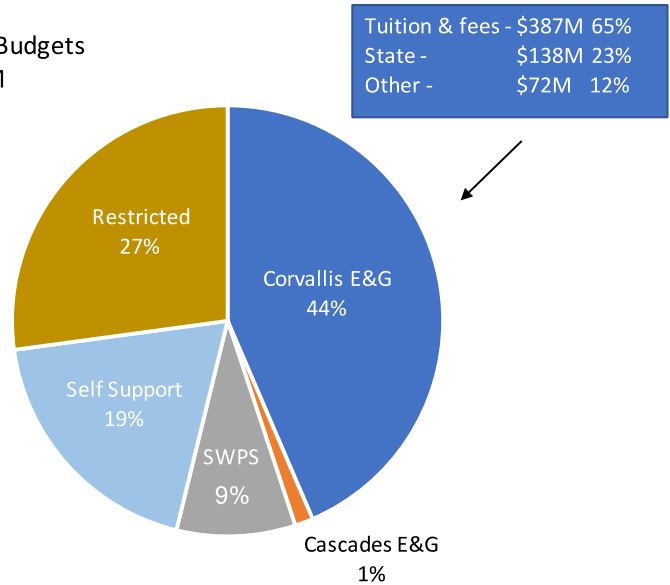


Context: OSU offers a world-class education within an accomplished research-intensive university. There are about 4,050 higher education institutions in the U.S. of which 680 are public four-year universities. Of those, 71 are Land -Grant universities (charged to serve the public), 80 are research-intensive universities that create new knowledge and inventions, and only 34 are both Land Grants and research-intensive universities. OSU is one of those 34 unique places. OSU’s peers include institutions like the University of Arizona, the Ohio State University, the University of Wisconsin-Madison, and Texas A&M University.

How much of the budget comes from tuition?

The OSU budget has five principal parts: Corvallis Education & General (E&G) funds, Cascades E&G funds, Statewide Public Service (SWPS) funds (for research and engagement in Oregon), restricted funds (like Federal grants for research or federal financial aid), and self-support funds (like Housing and Dining or Athletics). The E&G budgets support most of the teaching and research work at OSU. The funds in the non-E&G budgets don’t receive tuition and their budgets are not available for Education and General budget purposes. Tuition and fees paid by Corvallis students go to Corvallis E&G, tuition and fees paid by Cascades students go to Cascades E&G. Corvallis E&G operations include Ecampus.

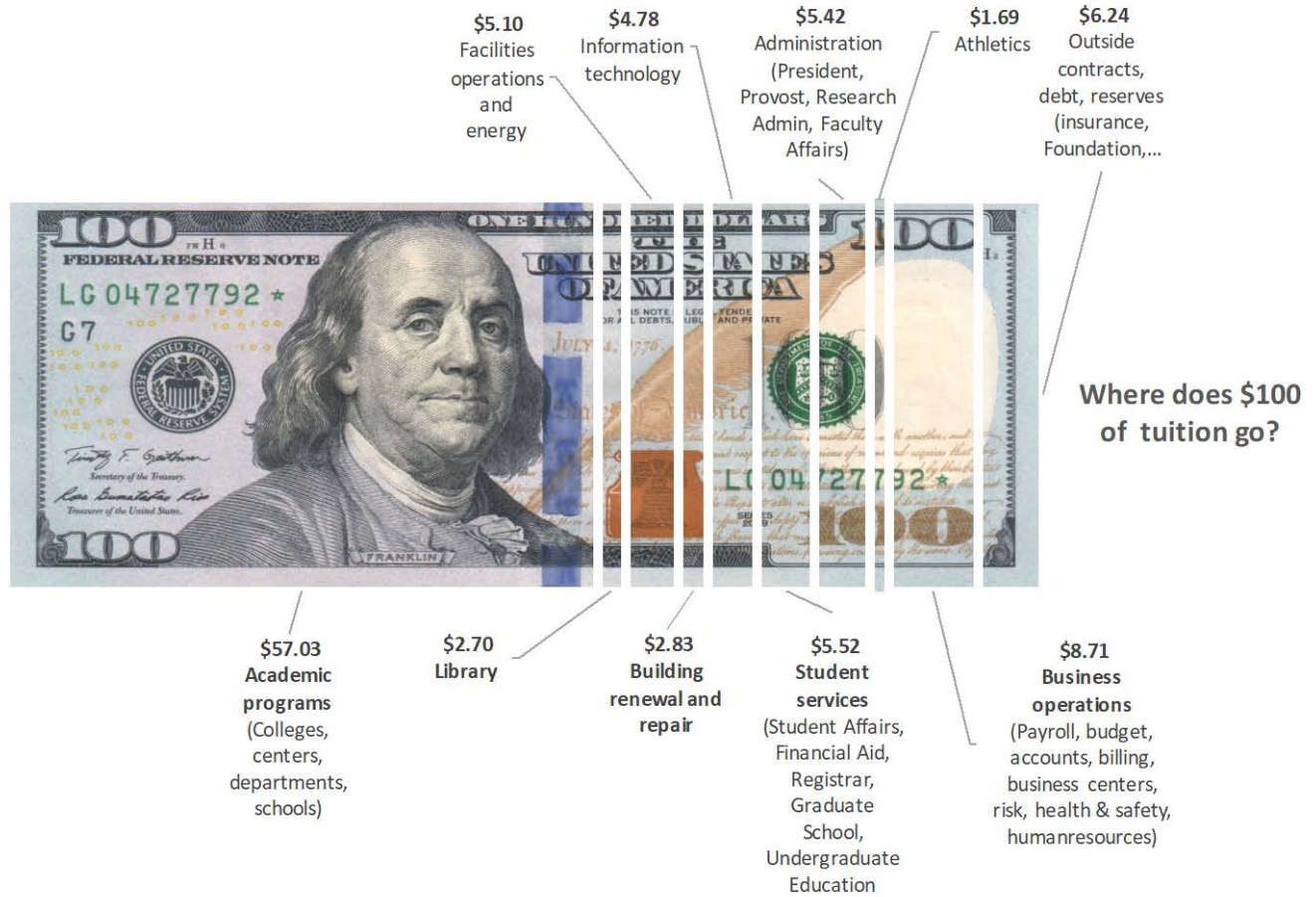
FY20 Revenue Budgets
Total: \$1,352M



Where is the Corvallis E&G funding from and how is it used? The Corvallis E&G budget in 2019-2020 is \$596.5M. 65% of that is from tuition and fees (after \$45M of tuition is returned to students as financial aid), 23% is from the state, and 12% is from other sources. However, not all of that funding is available for any purpose. Some of the state funding is earmarked by the Legislature for very specific uses (this year \$18.6M). Research grants pay E&G what are called “indirect costs” to cover the general costs of supporting that research work by faculty (special library journals, laboratory space, grant accounting, purchasing, research compliance, etc.). Those funds are used to pay for those specific research support costs (this year \$43.9M). Student fees and sales revenues are charged for very specific purposes and are returned to the unit that provides the particular service to cover those costs (this year those total \$52.5M). Some colleges, like Business, Honors, and Engineering charge differential tuition, which is tuition above base or general tuition. Differential tuition is charged to support costs, programs and services specifically for students in the college charging that differential. 90% of differential tuition is returned to the appropriate college and 10% is added to the institutional financial aid pool to help address the additional costs the differential charges can create for students. This year the differential tuition allocation will be about \$22.6M.

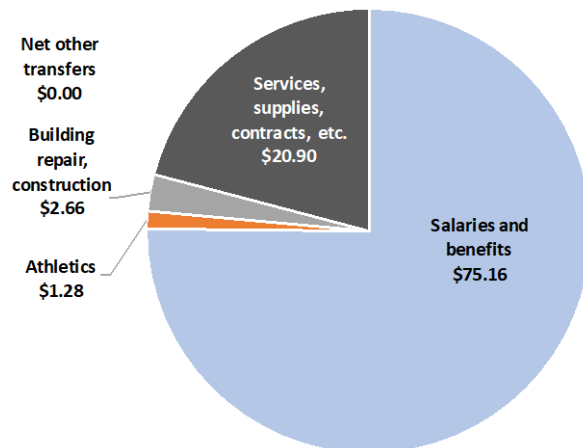
Once those funds are allocated out to units, there is \$459M left that can be distributed to support all of the academic, support, and administrative functions for Corvallis E&G operations. \$364M of that is from base tuition and \$95M is from general state funding. Two ways to look at how those dollars are spent is by what functional units they go to (College of Liberal Arts, Business Centers, Student Affairs, etc.) or by what they are spent to support (salaries, services, etc.).

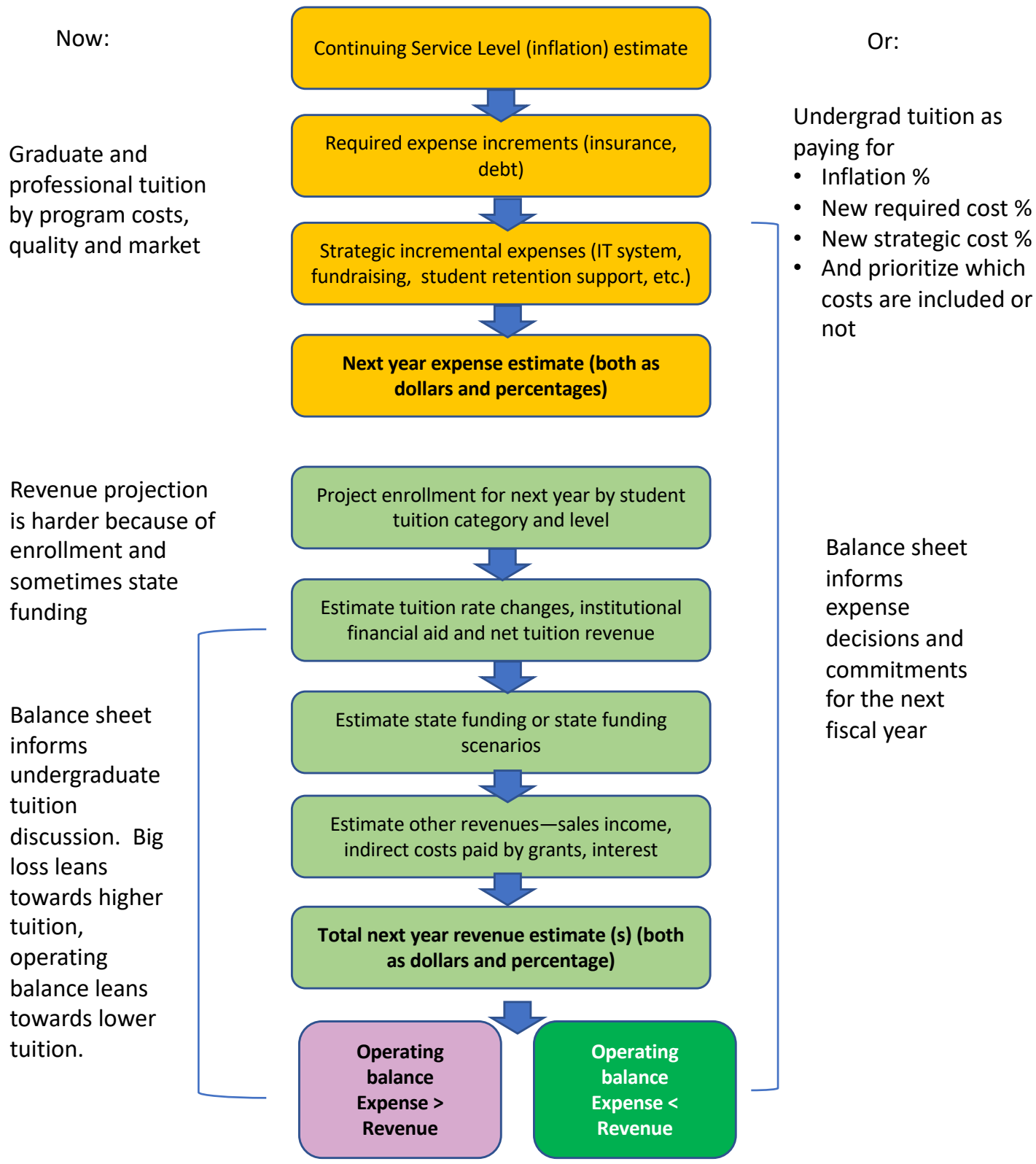
How are those general tuition dollars distributed to functional units? (The proportional distribution of general state dollars is the same---about \$0.26 of state funding is available for each dollar of tuition distributed).



What are those tuition dollars spent on once they go out to units? 75% of spending within units (on average) is for salaries and benefits (mostly retirement and health insurance) of faculty, staff, graduate assistants, and student workers. 20% is for services and supplies like utilities, materials, books, periodicals, lab equipment, contracts, insurance, and so on. There is some spending for athletics and some for repairing and renovating academic buildings.

The University Budget Committee has been working on tuition rate proposals for FY21 for the Provost and the President. More information about tuition, tuition rates, and the work of the University Budget Committee can be found at <https://fa.oregonstate.edu/budget/university-budget-committee> . If you have questions about tuition or the university budget or if you would like to make a suggestion or comment you can send those to Sherman.Bloomer@oregonstate.edu .





Both these sides happen now (thinking about revenue increase and expense reduction). The question is shifting the tuition discussion a bit towards what does a tuition increase pay for from how much revenue does a tuition increase generate.