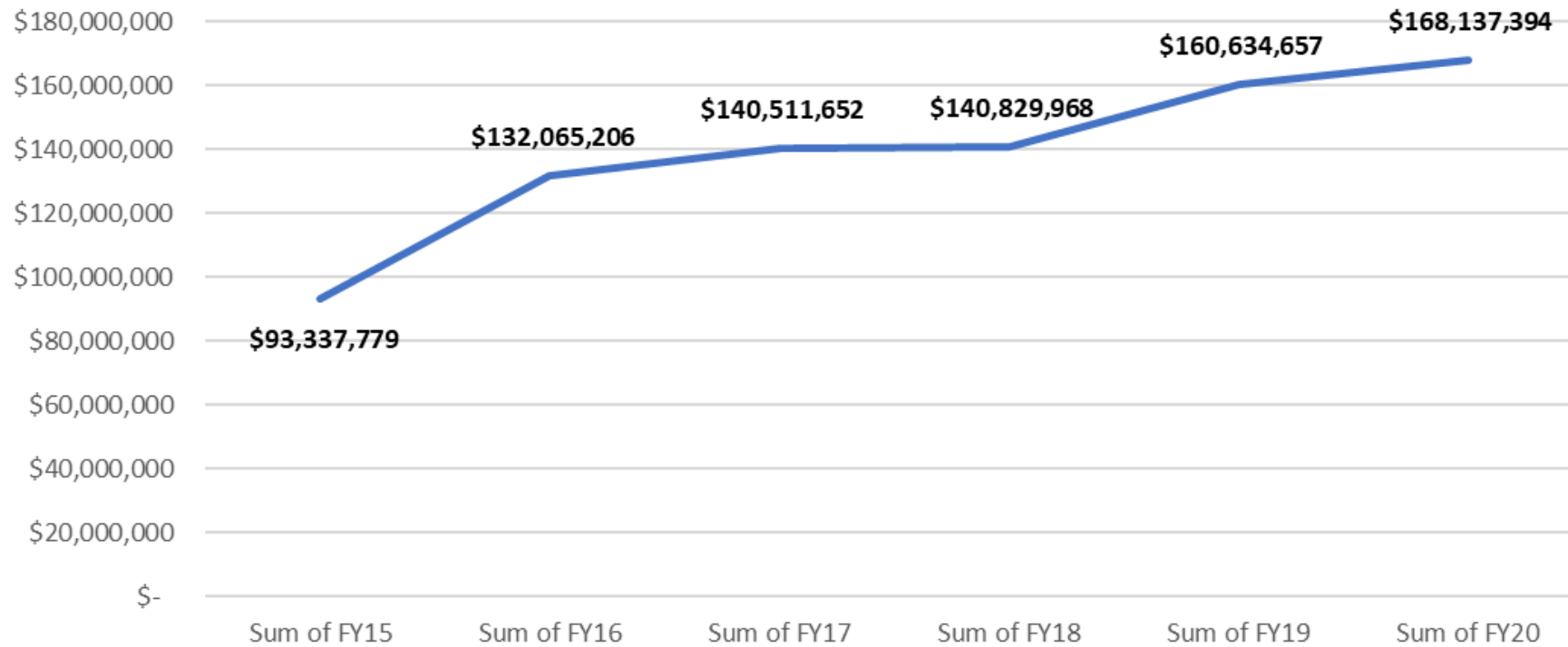
University E&G Revenues by Source



Enrollment Trends



Oregon Public Universities Total Tuition Remissions, FY15 - FY20 (FY20 Projected)



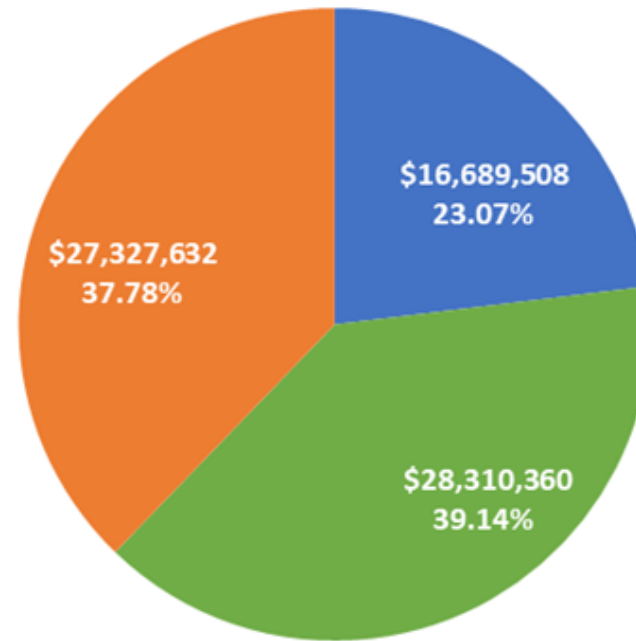
Fee Remissions, FY15 to FY20

- Universities have dedicated increasing amounts in tuition and fee remissions to defray tuition costs to students.
- From **\$93.3M** in FY15 to **\$168.1M** in FY20

Total Cost Savings Measures

- **\$72.3 M** in cost savings identified for 2019-21 Biennium
- Universities have not set 2021 Budgets yet, more cuts are likely

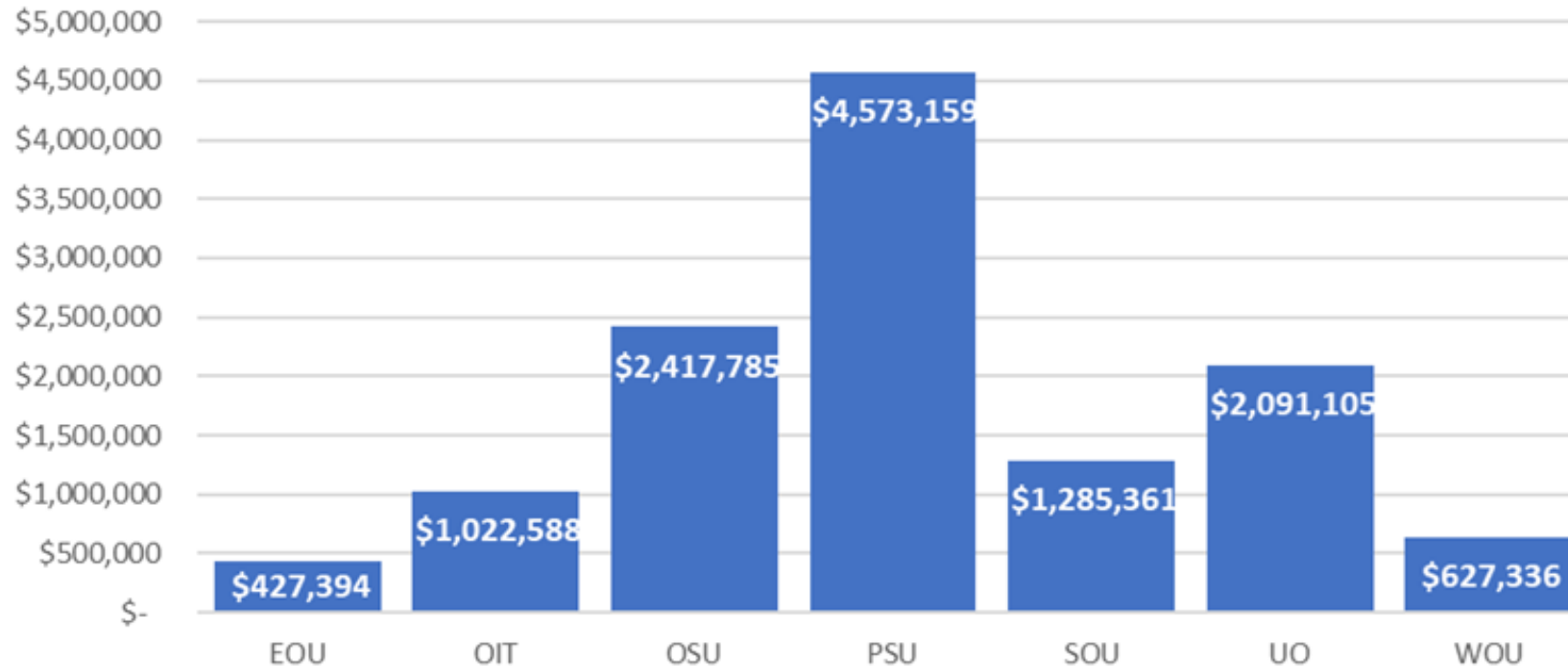
Oregon Public Universities, Total Cost Savings Measures Identified,
2019-21 Biennium
\$72,327,500



■ Administrative and Program Costs ■ Use of Fund Balance ■ Total Position Reductions

Net Position Cost by Institution, FY20

-\$12,444,728

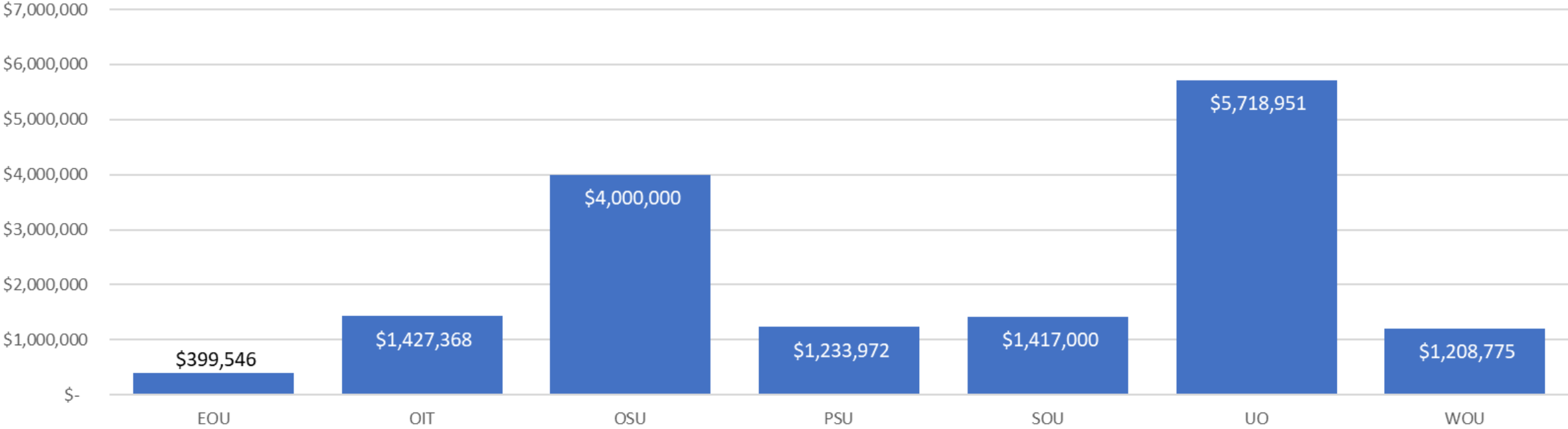


Position Reductions in FY20

- Personnel accounts for roughly 80% of university budgets
- **\$22.6M** in positions were eliminated from budgets
- **\$10.1M** for new positions for 2019-2020 was strategically invested
- **\$12.4M** Net budget reductions through positions

Administrative and Program Reductions by Institution, FY20

\$15,405,611



Administrative and Program Cuts FY20

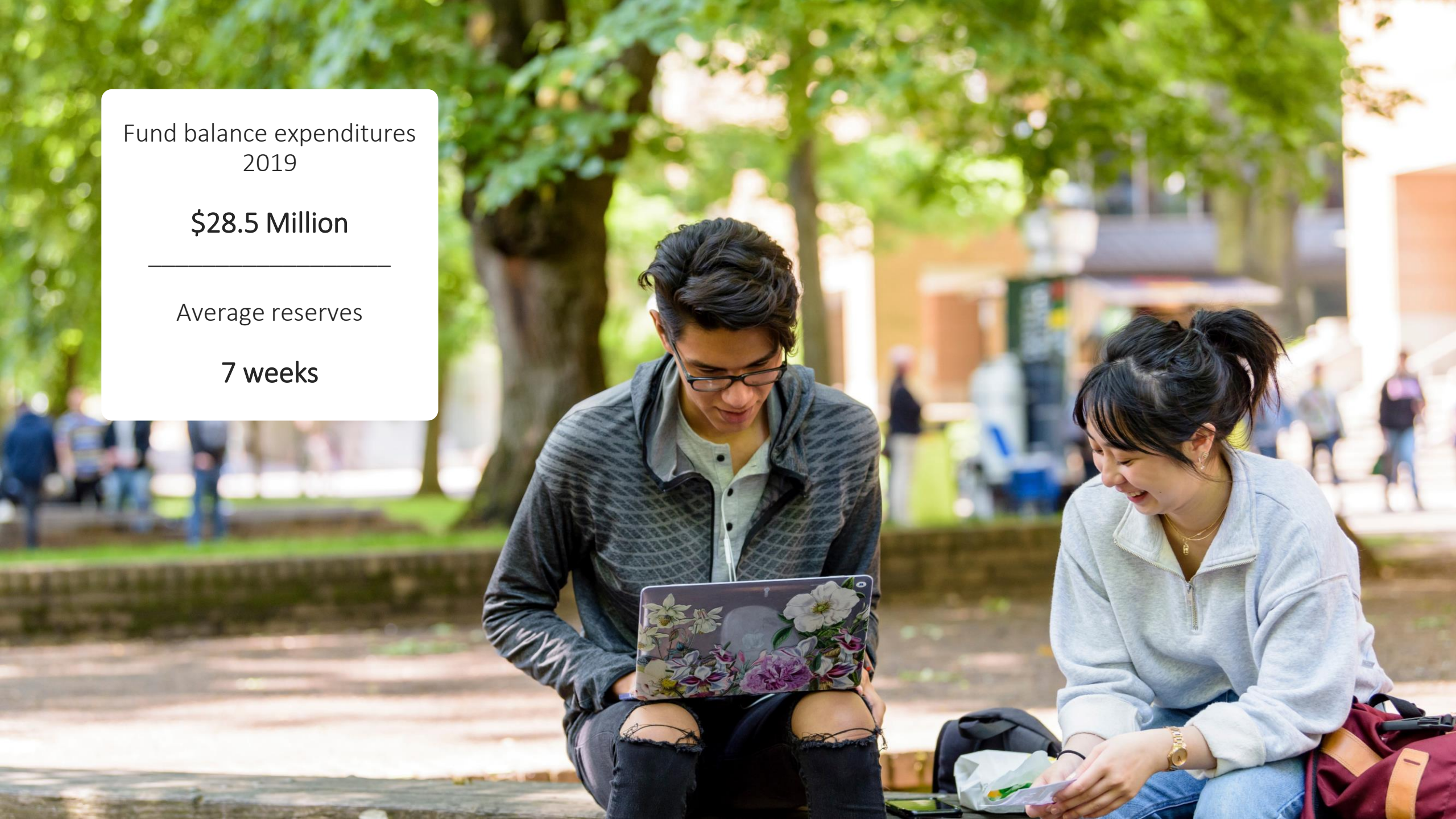
- Budget Cuts may not be realized in the immediate fiscal year
- A single year of cuts may not show full magnitude

Fund balance expenditures
2019

\$28.5 Million

Average reserves

7 weeks





Conclusion

- Universities are committed to transparency and accountability.
- As costs rise, state resources do not increase at a rate adequate to offset the need for tuition increases.
- To minimize tuition increases, universities took substantial cost containment measures in 2019.

Next steps

- Submit an update of this report, December 2020
- Work with HECC to identify financial data consistently to provide the State, September 2020
- Look for opportunities to provide ongoing transparency and accountability beyond 2020.

