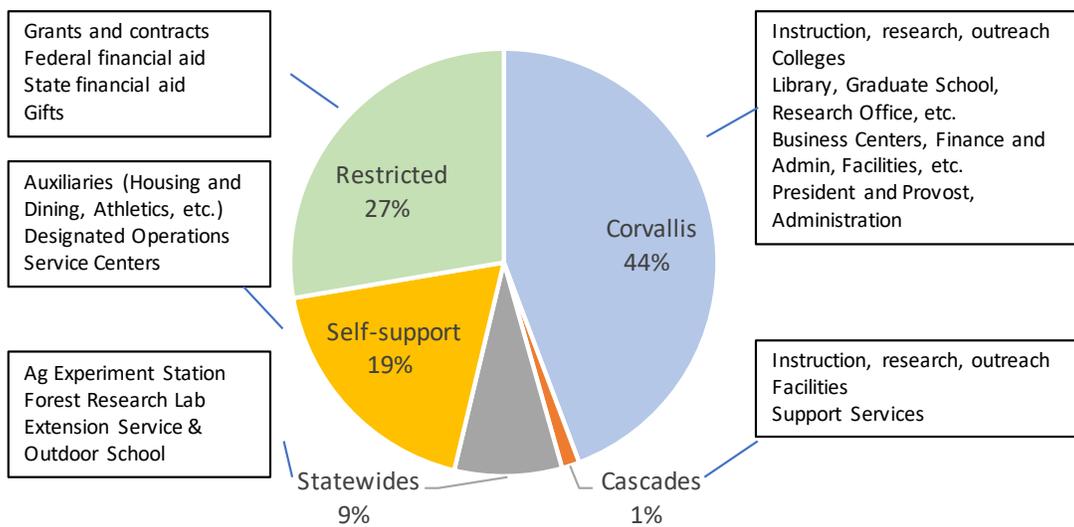


Overview of the FY20 Budget and Enrollment

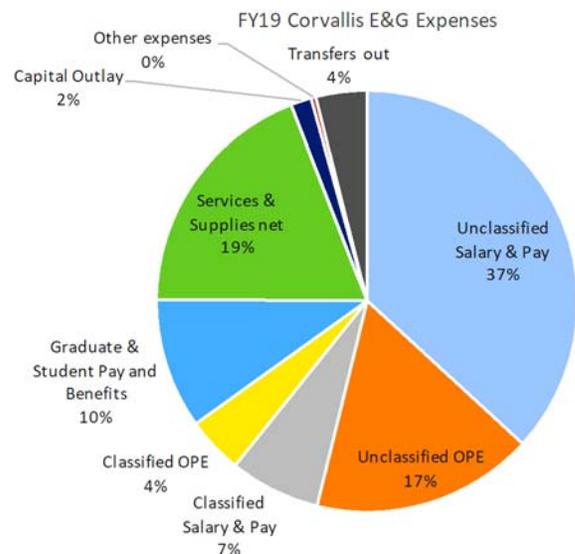
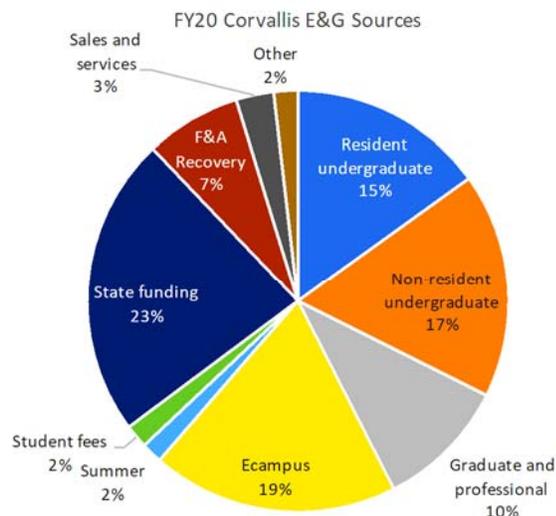
This is the first of a regular series of budget conversations that the Office of Budget and Resource Planning will schedule through the 2019-20 academic year. The goal of these forums are to answer questions, listen to concerns, and provide information about budgets and finance at OSU. For the first session, we put together a high-level summary of a couple of big-picture parts of the budget.

The operating budget has three main buckets: (1) Education and General (Corvallis, Cascades, and Statewide Public Services) Funds, (2) Restricted Funds, and (3) Self-Support Funds.

FY20 OSU Operating Revenue Budget (\$1.351B)



Tuition is the biggest component of Cascades and Corvallis E&G revenue. The left pie chart shows the sources of Corvallis E&G revenue. The right pie chart shows expense distribution for Corvallis E&G---note that over 75% is related to labor expense.

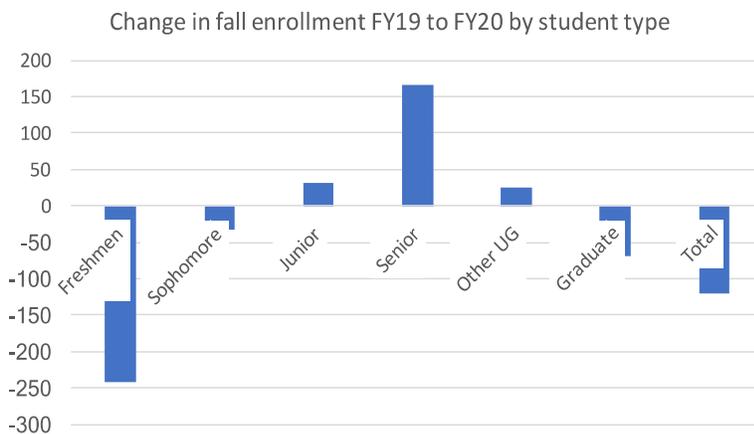


How did the final budget compare to the preliminary budget?

- The Board budget in June forecasted about \$18M of expense reductions to be managed with decreases in strategic commitments, S&S spending, personnel spending, and budgeting of reserves.
- The budget from the state was \$9M more than expected, so that allowed budgeting \$1M for additional financial aid and about \$4M for a reserve (there was initially none), while reducing the expense reductions on campus to about \$14M.

How did enrollment do?

We expected a decrease in Corvallis of about 500 students (mostly undergraduate). Actual enrollment was down 121 students (improvement from an additional \$3.3M in aid, better



retention, and transfers). This was better than budgeted, however, there is a much smaller freshmen class (mostly in non-residents) which forecasts an overall reduction next year of about 540 students. Ecampus was projected at 7% growth and is doing better at roughly 11% growth in credit hours.

What were the budget priorities?

The four budget priorities this year and some of the actions to address them were:

- Manage tuition & expand enrollment strategically: **\$3.3M more in tuition waivers, \$1M in emergency aid, \$0.6M investment in enrollment management**
- Continue commitment to appropriate raises, even in difficult economic times, to recruit and retain faculty and staff: **budget for a mid-year raise (unclassified TBD, SEIU as settled)**
- Reduce our administrative costs: **\$4.7M increase to colleges (including bridge funding for Science, Education, CLA, PHHS), \$0.9M increase net to admin and support units**
- Implement the facilities renewal program: **\$3M more to capital renewal (\$13M total), \$1.4M for debt service and MSI building operations, \$2.1M in property insurance increase**