

June 2020 Board Slide: COVID-19: Projected Spring FY20 Auxiliary Funds Financial Impact

- Most auxiliary services on campus were either partially or completely shut down this Spring
 - Housing and Dining
 - Student Recreation Center
 - Student Union
 - Child Care Centers
- Refunds were provided to students for housing / dining contracts, Student Rec Center mandatory fees, EMU mandatory fees, child care tuition
- Net impact to Auxiliary Funds: projected to be between \$21 million - \$22 million

June 2020 Board Slide: Budget Uncertainties: FY2021

- Tuition Revenue

- Many national surveys predict a 15% decline in undergraduate student enrollment next fall
- For the UO, this would be approximately \$56 million of tuition revenue
- Most likely highly dependent upon whether on-campus activities can be resumed
- This year it will be more difficult to accurately predict fall enrollment until the term starts

- State Appropriation

- Last recession, UO lost 45% of state funding or \$37 million per year
- DAS directed agencies to model initial 8.5% biennial cut (17% cut to FY21 budget); for UO this is equal to \$13.9 million/year; no state funding decisions yet made
- May 20th state revenue forecast projected state revenue down \$2.7 billion for FY20-21
- Exact timing of state budget cuts unknown. There will likely be cuts for both FY21 and for the FY22-23 biennium.

- Auxiliary Operations

- Significant losses if on-campus student activities significantly curtailed
- Specific larger issues: approved housing configurations; football season



June 2020 Board Slide: Actions Taken to Date

- Actions taken to immediately reduce expenditures:
 - Travel freeze (initially implemented for health reasons)
 - Hiring freeze
 - Voluntary pay reductions –senior leadership (President, Provost, Vice Presidents, Deans, Athletic Director)
 - HR actions in Auxiliary Operations (LWOP with extended benefits)
 - Pay action freeze
 - Agreement with United Academics to extend collective bargaining agreement (with no annual salary increase) to June 2021 and to provide one-year, conservative FTE contracts to instructional career faculty up for renewal due to enrollment uncertainty.
 - Workshare program – summer FTE reduction program
 - Direction to limit Services and Supplies (“S&S”) expenditures to essential expenses
- Planning Actions
 - Progressive Pay Reduction Plan developed and in discussion with employee groups
 - University Task Force on Long-term Responses to COVID-19 formed