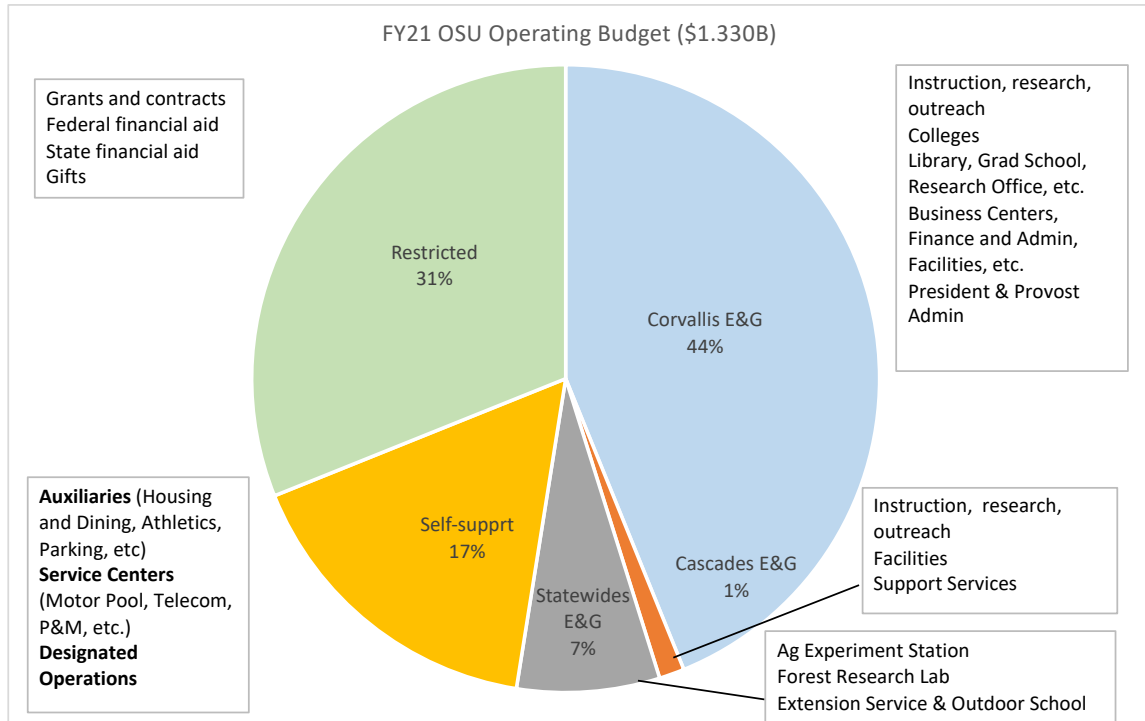
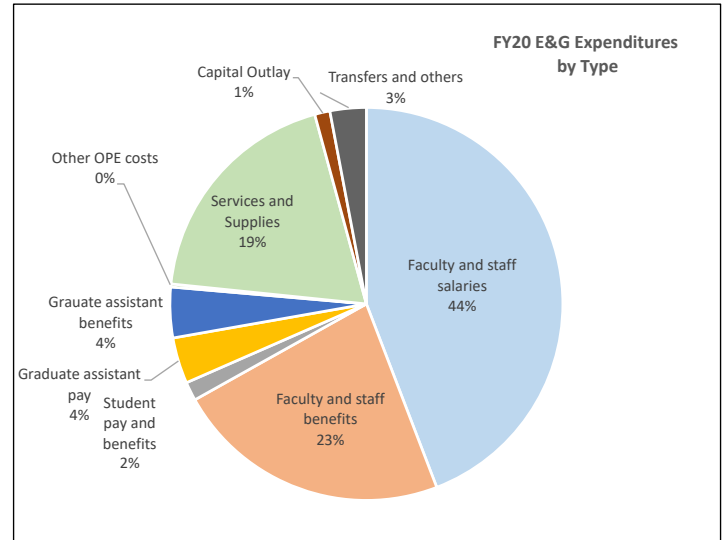
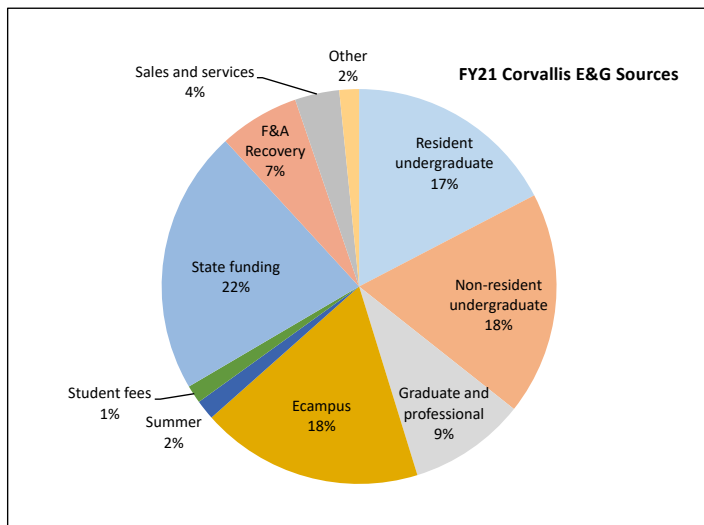


The goal of these forums are to answer questions, listen to concerns, and provide information about budgets and finance at OSU. For today’s conversation, we put together a high-level summary of a couple of big-picture parts of the budget.

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.

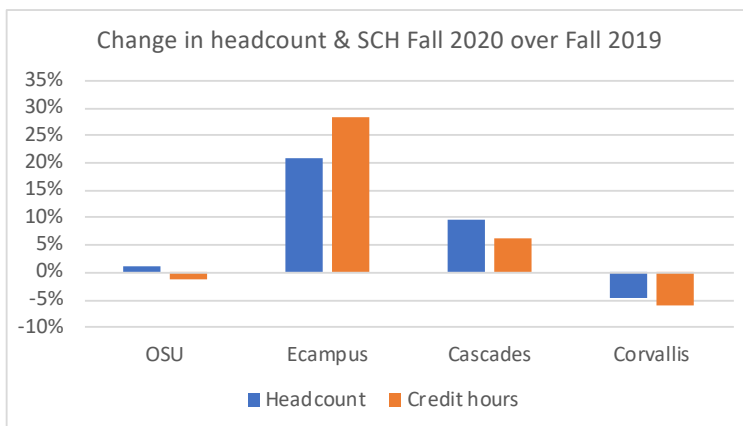


Tuition is the biggest component of Cascades and Corvallis E&G revenue. The left pie chart below shows the sources of Corvallis E&G revenue in FY21. The right pie chart shows the expense distribution for Corvallis E&G last fiscal year (FY20) ---note that 77% is related to labor expense.



What’s state funding looking like for FY22?

The state revenue forecast in September was more positive than the May forecast, but still short of funding full continuing service level cost increases for 2021-2023 (you could think of this as the state’s calculated inflation rate), and certainly short of the base funding needed as calculated by the public universities. Current discussions suggest funding for many state services at the state’s continuing service level (CSL) less 3% to 5%. The actual amount will depend on how much funding needs to go to healthcare services. The Governor’s budget, to be published by December 1, will be based on the next forecast that will be released on November 18. The other factor at play is that the Higher Education Coordinating Commission is adjusting the state distribution formula and that process is likely to reduce OSU’s allocation by 1% to 5%, relative to what the university would otherwise receive. Multiple scenarios are being modeled for FY22 ranging from flat funding (FY22 over FY21) to a decrease of 5% year over year.



How is enrollment doing?

Complicated. But important because enrollment this year shapes much of enrollment next year. OSU is actually up in headcount but the change is very different for different student groups. The chart at the left shows the % change in headcount and SCH change this fall over last fall for Cascades, Corvallis and Ecampus. The chart below shows the % change in

headcount for different student groups in Corvallis. These are so different from historical patterns projecting for fall of 2021 is a going to be a new challenge.

What are the budget priorities?

- Maintain programs and employees to the greatest extent possible in order to continue to support the mission of the university and to continue making progress on actions to advance Strategic Plan 4.0.
- Investment in Student Affairs to support programs and student progress
- Comprehensive strategic planning in Information and Technology
- Investment in Enrollment Management to improve recruitment and retention and improved pathways for transfer students
- Revised capital renewal strategy to continue to make progress on facilities improvements

