University of Oregon Financial Briefing

October 17th, 2025

Agenda

- UO Budget Structure
- Key Sources of University Funding
- Cost Drivers
- E&G Fund Challenges
- FY26

UO Budget Structure

E&G Funds

- *Tuition revenue*
- *State Appropriation*
- *F&A Return*
- *Overhead revenue*
- *Fee revenue, interest earnings*

School & College Budgets

Central Admin Budgets

Institutional Expenses (Debt, assessments, utilities, leases)

Other Funds

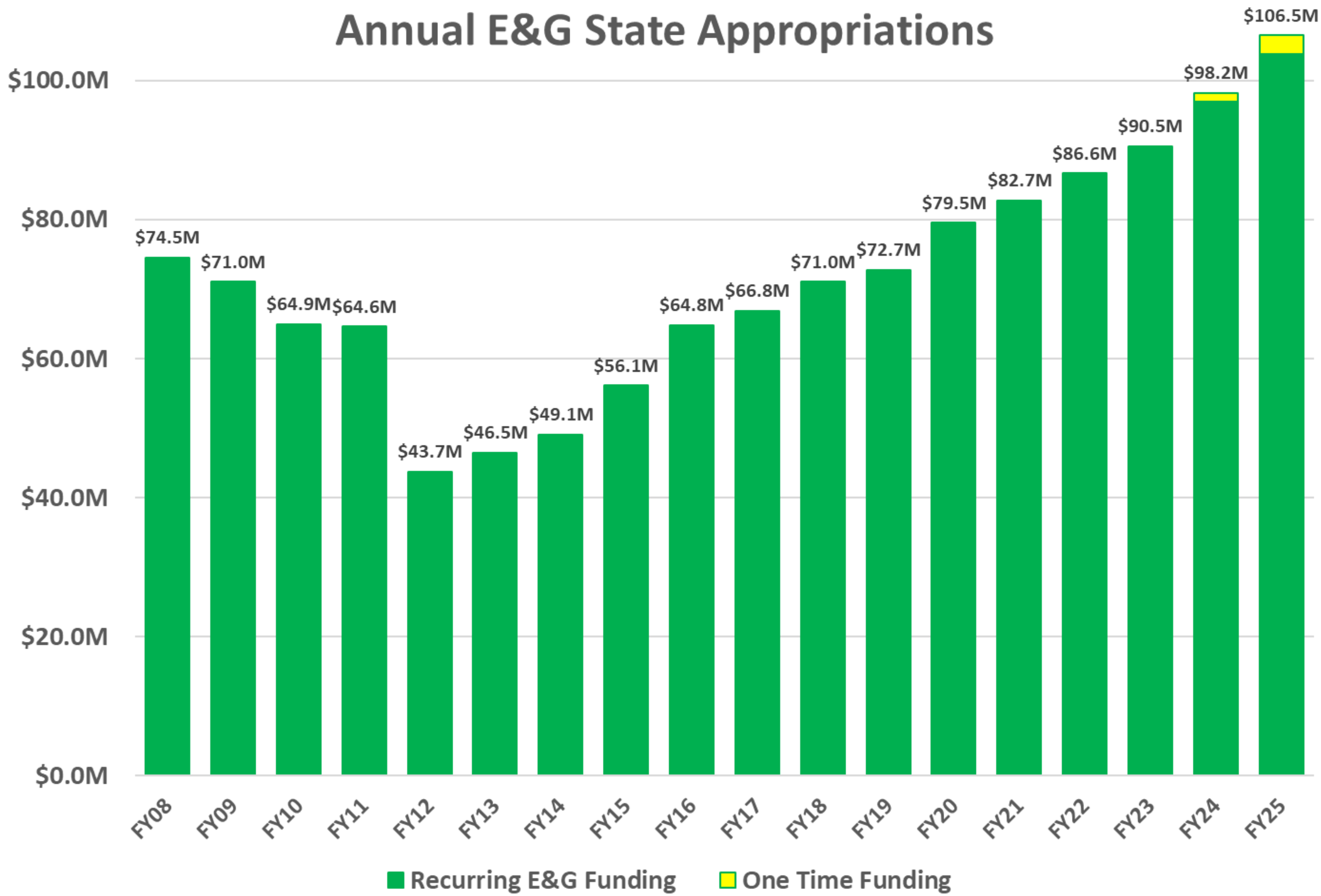
- *Grants and Contracts revenue*
- *Auxiliary Revenue*
- *Service Center Revenue*
- *Designated Operations Revenue*
- *Restricted gifts*

Grants & Contracts

Plant Funds

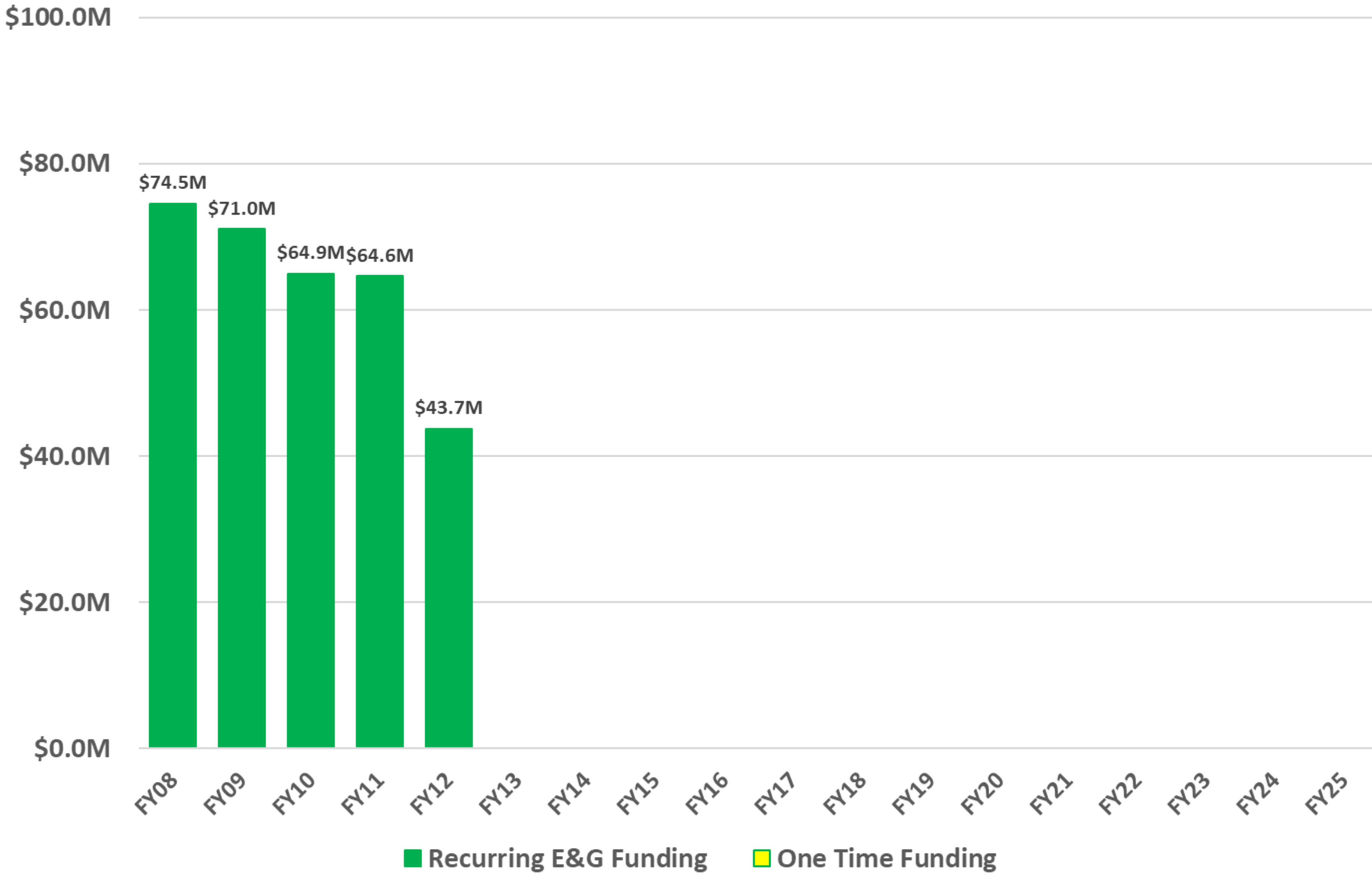
Auxiliary, Service Centers, and Designated Ops Funds

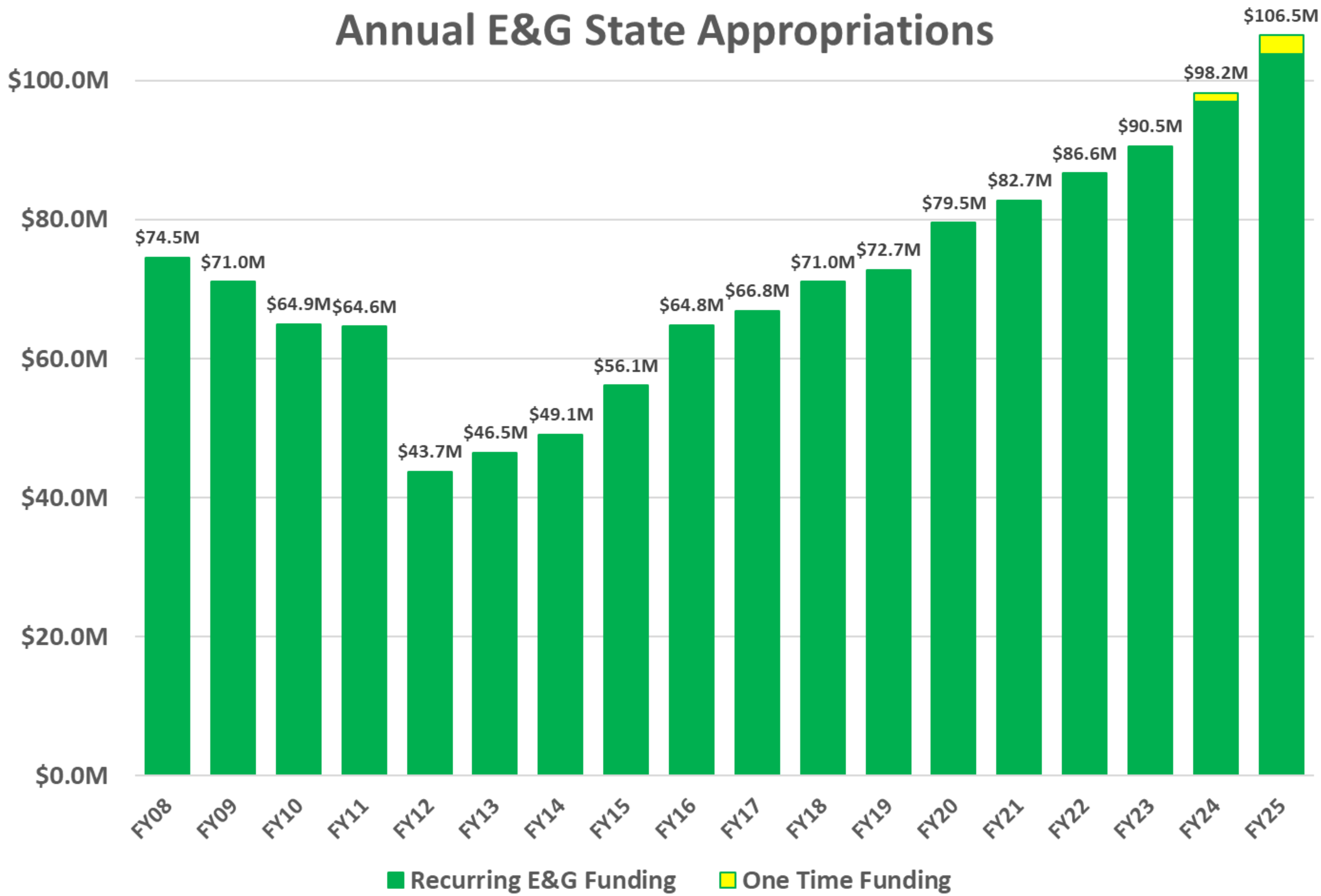
Restricted Gifts



Annual E&G State Appropriations
$100.0M
$80.0M
$60.0M
$40.0M
$20.0M
$0.0M
$74.5M
$71.0M
$64.9M
$64.6M
$43.7M
$46.5M
$49.1M
$56.1M
$64.8M
$66.8M
$71.0M
$72.7M
$79.5M
$82.7M
$86.6M
$90.5M
$98.2M
$106.5M
FY08
FY09
FY10
FY11
FY12
FY13
FY14
FY15
FY16
FY17
FY18
FY19
FY20
FY21
FY22
FY23
FY24
FY25
Recurring E&G Funding
One Time Funding

Annual E&G State Appropriations

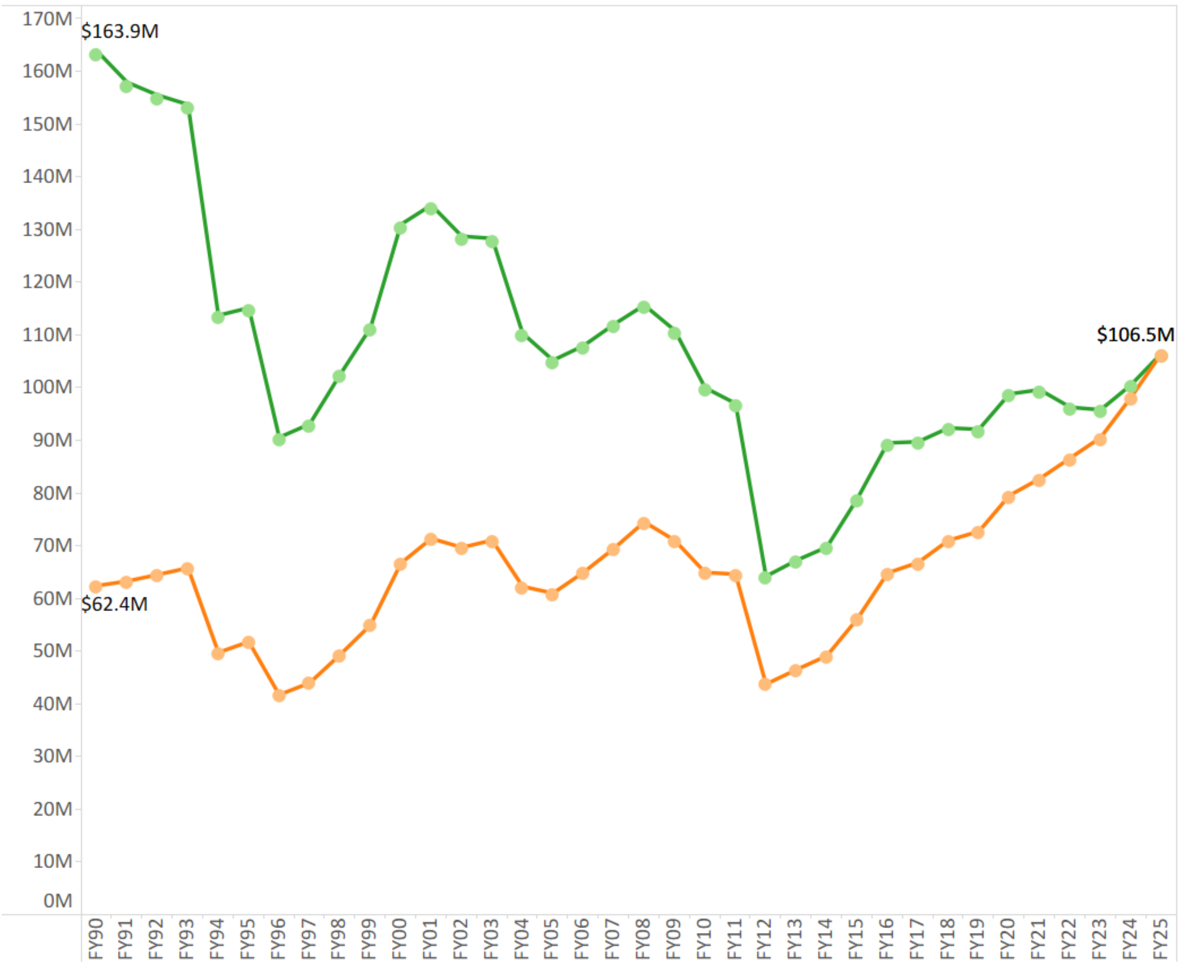




Compound Annual Growth Rate Since FY08: 2.1%

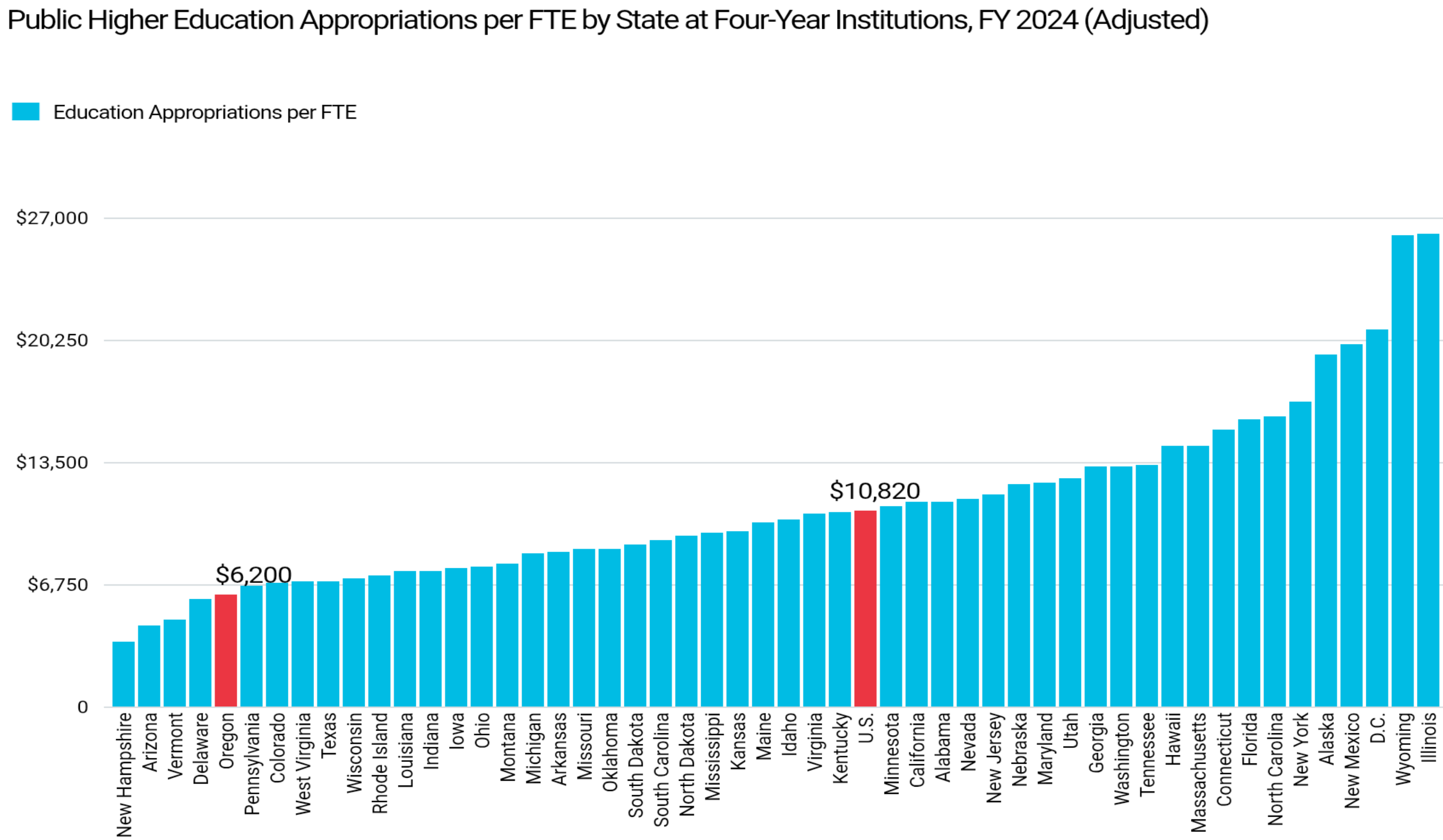
State Appropriation in Actual and CPI-adjusted Dollars — FY90 to FY25

Year	Actual Dollars	CPI-adjusted
FY90	$62.4M	$163.9M
FY91	$63.3M	$157.9M
FY92	$64.5M	$155.5M
FY93	$65.8M	$153.7M
FY94	$49.7M	$113.7M
FY95	$51.8M	$115.1M
FY96	$41.7M	$90.6M
FY97	$44.0M	$93.1M
FY98	$49.3M	$102.5M
FY99	$55.0M	$111.3M
FY00	$66.7M	$130.9M
FY01	$71.4M	$134.6M
FY02	$69.7M	$128.7M
FY03	$71.0M	$128.3M
FY04	$62.3M	$110.3M
FY05	$61.0M	$105.2M
FY06	$64.9M	$107.9M
FY07	$69.5M	$112.0M
FY08	$74.5M	$115.6M
FY09	$71.0M	$110.9M
FY10	$64.9M	$100.0M
FY11	$64.6M	$97.0M
FY12	$43.7M	$64.2M
FY13	$46.5M	$67.2M
FY14	$49.1M	$69.7M
FY15	$56.1M	$78.9M
FY16	$64.8M	$89.5M
FY17	$66.8M	$89.7M
FY18	$71.0M	$92.3M
FY19	$72.7M	$92.1M
FY20	$79.5M	$98.8M
FY21	$82.7M	$99.6M
FY22	$86.6M	$96.3M
FY23	$90.5M	$95.8M
FY24	$98.2M	$100.5M
FY25	$106.5M	$106.5M



Note: Figures are expressed in inflation-adjusted 2025 dollars. The Consumer Price Index (CPI) values are obtained from the Bureau of Labor Statistics and represent the Urban-West annual CPI as of June 30, 2025.
Source: UO Office of Institutional Research.

Oregon is ranked 46th in the country in 4-year university per-student funding



Notes:

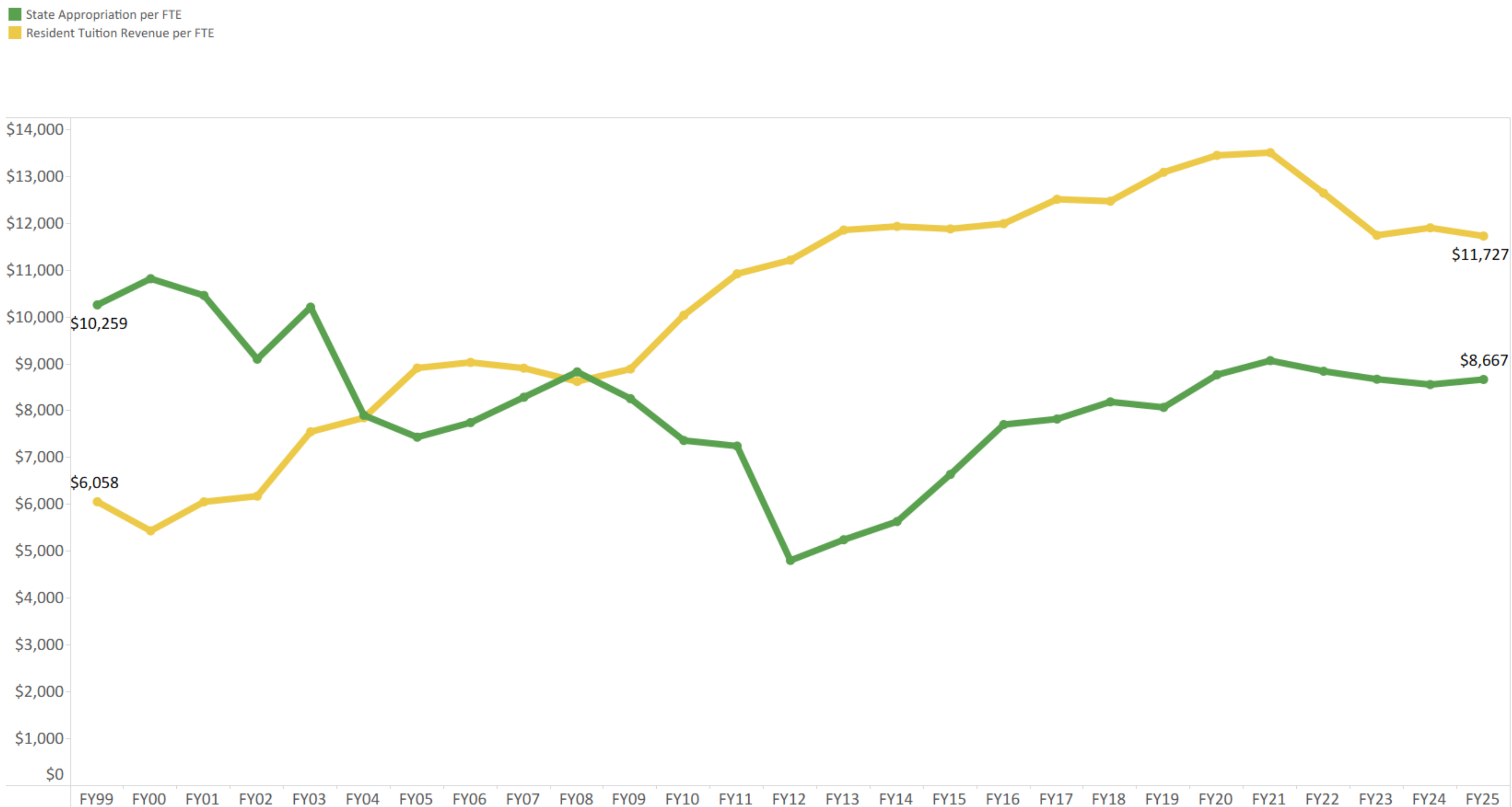
1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia.
3. Fiscal year 2024 state-level education appropriations include estimated uncategorizable state support for New Mexico and South Carolina.
4. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
5. Constant 2024 dollars adjusted by the Higher Education Cost Adjustment (HECA).
6. Adjusted to account for interstate differences using the Cost of Living Index (COLI). The COLI is not a measure of inflation over time.
7. Sector is determined at the institution level using the Carnegie Basic Classification (https://carnegieclassifications.acenet.edu/). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.

Source(s): State Higher Education Executive Officers Association

UO receives the lowest level of funding per student

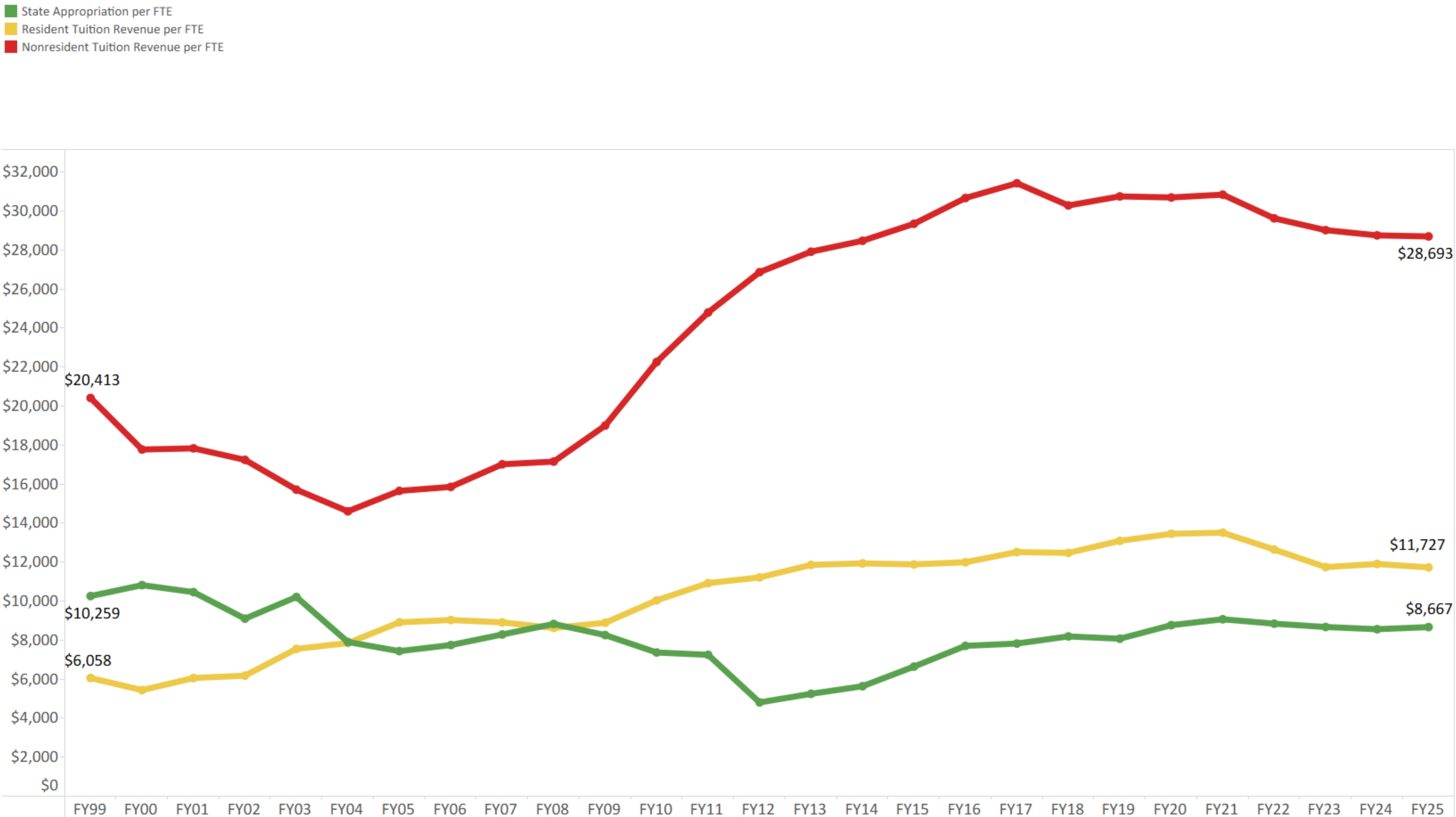
FY 2024	EOU	OIT	OSU	PSU	SOU	UO	WOU	Total
Fundable Students	1,532	2,531	17,936	12,276	2,395	12,794	3,061	52,526
PUSF Funding	$23.2M	$34.3M	$159.2M	$119.8M	$27.5M	$92.4M	$33.1M	$489.5M
PUSF Funding Per Fundable Student	**$15,161**	**$13,532**	**$8,874**	**$9,760**	**$11,482**	**$7,224**	**$10,803**	**$9,318**
Total FY 2024 State Funding	$25.7M	$38.1M	$301.3M	$131.1M	$30.0M	$97.0M	$35.8M	$659.1M
State Funding per Fundable Student	**$16,760**	**$15,056**	**$16,798**	**$10,683**	**$12,532**	**$7,584**	**$11,699**	**$12,548**

State Appropriation and Resident Tuition (net: after remissions) Revenue per Resident Student FTE



Note: The chart compares state appropriation and resident tuition revenue on a per student FTE basis. Figures are expressed in inflation-adjusted 2025 dollars. The Consumer Price Index (CPI) values are obtained from the Bureau of Labor Statistics and represent the Urban-West annual CPI as of June 30, 2025.
Source: UO Office of Institutional Research.

State Appropriation and Resident and Nonresident Tuition (net: after remissions) Revenue per Student FTE



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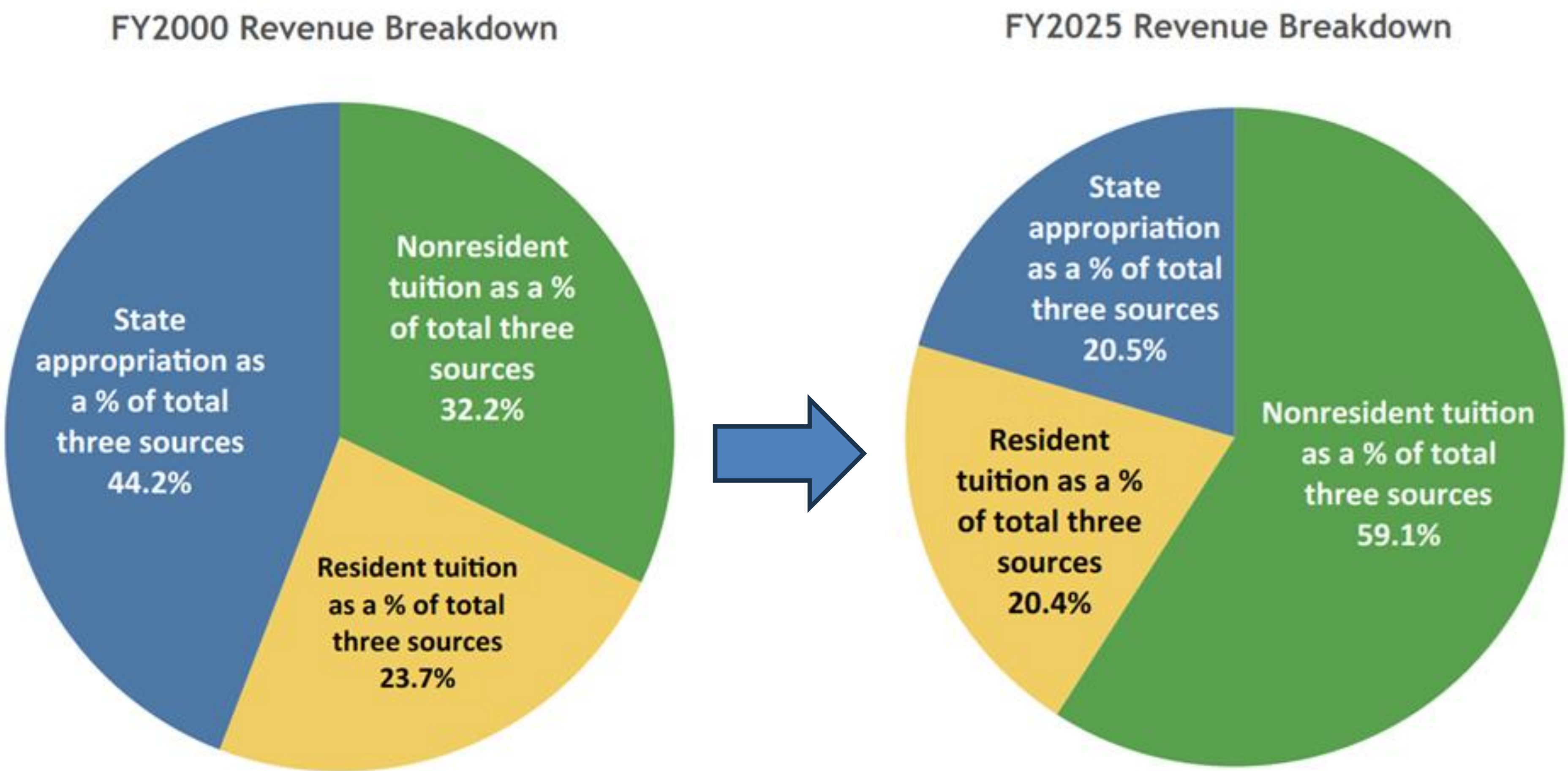
Source: UO Office of Institutional Research.

University Resources
FY2025 Major Revenue Streams
(E&G Fund – Net of Remissions)

State Appropriation	$106.5 million
Resident Net Tuition	$106.0 million
Nonresident Net Tuition	$306.9 million

Increasing Dependence Upon Nonresident Tuition



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- Key Sources of University Funding
- Cost Drivers
- E&G Fund Challenges
- FY26

UO Budget Structure

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- *Fee revenue, interest earnings*

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Grants & Contracts

Plant Funds

Auxiliary, Service Centers, and Designated Ops Funds

Restricted Gifts

Summary – Major FY2026 E&G Fund Cost Drivers

Cost Driver	Projected FY26 Cost Increase	Notes
Faculty, Staff and GE Salary and OPE	$19.5 million	E&G compensation increases based on current contracts (e.g., classified staff, GE), announced increases for OAs and historical rates / current administrative proposals for those groups without ratified contracts. Includes approximately 1,200 graduate employees, 1,630 faculty, 850 classified staff and 1,220 unrepresented staff on the E&G fund. Does not include any projected expenses related to adding staff.
Medical Costs	$2.9 million	Includes increases of 4.15% on December 1, 2024, and 4.6% on December 1, 2025.
Retirement Costs	$7.6 million	Increases for PERS rates for FY26 as approved by PERS board.
Blended OPE	($7.2 million)	Blended OPE carryforward (atypical leave and hiring dynamics) balances from a previous period are buying down benefits expenses during FY26 on a one-time basis.
Institutional Expenses	$2.6 million	Increases related to utilities, insurance, debt for academic buildings, assessments, and leases.
Faculty Hiring	$1.6 million	8 Net Tenure Track Hires.
Strategic Investments	$1.0 million	Allocated via strategic investment process. Note that President has only allocated $1.0 million to the BAG process this year as funds are needed for strategic priorities.
Total Projected Cost Increases	***$28.0 million***	

Summary – Major FY2026 E&G Fund Cost Drivers

Cost Driver	FY25 Base	Projected FY26 Cost Increase	FY26 Increase (%)
Faculty, Staff and GE Compensation	$546.0 million	$19.5 million	3.6%
Medical Costs	$63.3 million	$2.9 million	4.6%
Retirement Costs	$80.9 million	$7.6 million	9.4%
Blended OPE	$179.5 million	($7.2 million)	(4.0%)
Institutional Expenses	$49.0 million	$2.6 million	5.3%
TTF Faculty Hiring	$145.1 million	$1.6 million	1.1%
Strategic Investments	$690.5 million	$1.0 million	0.1%
Total (E&G Budget)	***$690.5 million***	***$28.0 million***	**4.1%**

Summary – Major FY2026 E&G Fund Cost Drivers

Cost Driver	Projected FY20 Cost Increase	Projected FY21 Cost Increase	Projected FY22 Cost Increase	Projected FY23 Cost Increase	Projected FY24 Cost Increase	Projected FY25 Cost Increase	Projected FY26 Cost Increase
Faculty, Staff & GE Salary & Wages	$10.6 million	$11.6 million	$7.3 million	$15.0 million	$11.9 million	$13.0 million	$19.5 million
Medical Costs	$1.9 million	$2.5 million	$1.2 million	$1.6 million	$2.2 million	$2.5 million	$2.9 million
Retirement Costs	$7.1 million	($500K)	-	-	$1.9 million	-	$7.6 million
Oregon Paid Leave	-	-	-	-	$900K	$300K	-
Blended OPE	-	-	-	-	$4.0 million	-	($7.2 million)
Institutional Expenses	$1.0 million	$1.5 million	$1.2 million	$1.2 million	$1.5 million	$2.0 million	$2.6 million
Faculty Hiring	-	-	-	-	-	$3.0 million	$1.6 million
Strategic Investments	$2.0 million	$2.0 million	$600K	$2.0 million	$2.0 million	$2.0 million	$1.0 million
Minimum Wage Increase	$1.0 million	$1.9 million	$320K	$257K	-	-	-
Total Projected Cost Increases	***$23.6 million***	***$19.0 million***	***$10.6 million***	***$20.1 million***	***$24.4 million***	***$22.8 million***	***$28.0 million***

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- Key Sources of University Funding
- Cost Drivers
- E&G Fund Challenges
- FY26

E&G Fund Context

- E&G Fund – Characteristics (FY26)
  - Approximately $708 million in Revenue
  - 77% funded with tuition revenue
  - Funds majority of activity in schools and colleges and administrative units
  - 79% invested in people
- E&G Fund – Recent History
  - FY16, FY17, & FY18: Balanced due to state investments, tuition increases, and budget cuts
  - FY19: $11.5 million deficit
  - FY20: $7.6 million deficit
  - FY21 – FY25: Balanced budget due to
    - Actions taken to mitigate impact of COVID-19.
    - HEERF lost revenue funding
    - Staffing challenges / compensation cost one time savings

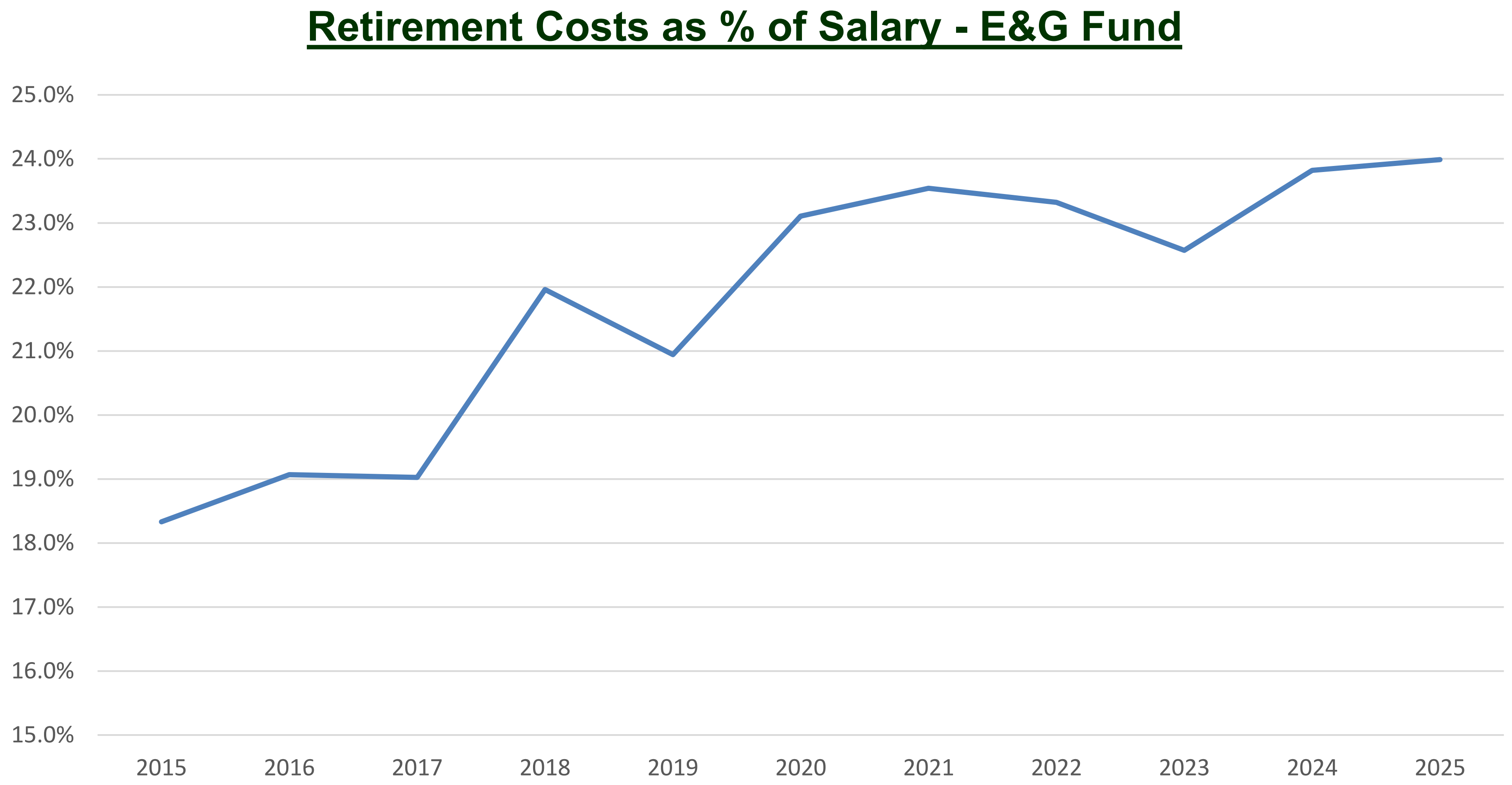
E&G Fund Challenge #1 – Benefits Costs

- Health Insurance Program
  - Required to participate in state health insurance plan
  - Average cost per employee: $19,920 per year

- Retirement Program
  - Required to offer PERS to faculty and staff
  - State pension program is underfunded by over $20 billion
  - PERS Board has been increasing rates over the last 10 years to fund the deficit

E&G Fund – PERS Impact

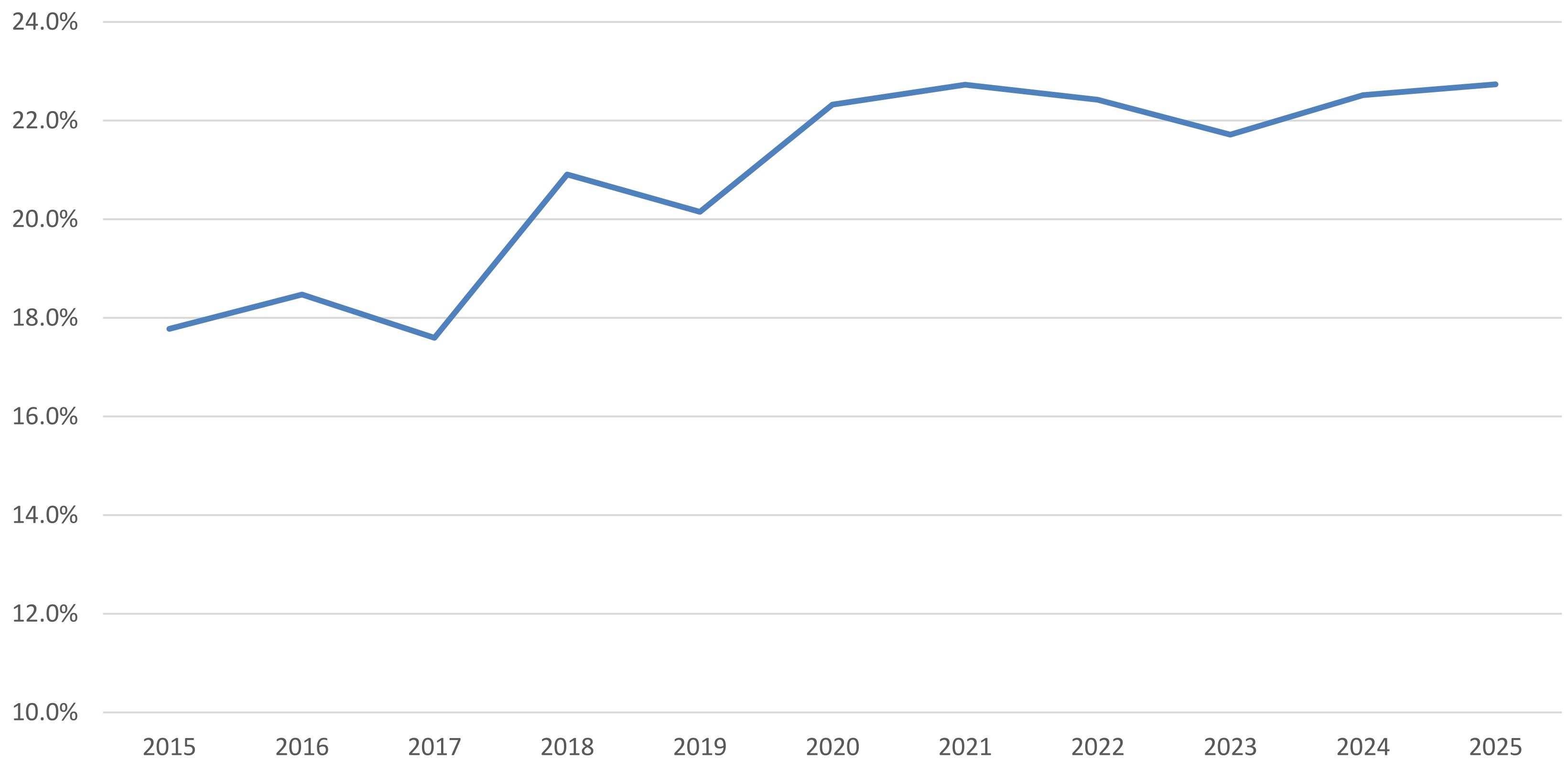
Over the last 10 years, retirement costs increased by 5.7% of salary due to rate increases. This equates to additional charges of $17.6 million per year against the E&G fund.



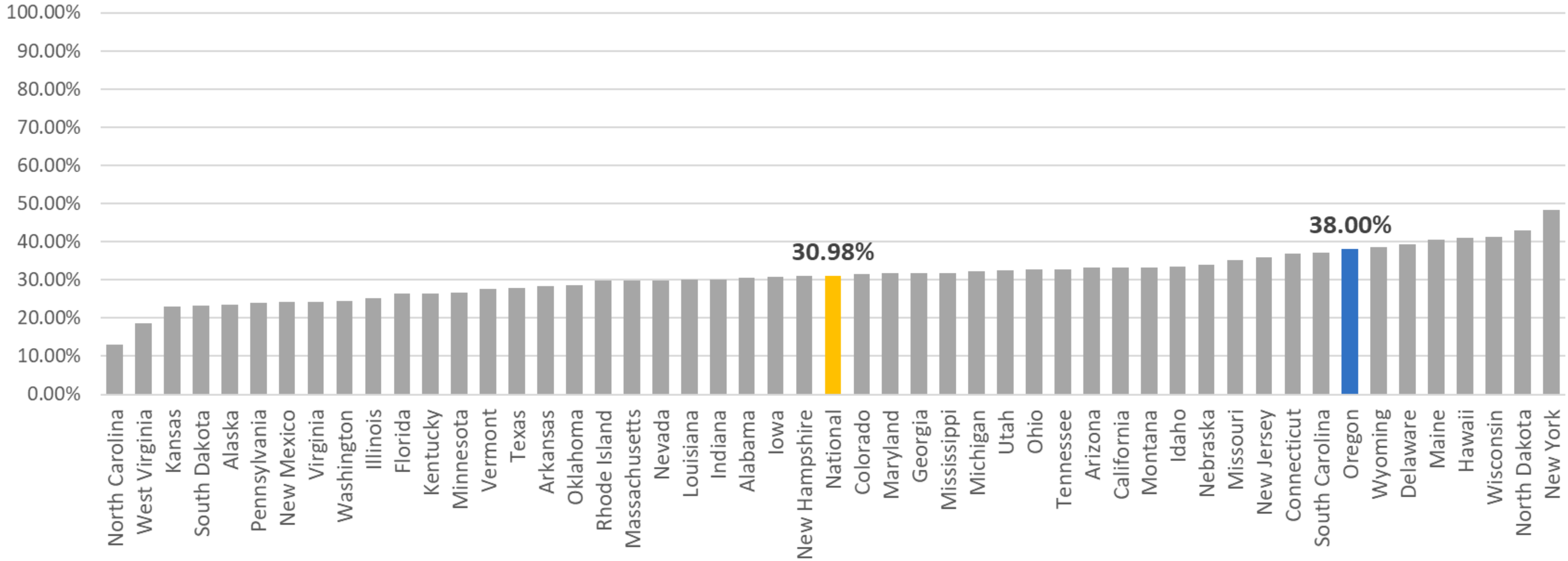
ALL FUNDS – PERS Impact

Over the last 10 years, retirement costs increased by 5.0% of salary due to rate increases. This equates to additional charges of $25.7 million per year against the entire university budget.

Retirement Costs as % of Salary - All Funds

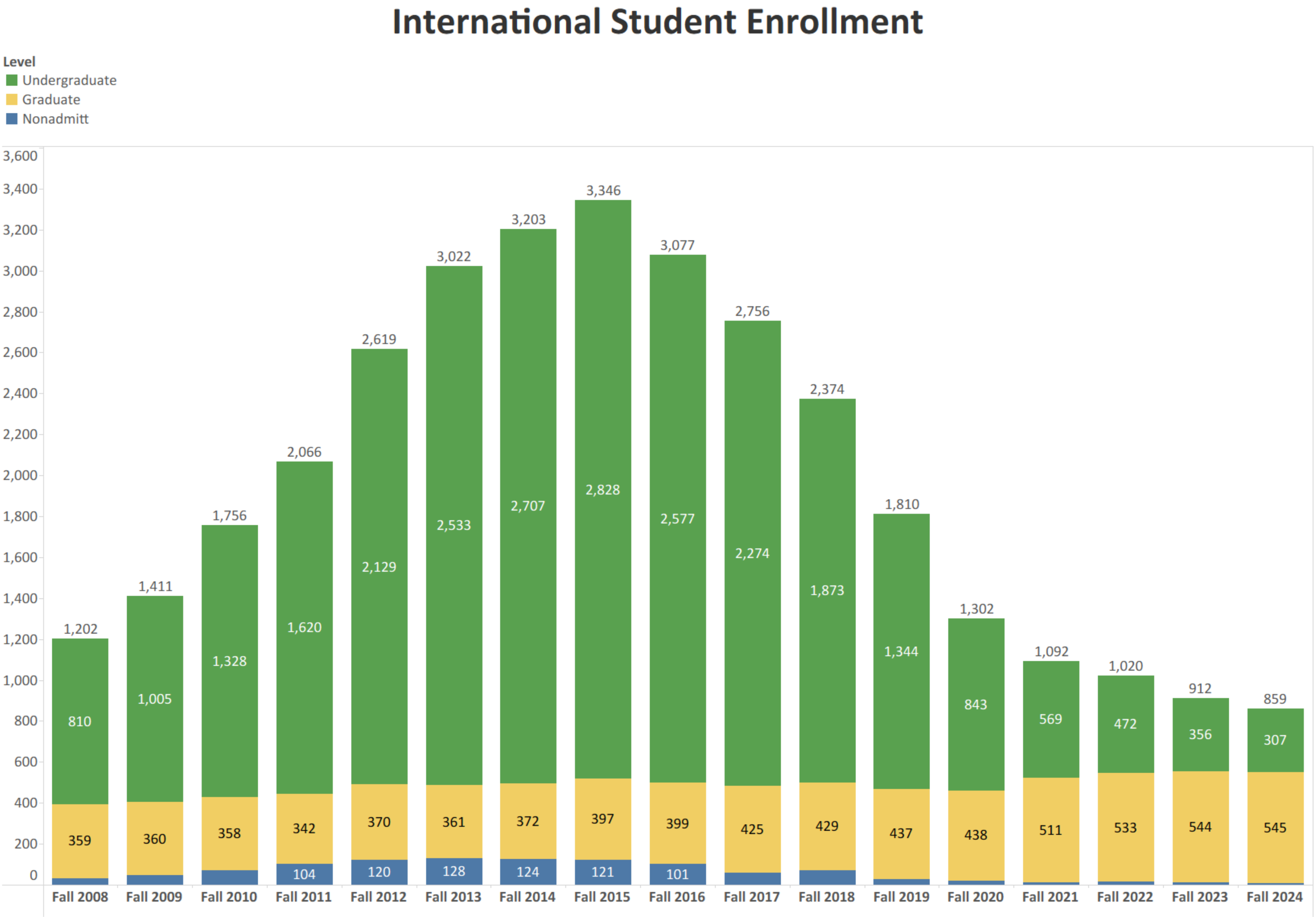


Expenditures on Benefits as a Percent of Expenditures on Salaries and Wages, Public Four-Year Institutions FY2023

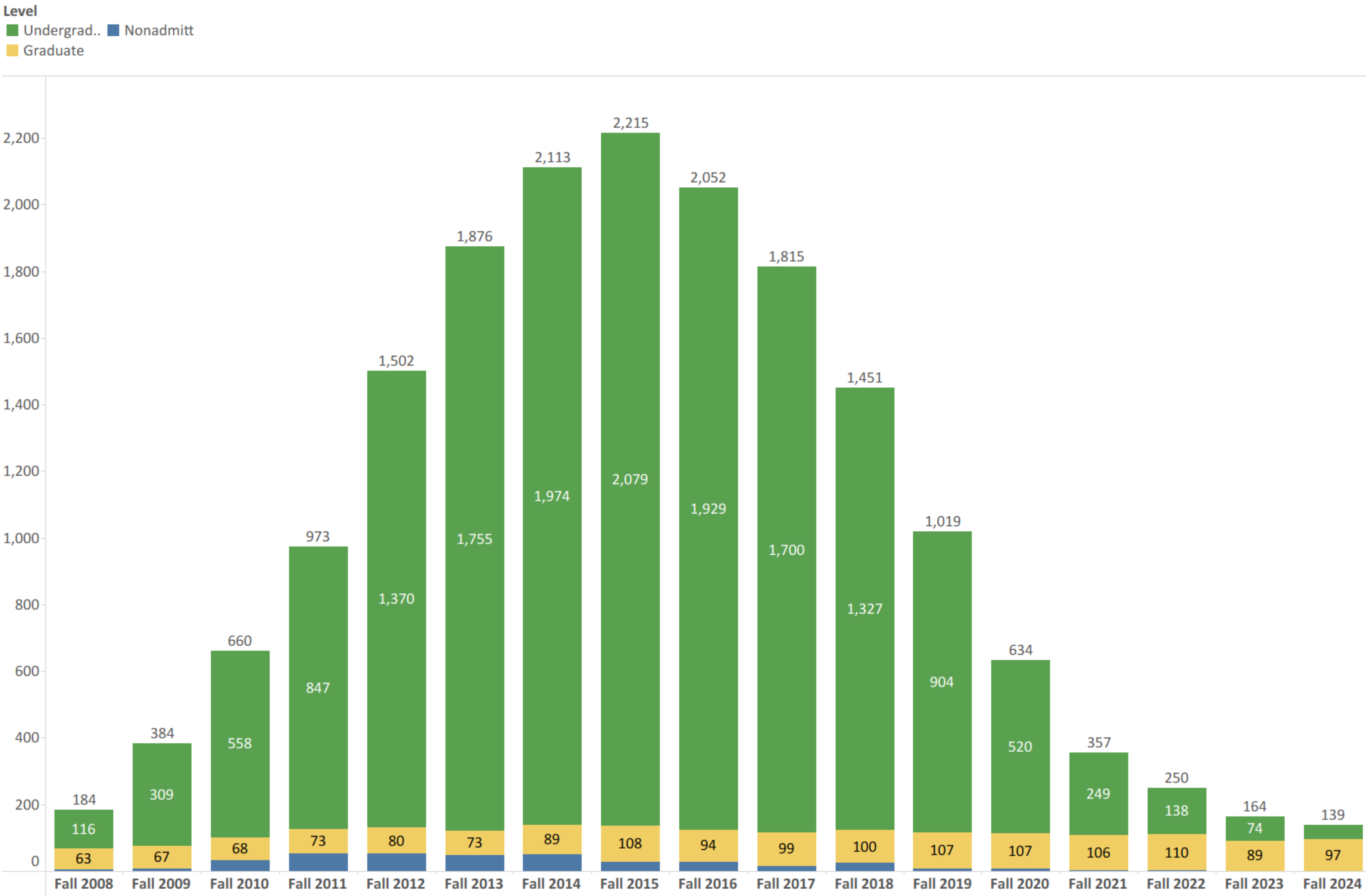


Source: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), 2023, Total expenses and deductions - Employee fringe benefits, Total expenses and deductions - Salaries and wages. Retrieved from https://nces.ed.gov/ipeds/datacenter/Statistics.aspx on April 29, 2025.

E&G Fund Challenge #2 – Enrollment Trends



International Student Enrollment from China



E&G Fund Challenge #3:
Cost and Revenue Dynamics

Costs → 79% Invested in People

Revenue → 77% Tuition & Fees Funded

Cost Dynamics – Personnel Costs

Cost Driver	FY26 Projected Cost Increase	FY26 Percentage Increase	Notes
Faculty, Staff, & GE Salary and Wages	$19.5 million	3.6%	E&G compensation increases based on current contracts (e.g., classified staff, GE), announced increases for OAs and historical rates / current administrative proposals for those groups without ratified contracts. Includes approximately 1,200 graduate employees, 1,630 faculty, 850 classified staff and 1,220 unrepresented staff on the E&G fund. Does not include any projected expenses related to adding staff.
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Blended OPE	($7.2 million)	(4.0%)	Blended OPE carryforward (atypical leave and hiring dynamics) balances from a previous period are buying down benefits expenses during FY26 on a one-time basis.
TTF Faculty Hiring	$1.6 million	1.1%	8 Net Tenure Track Hires.

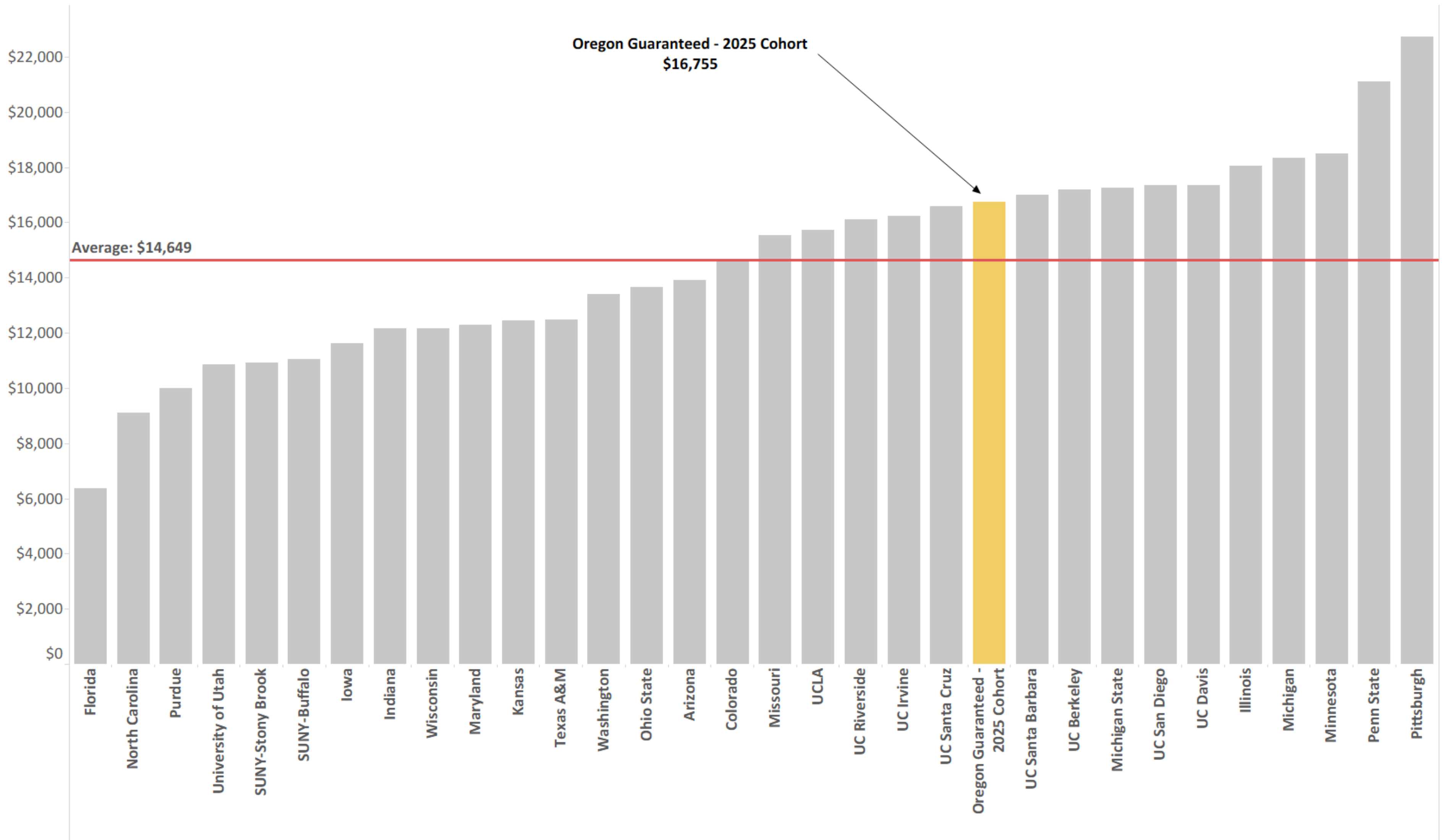
- Total Projected Personnel-Related Cost Increase: $24.4 million
- Equates to 4.5 percent annual increase to personnel costs in a year WITH the large Blended OPE one time offset (5.8% increase without it)

E&G Fund Challenge #3:
Cost and Revenue Dynamics

Costs → 79% Invested in People

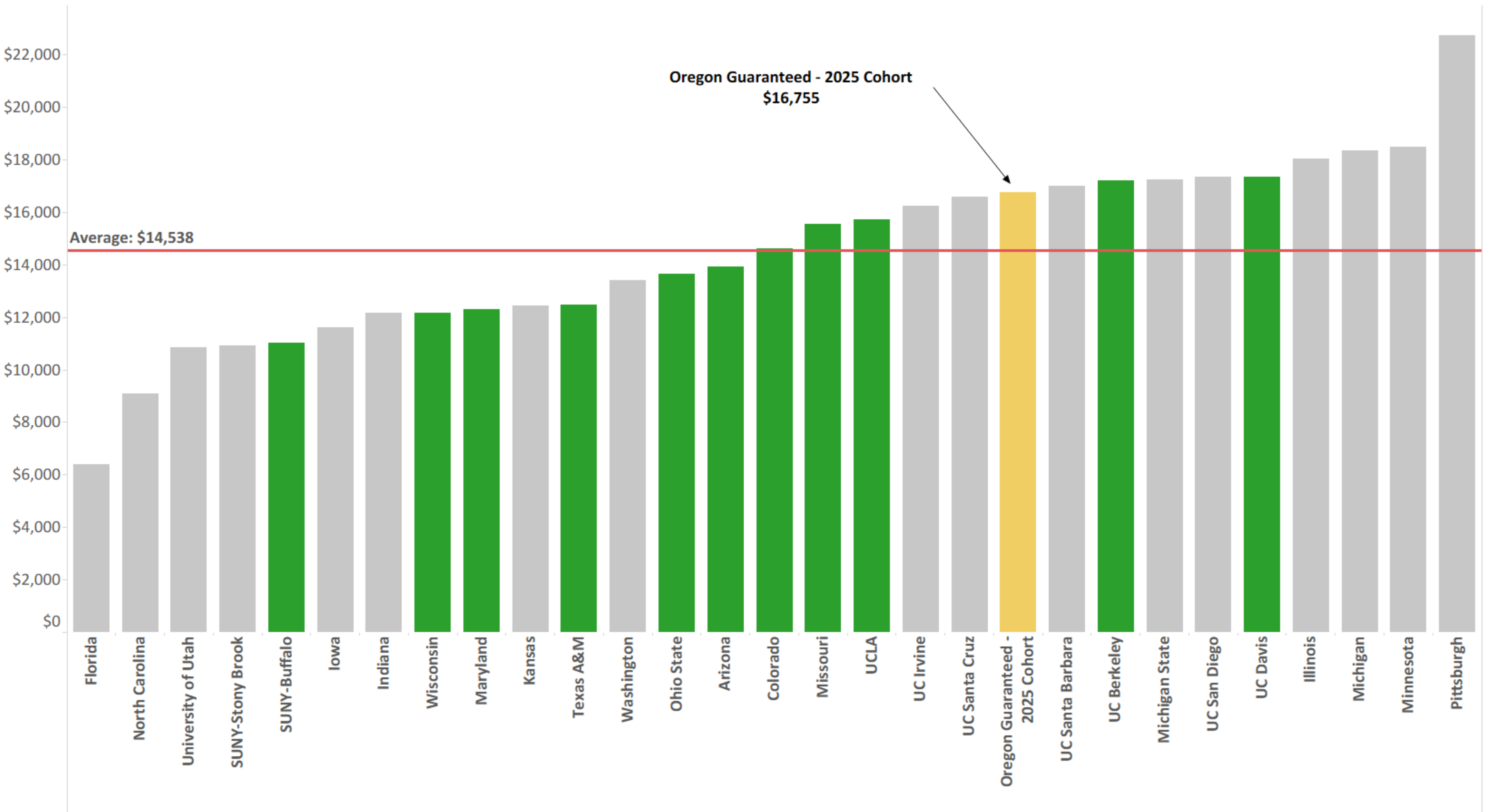
Revenue → 77% Tuition & Fees Funded

AAU Publics
2025-26 Tuition and Mandatory Fees
Resident Full-time Undergraduate

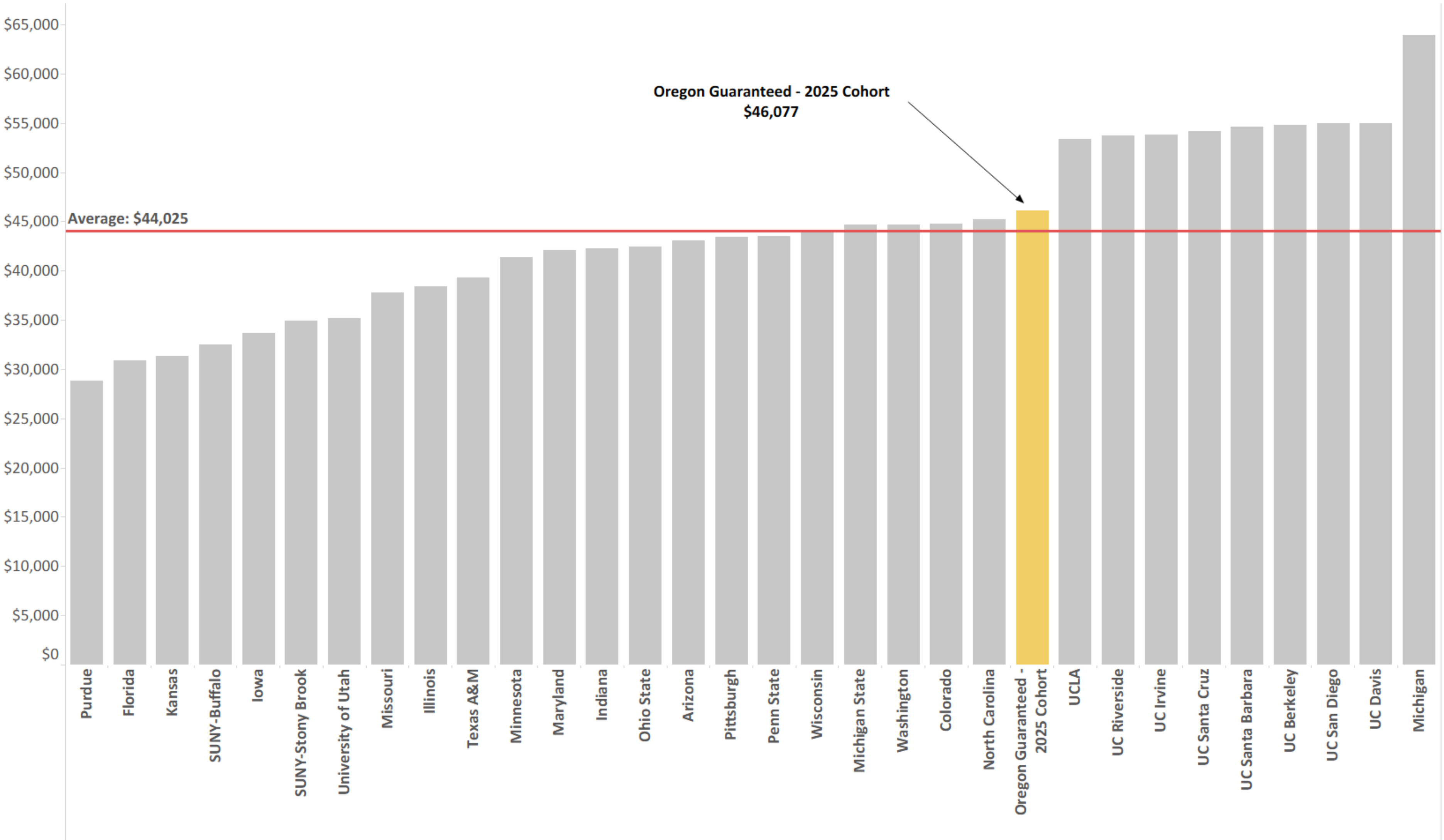


AAU Publics

2025-26 Tuition and Mandatory Fees
Resident Full-time Undergraduate
Guaranteed Tuition in green.

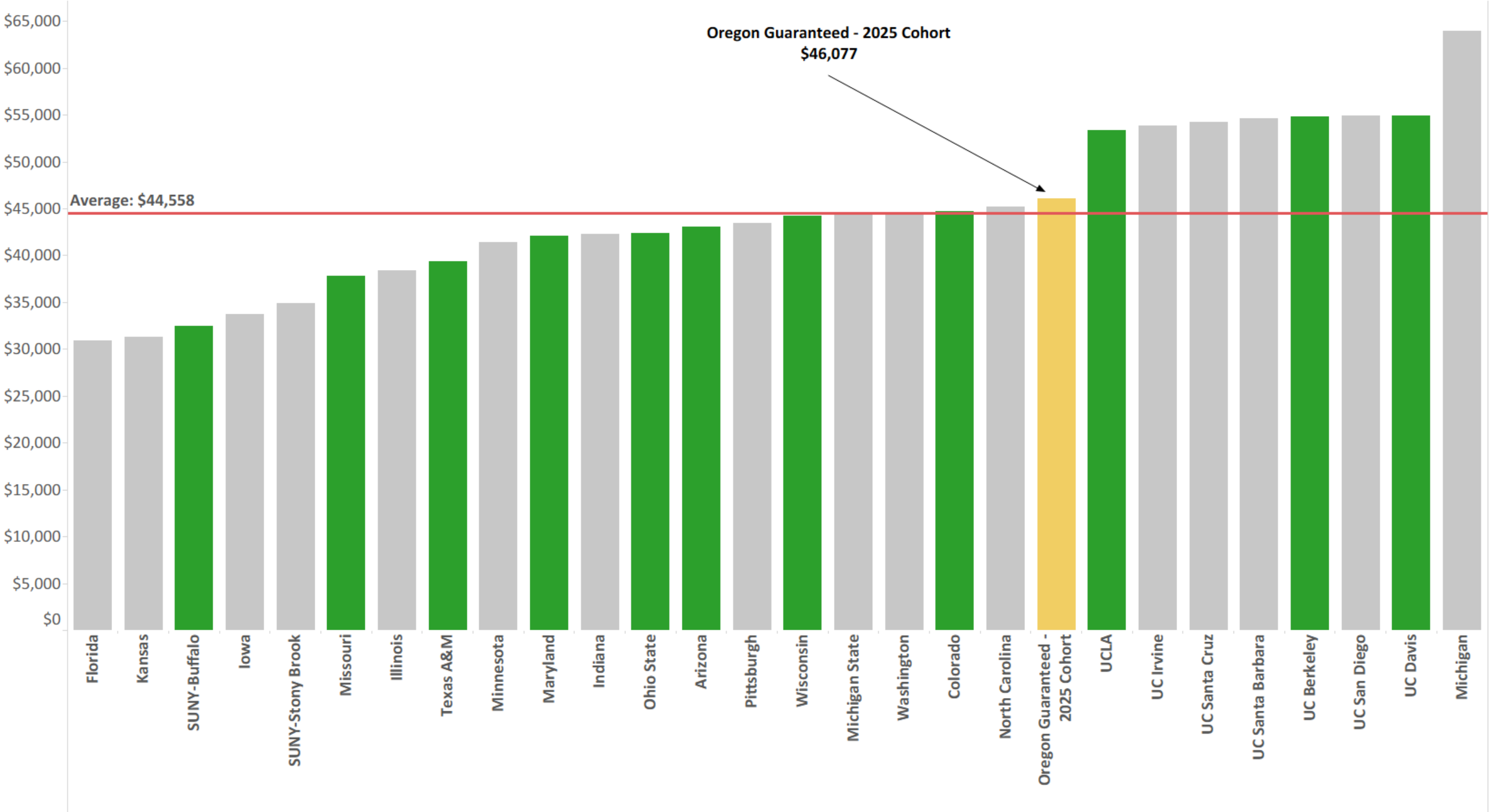


AAU Publics
2025-26 Tuition and Mandatory Fees
Nonresident Full-time Undergraduate

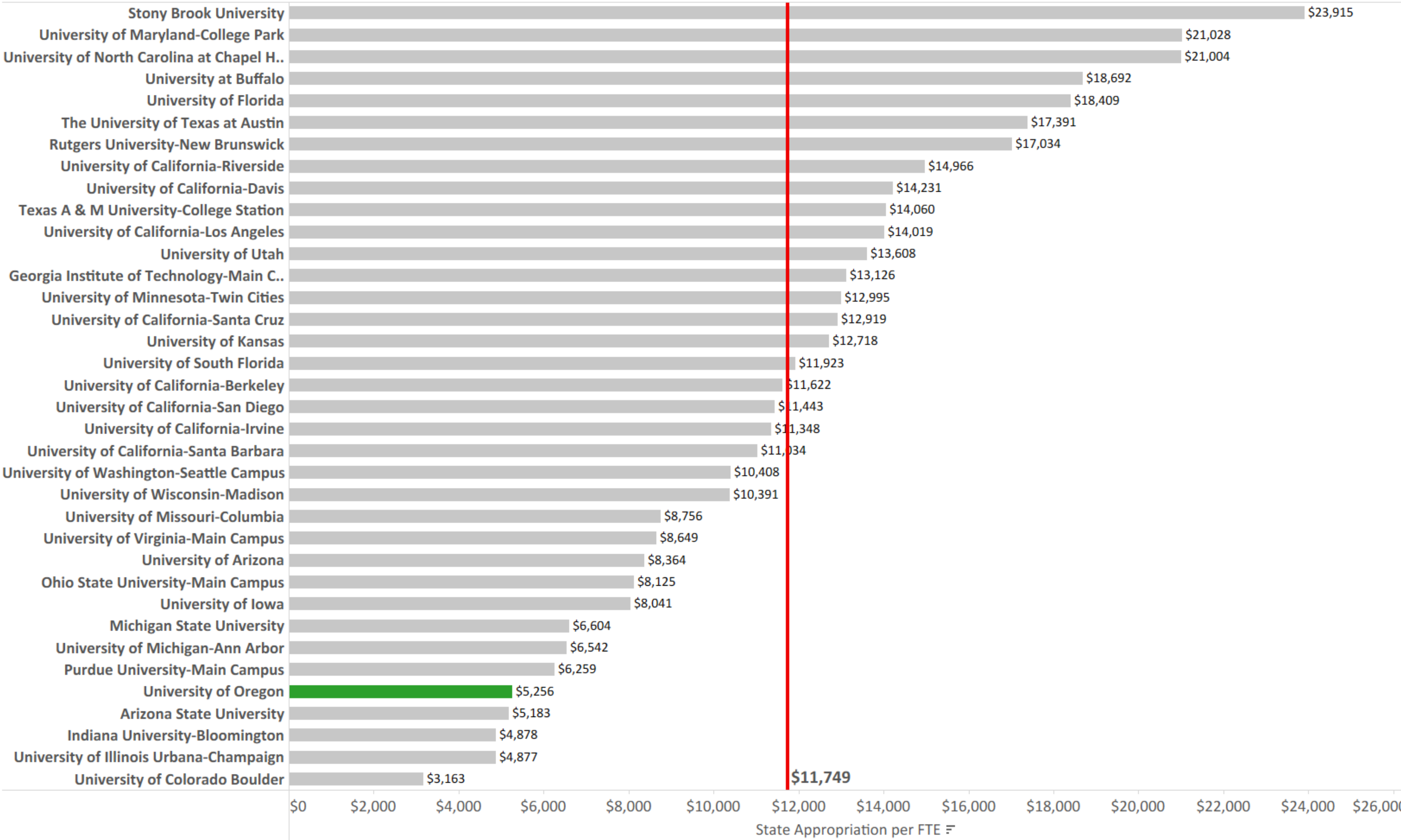


AAU Publics

2025-26 Tuition and Mandatory Fees
Nonresident Full-time Undergraduate
Guaranteed Tuition in green.

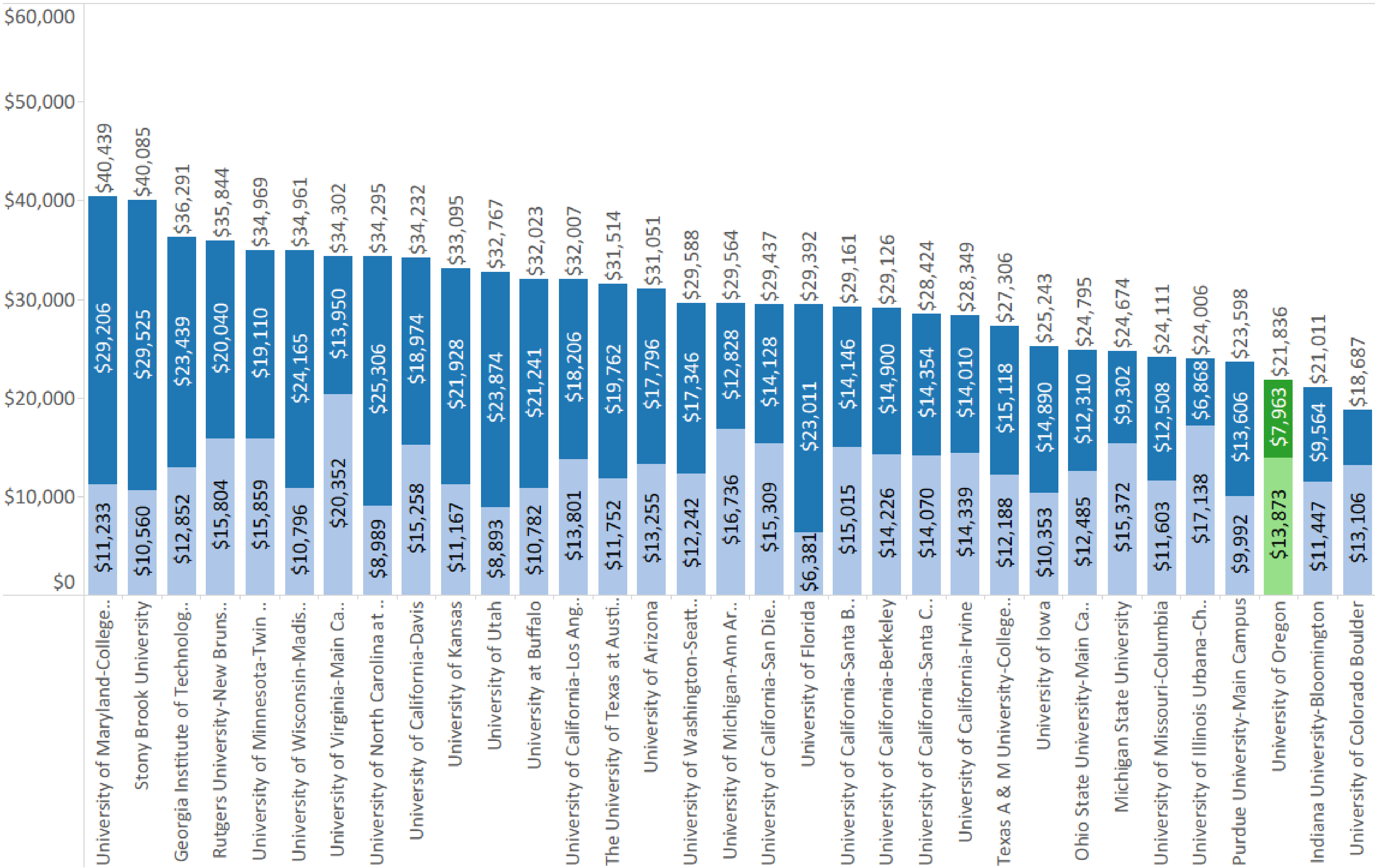


FY23 State Appropriations per Student FTE among AAU Publics

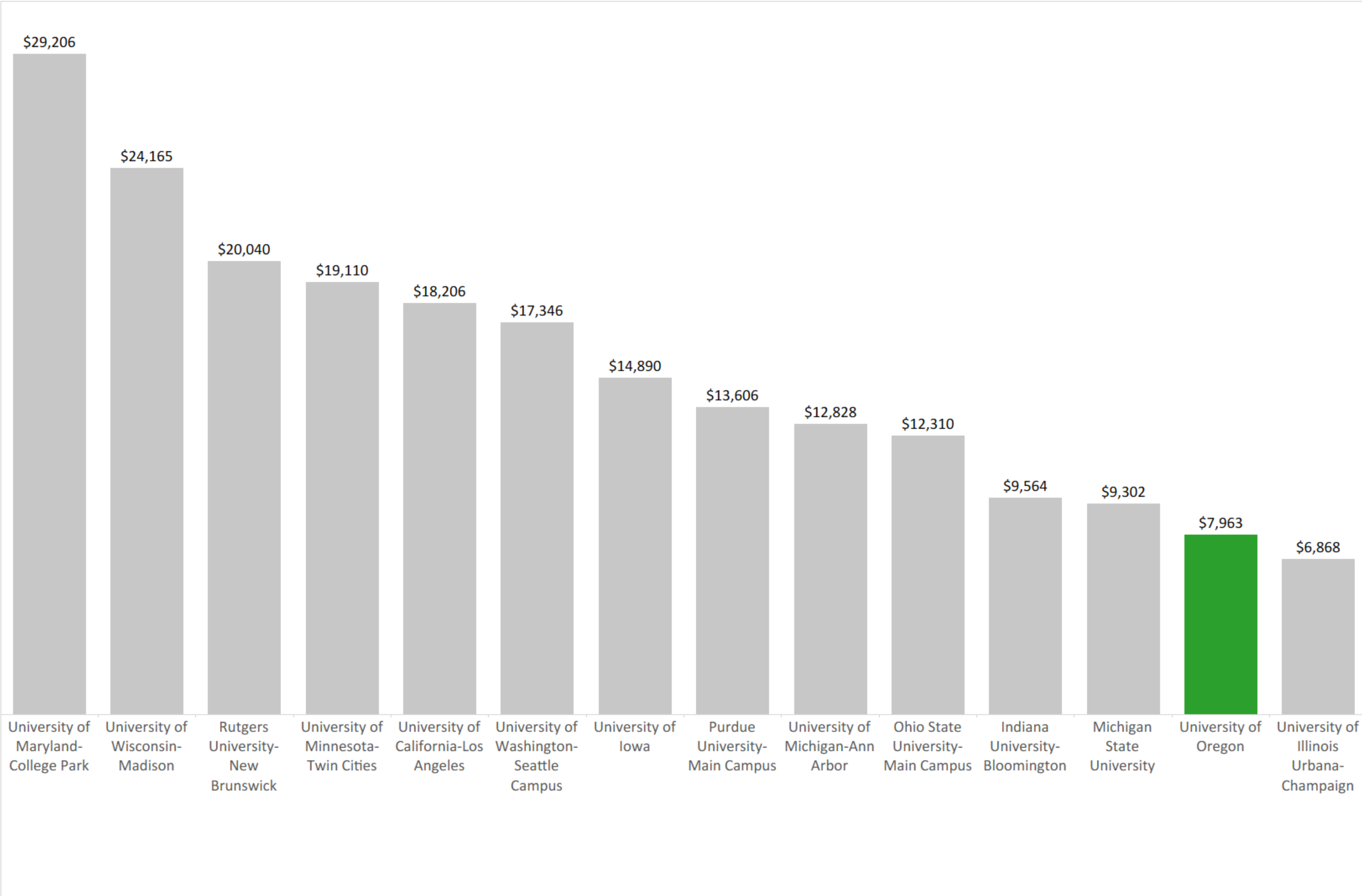


Notes:
1. Penn State University and University of Pittsburgh are excluded from the table because Pennsylvania has alternatve state funding mechanisms.
2. The Student FTE corresponds to a 12-month FTE.
Source: IPEDS Finance (FY2023) and Enrollment (FY2023).

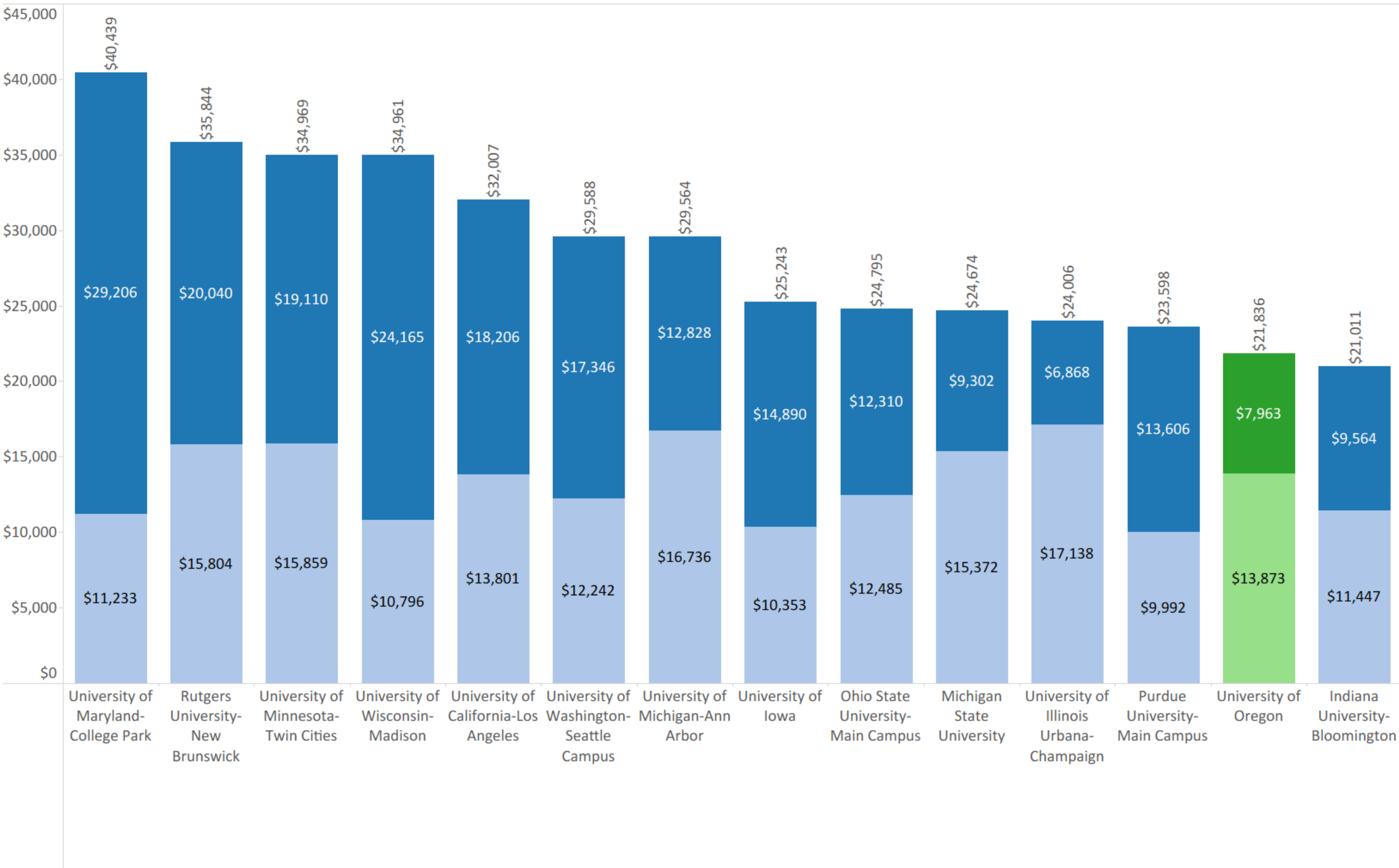
FY23 State Appropriations per Resident Student and Resident Tuition and Fees among AAU Publics



FY23 State Appropriations per Resident Student among the Big 10 Publics



FY23 State Appropriations per Resident Student and Resident Tuition and Fees among the Big 10 Publics



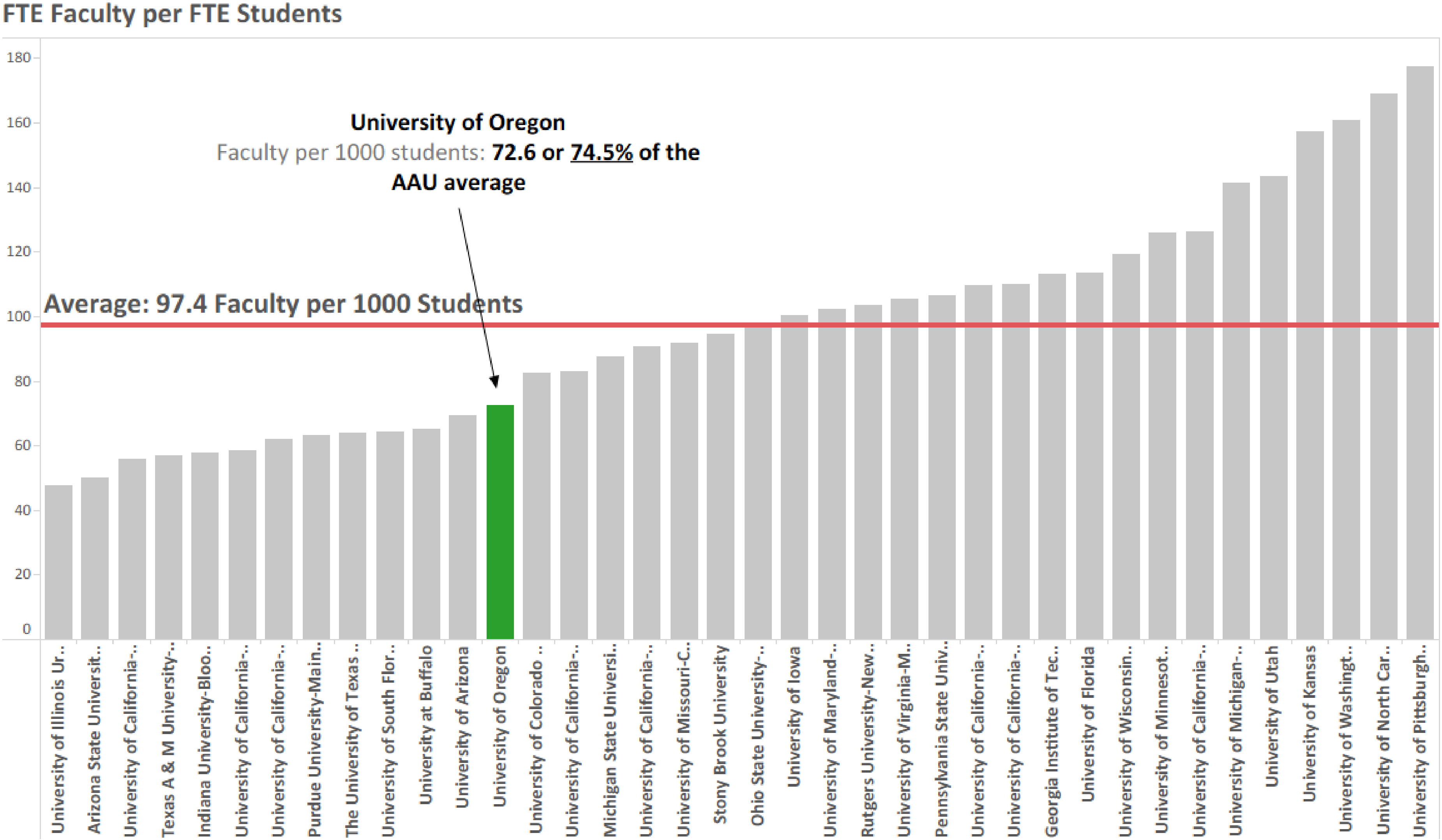
Previous Rounds of Cost Reductions

- FY2017
  - Administrative Cuts: $3.0M
  - CAS Cost Cut: $3.3M
- FY2018
  - Presidential Directed Cuts: $4.5M
- FY2019:
  - Administrative & Academic Cuts: $11.6 million

Three-year total: $22.4 million per year

Comparison of Faculty per 1,000 Students among AAU Publics

University of Oregon's Number of Faculty per 1,000 Students is 74.5% of the AAU Mean



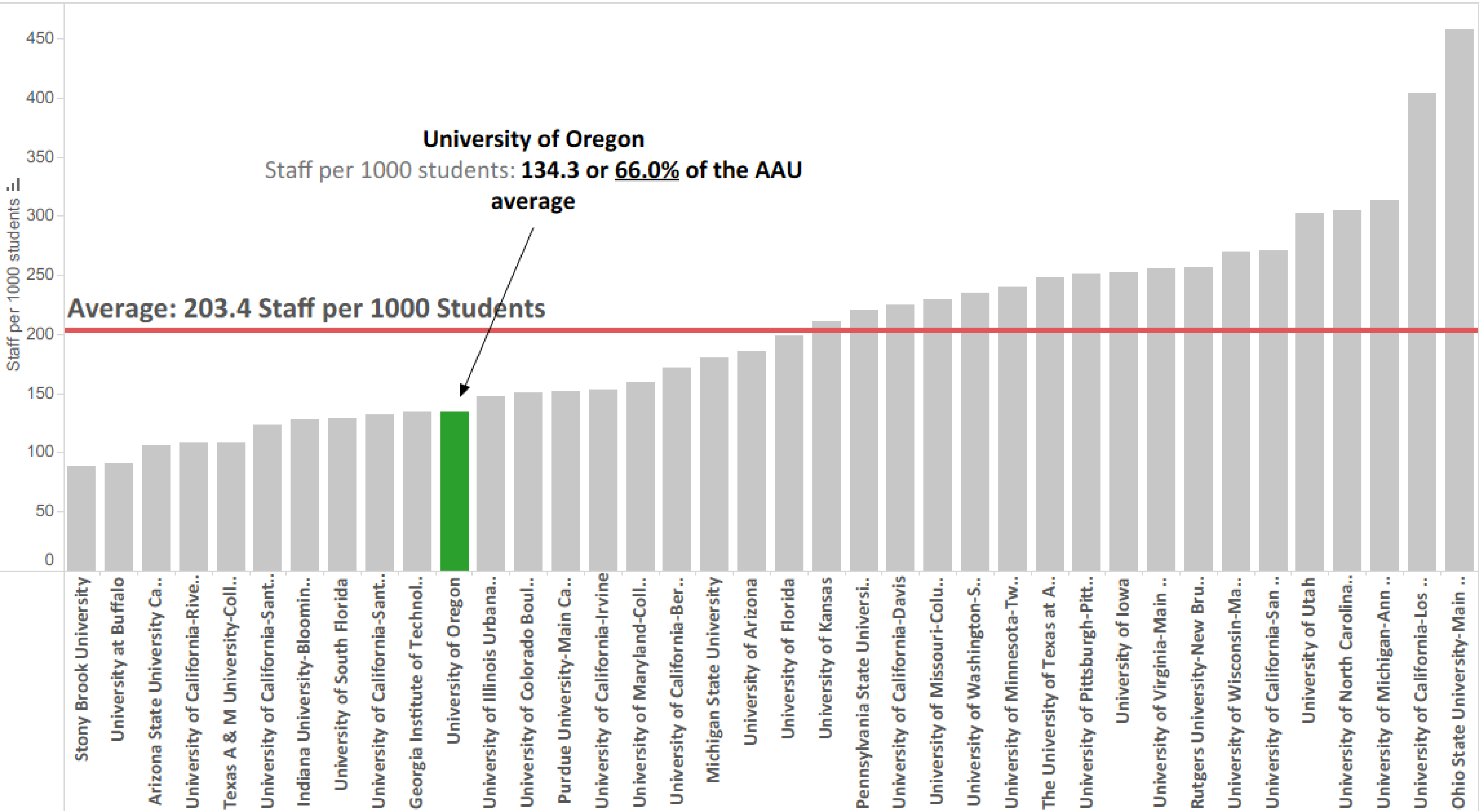
Note: The ratio of faculty to students is based on faculty FTE to student FTE.

Source: IPEDS Human Resources and Enrollment (FY2023).

Comparison of Staffing per 1,000 Students among AAU Publics

University of Oregon's Number of Staff per 1,000 Students is 66.0% of the AAU Mean

FTE Non-teaching Faculty and Staff per Student



Note: The ratio of staff to students is based on non-teaching faculty and staff FTE to student FTE.
Source: IPEDS Human Resources and Enrollment (FY2023).

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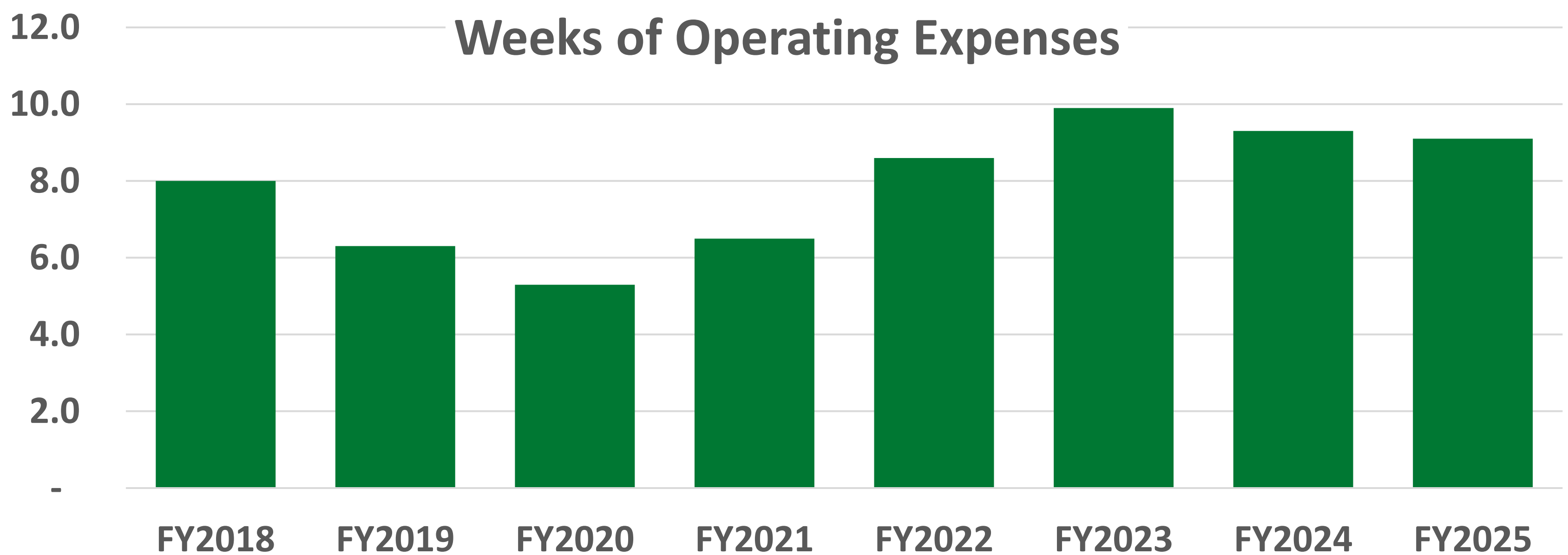
E&G Fund Balance

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Total Expenses including CapEx	$520.0M	$544.0M	$552.6M	$524.1M	564.5M	$597.6M	$650.1M	$686.1M
Weekly OpEx	$10.0M	10.5M	$10.6M	$10.1M	$10.9M	$11.5M	$12.5M	$13.2M
End of Year Fund Balance	$80.0M	$65.4M	$56.7M	$65.3M	$93.3M	$114.3M	$116.2M	$119.7M
Weeks of OpEx	**8.0**	**6.3**	**5.3**	**6.5**	**8.6**	**9.9**	**9.3**	**9.1**



FY25 and FY26 Key Highlights Before Budget Reductions

- FY25 E&G fund budget ended the year up $3.5 million with a final projected fund balance of $119.7 million (9.1 weeks of operating expenses). During FY26, the UO is forecasted to move into a structural deficit.
- Tuition and fee revenue, net of remissions, which makes up approximately 76.5% of revenue, is projected to grow at 2.7% next year.
- Compensation and benefits costs, which make up approximately 79.1% of expenses, are forecast to grow at 6.9% next year.
- This imbalance between revenue and expense growth is structural in nature. This problem will continue into the future.

FY25 & FY26 Run Rates

- FY2025 – Run Rate: +$3.5M
- FY2026 – Forecast Run Rate: -$21.6M

FY2026 Forecast Before Budget Reductions

	FY2025 *(in thousands)*	FY2026 *(in thousands)*	YoY Change
REVENUE			
Net Tuition and Fees	$ 529,147	$ 543,229	2.7%
State Appropriation	$ 106,501	$ 109,300	2.6%
Other Revenues	$ 55,951	$ 55,685	-0.5%
Total Revenue	**$ 691,599**	**$ 708,214**	**2.4%**
EXPENSES			
Personnel	$ 542,993	$ 580,283	6.9%
General Expense	$ 143,136	$ 149,500	4.4%
Adj: Comp. Absence Liability	$ 1,969	$ -	-100.0%
Total Expenses	**$ 688,098**	**$ 729,783**	**6.1%**
Run Rate	**$ 3,501**	**$ (21,568)**	
Beginning Fund Balance	$ 116,223	$ 119,724	
Ending Fund Balance	$ 119,724	$ 98,156	
Weeks of Operating Expenses	9.1	7.0	

New Enrollment Projections

Enrollment	ACTUAL FY2023	ACTUAL FY2024	ACTUAL FY2025	JUNE PROJECTION FY2026	SEPT. PROJECTION FY2026	JUNE TO SEPT. CHANGE
Resident	2,446	2,554	2,634	2,770	2,670	(100)
Non-Resident	2,897	2,489	2,480	2,391	2,391	-
Regular International	143	124	120	125	125	-
FTF Total	**5,485**	**5,167**	**5,234**	**5,286**	**5,186**	**(100)**
Resident Transfer	651	626	627	672	641	(32)
Non-Res Transfer	285	189	194	225	225	-
Transfer Total	**936**	**815**	**821**	**897**	**866**	**(32)**
Total New Enrollment	**6,421**	**5,982**	**6,055**	**6,183**	**6,051**	**(132)**

Revenue Projections

	FY2025 *(in thousands)*	FY2026 *(in thousands)*	
Gross Undergraduate Tuition			
Resident	$ 131,479	$ 139,592	6.2%
Non-Resident	$ 339,079	$ 344,546	1.6%
International	$ 9,212	$ 9,258	0.5%
Summer Session	$ 15,733	$ 16,842	7.0%
Total Gross Undergraduate Tuition	**$ 495,502**	**$ 510,238**	**3.0%**
Gross Graduate Tuition	**$ 90,401**	**$ 93,386**	**3.3%**
Student Fees and Continuing Ed.	**$ 34,061**	**$ 35,361**	**3.8%**
Remissions	**$ (90,818)**	**$ (95,756)**	**5.4%**
Total Net Tuition & Fees	**$ 529,147**	**$ 543,229**	**2.7%**
Appropriations & Other			
State Appropriations	$ 106,501	$ 109,300	2.6%
Other Revenues	$ 55,951	$ 55,685	-0.5%
Total Appropriations & Other	**$ 162,452**	**$ 164,985**	**1.6%**
Total Revenues	**$ 691,599**	**$ 708,214**	**2.4%**

Compensation Growth Before Budget Reductions

	Projected Expenditures		
	FY2025 *(in thousands)*	**FY2026** *(in thousands)*	
Tenure-Related	$ 90,640	$ 100,349	10.7%
Non-Tenure-Related	$ 39,848	$ 43,135	8.2%
Other	$ 8,959	$ 4,073	-54.5%
Total Faculty	**$ 139,447**	**$ 147,557**	**5.8%**
	-	-	
OA	$ 102,508	$ 108,793	6.1%
Classified	$ 50,114	$ 53,890	7.5%
Student Pay (Reg&WrkStdy)	$ 6,996	$ 7,531	7.7%
GE Pay	$ 27,374	$ 28,042	2.4%
Total Other Employees	**$ 186,992**	**$ 198,257**	6.0%
	$ -	$ -	
Total Salaries & Wages	**$ 326,439**	**$ 345,814**	**5.9%**
	-	**-**	
OPE (Benefits)	$ 192,004	$ 209,182	8.9%
GE Tuition Remissions	$ 24,550	$ 25,287	3.0%
Total Other Payroll Expenses	**$ 216,554**	**$ 234,469**	**8.3%**
	-	-	
Total Personnel Services	**$ 542,993**	**$ 580,283**	**6.9%**