

# **STATE FUNDING AND FORMULA SUMMARY 2025-27 BIENNIUM**

**AFTER THE 2025 REGULAR SESSION**



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## Accessibility Statement

The HECC is committed to accessible services for all. Requests for translations, language services, alternative formats, or Americans with Disabilities Act (ADA) accommodations may be sent to [info.hecc@hecc.oregon.gov](mailto:info.hecc@hecc.oregon.gov).

## EXECUTIVE SUMMARY

This report is a reference document containing Legislatively Adopted Budget (LAB) amounts for the 2025-27 biennium, after the 2025 regular legislative session, for institution support, capital construction, and debt service. It also provides detailed information on how the community college and public university funding distribution formulas function, specifically in terms of how they calculate the amounts by institution.

The total funding for institutions of higher education often includes other sources not in this report such as tuition, grants, and auxiliary operations. Information about an institution's total revenues from all sources, and related spending, can be found in its audited annual financial report, often published on its website.

This report is limited to funding for institution support, capital construction, and debt service. It does not include information about any other HECC office or program, which can be found on HECC's website.

## THE HIGHER EDUCATION COORDINATING COMMISSION (HECC)

The HECC does not have the authority to regulate specific expenditure choices or revenue budgeting by public institutions of higher education. That authority is vested in the independent governing boards of the institutions. The HECC's responsibilities include the distribution of state funding as noted in ORS 350.075(3)(f) and maintenance of the related formulas. Current calculations and data related to the funding distribution formulas can be found on HECC's website within the pages for the Office of Postsecondary Finance and Capital. Detailed explanations of the calculations are available upon request.

## 2025-27 BIENNIAL FUNDING SUMMARY

Appropriated funding for support of Oregon's public institutions of higher education during the 2025-27 biennium total \$3.5 billion which represents an increase of \$240 million, or 7%, compared to the 2023-25 biennium as shown in Table 1. Table 1 includes debt service paid by State and the institutions for state-issued debt.

**Table 1: Appropriations for Institution Support and Capital Construction**

<b>Funding Type</b>	<b>2023-25</b>	<b>2025-27</b>	<b>Variance</b>	<b>%</b>
Institution Support	2,322,034,230	2,428,600,502	106,566,272	5%
Debt Service*	603,522,511	636,077,820	32,555,309	5%
Capital Construction	373,213,551	469,447,853	96,234,302	26%
<b>Total Funding</b>	<b>\$3,298,770,292</b>	<b>\$3,534,126,175</b>	<b>\$235,355,883</b>	<b>7%</b>

## 2025-27 Funding by Sector

The growth in appropriations by sector varies as shown in Table 2. In most cases, institution support funding was increased at CSL. For 2025-27, support funding includes:

- \$870.4 million for Community College Support. This includes funding for the Skills Centers and First-Generation Student Grants.
- \$1.4 billion for Public University Support. A carryover of \$11.1 million was provided to complete sustainability projects for the technical/regional universities and Portland State University.
- \$147.1 million for OHSU. This includes funding for specific ongoing programs, including the Oregon Child Integrated Dataset, Statewide Behavioral Health Dashboard, Child Development and Rehab Center, and the Oregon Poison Control Center. It also includes funding for a viability study.

Debt service funding increased for both the public universities and community colleges but decreased for OHSU. Debt service in Table 2 includes debt service paid by the State and the institutions for state-issued debt. Capital construction funding decreased for the public universities but increased for the community colleges and includes:

- \$120 million for Public University Capital Improvement and Renewal along with bonding authority for five new university projects totaling \$329 million.
- Bonding authority for three new community college projects totaling \$20 million and reauthorization of two existing projects.

**Table 2: Appropriations by Sector**

<b>Funding Type</b>	<b>2023-25</b>	<b>2025-27</b>	<b>Variance</b>	<b>%</b>
Institution Support	1,366,742,656	1,411,122,941	44,380,285	3%
Debt Service	516,641,269	552,218,990	35,577,721	7%
Capital Construction	335,713,551	449,447,853	113,734,302	34%
<b>Subtotal, Universities</b>	<b>2,219,097,476</b>	<b>2,412,789,784</b>	<b>193,692,308</b>	<b>9%</b>
Institution Support	140,792,377	147,077,563	6,285,186	4%
Debt Service	34,345,710	26,888,293	(7,457,417)	(22%)
<b>Subtotal, OHSU</b>	<b>175,138,087</b>	<b>173,965,856</b>	<b>(1,172,231)</b>	<b>(1%)</b>
Institution Support	814,499,197	870,399,998	55,900,801	7%
Debt Service	52,535,532	56,970,537	4,435,005	8%
Capital Construction	37,500,000	20,000,000	(17,500,000)	(47%)
<b>Subtotal, Colleges</b>	<b>904,534,729</b>	<b>947,370,535</b>	<b>42,835,806</b>	<b>5%</b>
<b>Total Funding</b>	<b>\$3,298,770,292</b>	<b>\$3,534,126,175</b>	<b>\$235,355,883</b>	<b>7%</b>

## SUPPORT FOR PUBLIC UNIVERSITIES

Total institutional support funding for the public universities grew \$44.4 million or 3.2% to \$1.4 billion during 2025-27 as noted in Table 3. Public University funding primarily flows through the following programs:

1. **Public University Support Fund (PUSF)** – The PUSF is the state’s primary direct funding contribution for university operations and is allocated to the public universities via the Student Success and Completion Model (SSCM) which is explained later in this report. For 2025-27, PUSF was funded at CSL, a total of \$1.07 billion.
2. **Other Support** – This includes funding for other programs that are specific to the biennium in which they are appropriated. These are separate and distinct from state programs. The decrease in other support is due to phase outs of one-time funding appropriated during the 2023-25 biennium.
3. **Public University State Programs** – State Programs largely focus on an institution’s public service mission but can include academic and research projects. This category also includes one-time funding appropriated for short-term or targeted programs which may include cash-funded capital projects. Existing state programs were funded at CSL for 2025-27. More information is included in Tables 7, 8, and 9. The decrease in state programs is due to phase outs of one-time funding.
4. **Statewide Public Service Programs (SWPS)** – This includes funding for three programs at Oregon State University (Agricultural Experiment Station, Extension Service and Forest Research Laboratory) which were funded at CSL for 2025-27. Details are included in Tables 10 and 11. It also includes Lottery Funds for the Outdoor School Program which are funded at a level set by expected revenue collections.
5. **Sports Lottery** – This appropriation provides support to academic and athletic scholarships at each of the seven public universities and are funded at a level set by expected revenue collections. Details are included in Table 12.

**Table 3: Funding for Public Universities**

	<b>2023-25</b>	<b>2025-27</b>	<b>Variance</b>	<b>%</b>
PUSF	1,000,000,000	1,068,825,130	68,825,130	7%
Other Support	24,900,000	11,090,554	(13,809,446)	(55%)
State Programs	100,244,627	67,324,286	(32,920,341)	(33%)
SWPS	223,268,086	245,030,045	21,761,959	10%
Sports Lottery	18,329,943	18,852,926	522,983	3%
<b>Total</b>	<b>\$1,366,742,656</b>	<b>\$1,411,122,941</b>	<b>\$44,380,285</b>	<b>3.2%</b>

## Legislatively Adopted Budget (LAB) Summary

HECC's main budget bill for 2025-27 is SB 5525 (2025 RS) which provides both operating and debt service funding for the universities. The budget reconciliation bill is HB 5006 (2025 RS) which appropriated funding for the Oregon AgriStress Helpline through OSU. The helpline is a free, 24/7 hotline for Oregon's agricultural and forestry communities, including farmers, ranchers, fisherman, foresters, and their families. Operators are trained to understand the unique stressors and situations of agriculture, forestry, and fishing. All calls are answered within 30 seconds.

Other bills passed that appropriated funding during the 2025 regular session. Funding by bill is included in Table 4. A summary of these bills is included below; the full text and related analysis of these bills is published by the Oregon State Legislature at [oregonlegislature.gov](http://oregonlegislature.gov).

**Table 4: 2025-27 Appropriations by Bill, 2025 Regular Session**

	<b>SB 5525</b>	<b>HB 5006</b>	<b>Other Bills*</b>	<b>Total</b>
PUSF	1,068,825,130			1,068,825,130
Other Support	11,090,554			11,090,554
State Programs	66,457,495	200,000	666,791	67,324,286
SWPS	244,620,045		410,000	245,030,045
Sports Lottery	18,852,926			18,852,926
<b>Total</b>	<b>\$1,409,846,150</b>	<b>\$200,000</b>	<b>\$1,076,791</b>	<b>\$1,411,122,941</b>

**HB 2548** – \$666,791 to the Center for Public Service at Portland State University to be used by the center to conduct, in consultation with Oregon State University, a study examining the labor standards and working experiences of farmworkers in this state and evaluating the adequacy and availability of existing workplace protections for farmworkers.

**HB 2947** – \$410,000 to Oregon State University Extension Service and the College of Agricultural Sciences to conduct a statewide study to better understand the occurrence and distribution of perfluoroalkyl and polyfluoroalkyl substances (PFAS) found in biosolids applied to agricultural fields that do not produce crops intended for human consumption.

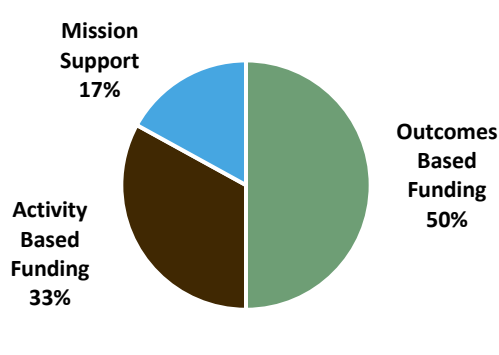
## PUBLIC UNIVERSITY SUPPORT FUND (PUSF)

The Student Success and Completion Model (SSCM) is the funding distribution model used to allocate funding appropriated in the PUSF to the public universities. It is an outcomes-based approach designed to:

- Promote undergraduate, resident student success with a focus on underrepresented populations
- Support differentiated missions while ensuring regional access
- Provide funding stability

The biennial appropriation for the PUSF is split with 49% distributed in the first year of the biennium and 51% distributed in the second year. Within each year, the quarterly distribution is front loaded: 36% in Q1, 24% in Q2, 24% in Q3, and 16% in Q4. An annual true up process occurs in the fall during which the three-year average of data used in the distribution model is updated and the difference between the preliminary allocation and final allocation is calculated and settled.

Specific calculations and current data related to the SSCM can be found on the HECC's website within the pages for the Office of Postsecondary Finance and Capital. Two Oregon administrative rules (OARs) govern the SSCM. The first, OAR 715-013-0025, describes the data, function, behavior, and calculations. The second, OAR 715-013-0040, describes the degree weights, the cost weights, the area of study bonus, the priority populations bonus, and the transfer degree discount among other technical details.



The model includes three components with the proportion of the total funding noted: mission support (17%), activities-based funding (33%), and outcomes-based funding (50%). The relative proportion by component for each university varies. The technical/regional universities tend to receive more mission support funding while research universities tend to receive more funding through activities and outcomes.

### Mission Support

This component provides funding in recognition of the unique regional, research, and public service missions of the universities. Funding for it is taken off the top and is limited annually to the prior year's allocation adjusted for inflation or a flat amount of the total available PUSF. It includes four components:

- **Base funding** – An allocation to support funding adequacy of fixed costs. The allocation includes a flat amount of \$2.9 million for each public university. It also includes a variable amount for those with less than 4,000 resident FTE. The difference

between 4,000 FTE and the actual resident FTE count is multiplied by \$1,400 per FTE and a size factor. The fixed and variable amounts are added together to determine the total base funding amount for each university.

- **Regional Access** – An allocation for financial stability of the regional universities to ensure geographic access to higher education for all Oregonians. This applies to the TRUs and OSU-Cascades. The allocation includes a basic allocation of \$1,000 per resident FTE up to 4,000 FTE. It includes an additional allocation, limited to \$2.2 million, in which the difference between 4,000 FTE and the actual resident FTE count is multiplied by \$1,200 per FTE and a size factor. Both allocations added together determine the total regional access funding amount for each university.
- **Research Support** – An allocation to support research activities. The total allocation is limited to \$5 million. The calculation is based on a three-year average of federal research spending. The allocation by university is the lesser of the proportional share of total research spending or \$2.5 million.
- **Public Service** – An allocation to support the public service mission of each university. The allocation per university is \$330 per resident FTE limited to \$4.7 million.

### **Activities-Based Funding (ABF)**

The ABF component is a weighted hours-based allocation that distributes funding for student credit hour (SCH) completions of Oregon resident students at all levels of instruction by academic program averaged over a three-year period. The ABF component encourages access and success and recognizes the cost differences by level of instruction and field of study. It is based on the following principles:

- **Enrollment driven** – The total funding available for ABF is equal to 40% of remaining PUSF after funding for Mission Support is deducted.
- **Focus on resident students** – Only data for resident students is included in the calculations. For SSCM purposes, the count of resident students includes those receiving tuition equity for non-citizens as well as military veterans residing in Oregon.
- **Focus on implied cost recovery** – Designed to be a reimbursement for the cost of delivering instruction. Different courses cost different amounts to deliver as reflected by cost weights used in the calculations.

The calculations are based on the number of resident student credit hours completed by level and academic discipline using a three-year average for each university. This includes the summer, fall, winter, and spring quarters for each of the three prior academic years. Cost weights are applied by level and discipline to get weighted hours. The number of weighted hours for all the universities are added up and divided into the available funding to get a dollar value per weighted hour. That dollar value is then multiplied by the number of weighted hours for each university to calculate the total ABF funding for each university.

The majority of ABF (about 80%) is allocated for undergraduate students. The average funding per completed SCH at each university ranges from \$52 to \$70 based on the mix of hours completed by level of instruction and academic program. For example, STEM programs are generally higher cost, so an above average proportion of STEM leads to more ABF being distributed.

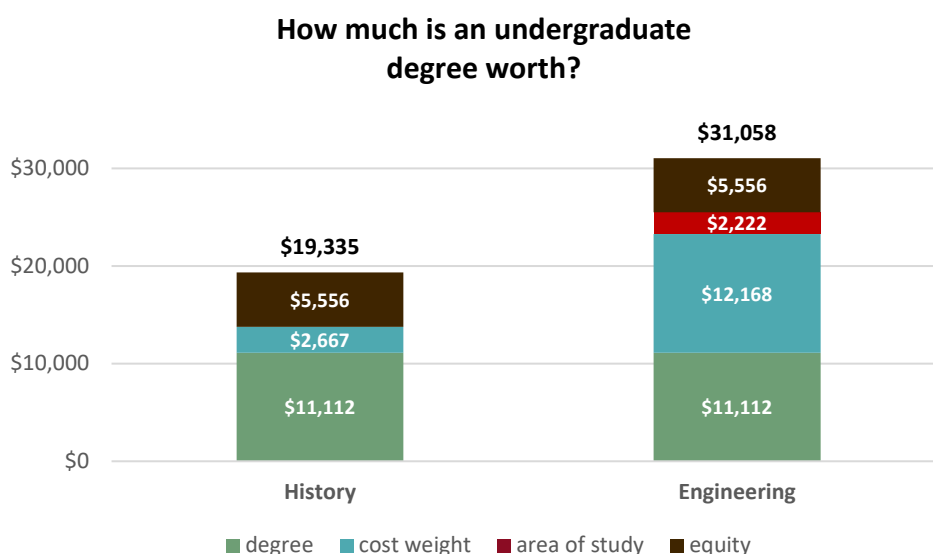
## Outcomes-Based Funding (OBF)

The OBF component is a points-based allocation that distributes funding for degree and certificate completions by Oregon residents, averaged over a three-year period, in alignment with the state's 40-40-20 goal. The OBF component recognizes the cost differences by level of instruction and field of study with the use of cost weights, recognizes the degree level, and includes an area of study bonus as well as a bonus for prioritized populations. The area of study bonus is for high-demand, high-reward fields including STEM, health, and bilingual education. Prioritized populations include students who are low-income, from a rural high school, military veterans, or are traditionally underrepresented as defined by racial or ethnic groups.

The calculations are based on the number of resident degree completions by level of instruction and field of study using a three-year average for the three prior academic years for each university. Non-resident doctoral degree completions are also included. The following adjustments to the three-year average number of degree completions are applied to calculate the number of points:

- **Degree weights** – Undergraduate at 2.0, master's at 1.0, professional at 1.0, doctoral at 2.0, and certificate at 0.2.
- **Cost weights** – By level of degree and field of study.
- **Transfer discount** – A discount of 37.5% is applied to degrees earned by students who transferred from another university.
- **Area of study bonus** – A 20% bonus is applied for degrees earned in high-demand, high-reward fields including STEM, health, and bilingual education.
- **Priority population bonus** – A sequential bonus (50-60%) is applied for degrees earned by low-income, rural, veteran, or underrepresented students; the bonus is based on the number of populations.

Once calculated for each university, the total number of points is added up and then divided into the available funding to get a dollar value per point. That dollar value is then multiplied by the number of points for each university to calculate the total OBF funding for each university.



The majority of OBF (about 66%) is allocated for undergraduate degree completions. An undergraduate, non-transfer degree during FY2025 was worth \$11,112. The cost weights added additional funding from \$2,667 for liberal arts degrees (like history) to \$12,168 for STEM degrees (like engineering). The area of study bonus was worth \$2,222 (20% of \$11,112). The priority population bonus was \$5,556 (50% of \$11,112) for one population and averaged \$6,927 since some priority population students were in more than one population.

## **Equity Focus**

A key feature of the SSCM is its focus on equity, particularly through prioritizing traditionally underrepresented students in the outcomes-based funding component. This component was originally added during 2015 and subsequently strengthened during the 2020 review in alignment with the HECC's Equity Lens.

SSCM supports equity within the outcomes-based component. Additional weight is provided for resident, undergraduate students who graduate and identify as being part of one or more prioritized populations. This is an incentive to increase the success and completion of prioritized students from these populations and recognizes the additional cost associated with supporting them through completion. The additional weight is additive for students who are in multiple populations and based on a three-year average of resident, undergraduate awarded degrees.

The prioritized populations include:

- Low-income students defined as Pell grant recipients
- Students who identify as part of a traditionally underrepresented racial/ethnic group
- Rural students as defined by the location of the high school from which they graduated
- Military veterans

During FY2025, 15% of the outcomes-based funding was distributed based on the completion of students in priority populations. This is an average of \$6,927 for each of these graduates. The total amount allocated was \$39 million. More information by university is included in Table 5. Note: The three-year average of resident, undergraduate degrees earned by students who identify in one or more priority populations. The three-year period includes academic years 2022, 2023, and 2024.

**Table 5: FY2025 OBF Allocations for Priority Populations**

<b>University</b>	<b>One Pop.</b>	<b>Two Pop.</b>	<b>Three Pop.</b>	<b>Total Populations</b>	<b>Total Funding</b>	<b>Average Funding</b>
EOU	169	73	12	255	1,468,948	5,770
OIT	216	85	13	314	1,806,369	5,753
OSU	1,346	473	61	1,880	10,773,770	5,732
PSU	1,570	672	35	2,277	13,062,381	5,737
SOU	204	77	6	287	1,644,141	5,729
UO	864	361	54	1,280	7,370,298	5,760
WOU	298	172	29	500	2,904,006	5,813
<b>Total</b>	<b>4,668</b>	<b>1,914</b>	<b>210</b>	<b>6,792</b>	<b>\$39,029,913</b>	<b>\$5,747</b>

## OTHER SUPPORT

This program includes funding for certain projects that are separate and distinct from the other programs because they are discrete, one-time projects appropriated because of funding availability. In 2023-25, this included a \$25 million state investment in the fiscal sustainability of the technical/regional universities plus PSU as described below. A reappropriation of \$11.1 million was included in 2025-27 for continued pursuit of program objectives.

**Table 6: Funding for Other Support**

<b>Financial Viability Funding</b>	<b>2023-25</b>	<b>2025-27</b>
PSU	10,099,030	Remaining balances from the prior biennium.
OIT	3,176,365	
WOU	3,161,272	
SOU	3,022,594	
EOU	2,905,221	
Collaboration	2,535,518	
<b>Total</b>	<b>\$24,900,000</b>	<b>\$11,090,554</b>

The financial sustainability funding for the technical/regional universities (EOU, OIT, SOU, WOU) and PSU during 2023-25 was intended to support them in realigning institutional offerings and resources with current and emerging enrollment and economic realities to achieve long-term financial sustainability. The funding is intended for discrete, one-time investments that have an on-going effect, increasing revenue and/or decreasing expenses in subsequent biennia. The overall goal is to support them as they seek to become more fiscally sustainable in the future.

The state legislature committed a total of \$25 million for this purpose during 2023-25 which included \$6.2 million for innovative proof-of-concept efforts, \$100,000 to assist with the coordination of a financial sustainability report, and \$18.7 million for potential HECC grants to assist the universities with long-term financial sustainability efforts. A reappropriation of \$11.1 million was included in 2025-27 for continued pursuit of program objectives. The totals by university as seen in table 6 will not change due to this reappropriation.

## PUBLIC UNIVERSITY STATE PROGRAMS

State Programs are activities at the public universities that focus on research, public service, or economic development. Many of these programs continue from biennium to biennium, but some are one-time funding appropriated for short-term or targeted activities which may include capital projects (construction or otherwise) funded with general, lottery, or federal funds.

Funding for ongoing state programs is provided at CSL for 2025-27. Table 7 summarizes funding for state programs by university for 2025-27.

**Table 7: 2025-27 Funding for Public University State Programs**

<b>Institution</b>	<b>Ongoing</b>	<b>Targeted or One-Time</b>	<b>Total</b>
EOU	406,204	155,949	562,153
OIT	2,978,665	-	2,978,665
OSU	30,242,621	858,062	31,100,683
PSU	23,149,184	825,648	23,974,832
UO	4,100,164	-	4,100,164
SOU	4,159,264	-	4,159,264
WOU	448,524	-	448,524
<b>Total</b>	<b>65,484,627</b>	<b>1,839,659</b>	<b>67,324,286</b>

Note: The ongoing amounts by university may change since the ETSF distribution by university is estimated for the 2025-27 biennium and will be updated with available data.

Table 8 summarizes the funding for ongoing state programs by program and university. Table 9 does the same for the targeted or one-time programs. Program descriptions are included for the ongoing programs while the sponsoring legislation is noted for the one-time programs.

**Table 8: 2025-27 Funding for Ongoing State Programs**

<b>Program</b>	<b>University</b>	<b>Amount</b>
Engineering Technology Sustaining Funds	All	33,009,205
TallWood Design Institute	OSU	4,589,149
Dispute Resolution	UO, PSU	3,373,121
Oregon Solutions	PSU	3,047,559
Fermentation Science	OSU	1,673,459
Signature Research	PSU, OSU, UO	1,404,777
Labor Education Research Center	UO	1,342,638
OSU Ocean Vessels Research	OSU	836,730
Oregon Renewable Energy Center	OIT	644,796
Population Research Center	PSU	587,674
Institute for Natural Resources	OSU	538,788
Clinical Legal Education	UO	469,902
Oregon Climate Change Research Institute	OSU	422,329
Willamette Falls Locks Commission	PSU	245,022
Veterinary Diagnostic Lab	OSU	3,452,964
Environmental Justice Mapping Tool	OSU, PSU	220,921
Cybersecurity Center of Excellence	PSU	9,625,593
<b>Total</b>		<b>65,484,627</b>

Note: The amount for the Cybersecurity Center of Excellence includes both general funds and other funds. This is an accounting detail, and it should be noted that the amount appropriated for distribution to the center during the 2025-27 biennium is \$4,975,593.

## **Program Descriptions**

**Engineering Technology Sustaining Funds (ETSF)** – Funding to support engineering and technology programs at all seven institutions. It is an outcomes-based formula that uses a set amount of base funding for each institution with the remaining funding distributed based on degrees to Oregon residents, research spending, and wages of graduates in targeted employment fields. Like the SSCM, degree outcomes, research expenses, and wages of graduates are all based on a three-year average of annual data.

The ETSF formula distributes base funding of \$130,000 per year to each institution to support one faculty member. The formula then distributes the rest of the funding equally across three categories as noted below.

- A. **Degrees to Oregon Residents** – The degrees to Oregon residents are those degrees conferred at all levels excluding graduate certificates. The targeted fields include computer science, engineering, mathematics, engineering technology, and for the following master's degrees earned only at the University of Oregon: biology, chemistry, physics, and materials sciences. All degrees are weighted equally among disciplines and levels.
- B. **Research and Development** – Doctoral degrees earned by residents and non-residents in the targeted fields account for 60% of the funding in this category. Research spending in the same fields is collected from the institutions as the basis of the remaining 40%.
- C. **Wages and Employment** – This category allocates funds equally based on whether graduates in targeted fields are employed in Oregon after graduation. It also accounts for the wages the individual earns. The data comes from the Oregon Employment Department and is largely limited to those employees who are not self-employed.

**TallWood Design Institute** – The 2015 Legislature provided funding for what is now known as the TallWood Design Institute (previously known as the OSU Advanced Wood Products with UO). The TallWood Design Institute is the nation's only research collaborative that focuses exclusively on the advancement of structural wood products. It conducts the research needed for widespread adoption of mass timber building technology in the U.S. The Institute is a partnership between Oregon State University and the University of Oregon, bringing together the strengths of OSU's College of Forestry and College of Engineering, and the UO's School of Architecture and Allied Arts.

**Veterinary Diagnostic Lab** – The OSU Veterinary Diagnostic Laboratory is a public-supported facility providing a full range of animal disease diagnostic services to veterinarians, livestock producers, pet owners, and biomedical researchers. In addition to diagnostic services, the Laboratory shares in the training of future veterinarians through instruction of veterinary medical students in the practice of diagnostic medicine.

**Dispute Resolution** – The UO administers the Oregon Office of Community Dispute Resolution (OOCDR) which provides mediation services and conflict resolution training to private parties. The OOCDR also provides funding and training support to 20 community dispute resolution centers, serving 25 Oregon counties. PSU administers the Oregon Consensus program, within the National Policy Consensus Center, which facilitates collaborative agreement seeking processes that unite communities, government, and businesses to resolve differences and build durable agreements that address public issues. Funding is allocated between UO and PSU on a 60%/40% split by agreement of both institutions. OAR 715-013-0066 was adopted to allocate these funds via this agreed-upon split but was legislatively amended by HB 5050 (2019).

**Oregon Solutions** – Oregon Solutions (OS) at Portland State University promotes a new style of community governance, one based on the principles of collaboration, integration, and

sustainability. OS is a state-funded program that brings together local groups to solve local problems using sustainable methods.

**OSU Fermentation Science** – This funding was intended to “expand fermentation science programs” at Oregon State University. Fermentation science funding supports Oregon’s fast-growing beer, wine and spirits industries and is one of the only programs of its type in the country.

**Signature Research** – Initiated by the legislature in 2003 to support the development of Signature Research Centers for Multi-Scale Materials and Devices at OSU, UO and PSU. The research focuses on integrating nanotechnology and micro-technology into product engineering and design. The overall mission of the initiative is to create high-wage jobs and quality economic development in the state. UO and OSU each receive 47.5% of the available funds and PSU receives the remaining 5%. OAR 715-013-0064 was adopted to allocate these funds.

**Labor Education Research Center (LERC)** – Established at UO in 1977 to give workers and labor unions in Oregon access to the resources and expertise of the state’s higher education system. Working from offices in Eugene and Portland, LERC’s faculty have backgrounds in adult education, political science, labor and public policy, history, and community organizing. LERC offers a wide range of non-credit workshops and customized training in areas such as representation skills, effective communication, building inclusive organizations, labor history, political economy, and law.

**OSU Ocean Vessels Research** – This state-funded program provides ship days, including funding for fuel, supplies, and labor, for the research and study of Oregon’s coastal waters. The Oceangoing Research Vessel Program is operated through the OSU College of Earth, Ocean, and Atmospheric Science. Research projects are approved by a Research Vessel Council.

**Oregon Renewable Energy Center** – Oregon Tech’s OREC program serves small and medium-sized companies seeking a university collaborator to prototype, test, validate and accelerate “cleantech” products, and renewable energy applications. OREC’s geo-heat center maintains a geothermal library of over 5,000 publications and provides information and technical assistance on the use of geothermal energy to thousands of constituents worldwide, with a focus on assisting small Oregon-based businesses with applications of geothermal energy.

**Population Research Center (PRC)** – The mission of PRC, located at PSU, is to provide population data, information, and research analysis for Oregon and its communities. In addition, it has the responsibility of acting as the lead state agency in working with the U.S. Census Bureau to disseminate information at local levels.

**Institute for Natural Resources (INR)** – A cooperative enterprise at OSU bringing the scientific knowledge and expertise of Oregon’s public universities and other Oregon higher education institutions to bear on natural resource management. The enacting legislation states that INR shall: (a) serve as a clearinghouse for scientifically based natural resources information; (b) provide scientifically based natural resources information to the public in integrated and accessible formats; (c) coordinate efforts with other state agencies and bodies to provide natural resources information to the public in a comprehensive manner; (d) facilitate

and conduct research; and (e) provide information and technical tools to assist decision-making on natural resources issues.

**Clinical Legal Education** – This program provides funding to any accredited public or private institution of higher education within Oregon which provides clinical legal services to victims of domestic violence, stalking or sexual assault. Distribution of the funds is on an application basis. OAR 715-013-0060 has been adopted to assist with establishing the eligibility for and distribution of these funds. It is anticipated that the University of Oregon will receive all funds for this program for the upcoming biennium as they are the only eligible institution. Lewis and Clark had previously been eligible but no longer offers eligible services.

**Oregon Climate Change Research Institute (OCCRI)** – The Institute facilitates research, serves as a climate change information clearinghouse, provides technical assistance, and at least once each biennium, assesses the state of climate change science as it relates to impacts on Oregon. OCCRI is housed within the OSU College of Oceanic and Atmospheric Sciences (COAS).

**Willamette Falls Locks Commission** – Pursuant to SB 256 (2017), Oregon Solutions facilitated the Commission to advise state, local, and regional government agencies on the development and implementation of a plan for repair, reopening, operation, and maintenance of the Willamette Falls navigation canal and locks. This funding is distributed to PSU on behalf of Oregon Solutions.

**Environmental Justice Mapping Tool** – The tool is being developed for state agencies to help them identify communities traditionally unrepresented in government processes and harmed by environmental and health hazards as required by HB 4077 (2022 RS). The tool will potentially influence how agencies target community engagement, develop new programs, and consider how to allocate resources. The tool is being developed through the OSU Institute for Natural Resources and the PSU Population Research Center. The work includes participating in stakeholder meetings, inventorying and gathering data, testing the mapping tool, refining functionality, identifying governance structures, development and hosting of the web-based tool. The work is overseen by the Oregon Environmental Justice Council.

**Cybersecurity Center of Excellence (OCCOE)** – OCCOE was created by HB 2049 (2023 RS) to supplement the activities of the State Chief Information Officer regarding cybersecurity in Oregon by coordinating, funding, or providing awareness, education and training about cybersecurity and related issues for public, private, and nonprofit sectors. State funding for the operations of the Center is appropriated to the HECC for distribution to OSU, UO, and PSU on behalf of the Center.

**Table 9: 2025-27 Funding for Targeted/One-Time State Programs**

<b>Program</b>	<b>Source</b>	<b>University</b>	<b>Amount</b>
Oregon Climate Service	SB 5525	OSU	267,505
Pilot program hiring students at nonprofits	SB 5525	EOU, PSU	314,806
Juniper Removal Program	SB 5525	OSU	390,557
OSU Foundation - AgriStress Helpline	HB 5006	OSU	200,000
Ag Industry labor standards study	HB 2548	PSU	666,791
<b>Total</b>			<b>1,839,659</b>

Descriptions and more detailed information for each of the targeted or one-time state programs can be found in the sponsoring legislation noted in the source column in Table 9.

### **STATEWIDE PUBLIC SERVICE PROGRAMS (SWPS)**

Most of the funding for these programs is provided in the HECC's budget bill, which is SB 5525 (2025 regular session). These programs, all housed at OSU, provide extensive public service and community outreach throughout Oregon with a presence in all 36 counties, particularly in rural areas and for natural resource industries and issues.

Funding during 2025-27 is at CSL. Table 10 provides a summary of funding for all the services.

**Table 10: Funding for Statewide Public Services**

<b>Program</b>	<b>2023-25</b>	<b>2025-27</b>	<b>Variance</b>	<b>%</b>
Agricultural Experiment Station	97,016,982	103,810,098	6,793,116	7%
Extension Service	112,426,581	126,427,433	14,000,852	12%
Forest Research Laboratory	13,824,523	14,792,514	967,991	7%
<b>Total</b>	<b>\$223,268,086</b>	<b>\$245,030,045</b>	<b>\$21,761,959</b>	<b>9.7%</b>

Note: Table 10 includes funding for the Outdoor School Program.

**Agricultural Experiment Station** – The principal agricultural research agency in the state as part of the land-grant mission of OSU. Its mission is to conduct research in the agricultural, biological, social, and environmental sciences for the benefit of all Oregonians.

**Extension Service** – The Extension Service connects Oregonians to science-based expertise, education and partnerships relating to public health, agriculture, forestry, natural resources, and community development. Two well-known partnerships are 4-H and the Outdoor School Program. Table 11 summarizes additional one-time funding appropriated to the Extension Service for 2025-27.

**Forest Research Laboratory** – Oregon’s original research agency designed to help solve programs, create opportunities, and develop new understanding and innovation about forest ecosystems, forest management, and forest-derived renewable materials.

Note: One time funding for Extension service is included in 2025-27 total for Extension Service in Table 10.

**Table 11: 2025-27 One-Time Funding for Extension Service\***

<b>Program</b>	<b>Source</b>	<b>Amount</b>
Small Farms and Community Food Systems	SB 5525	5,441,673
Statewide study on PFAS	HB 2947	410,000
<b>Total</b>		<b>\$5,851,673</b>

## LOTTERY FUND PROGRAMS

The Oregon Lottery was created by voters in 1984. Proceeds from lottery games fund several state programs, including the Sports Lottery Program and the Outdoor School Program. Funding for the Sports Lottery Program increased \$522,983 million or 3%. Funding for the Outdoor School program increased \$11,654,519 or 32%. Table 12 provides a summary.

**Table 12: Funding for Lottery Funds**

<b>Institution</b>	<b>Sports Lottery</b>	<b>Outdoor School</b>	<b>Total</b>
EOU	3,263,286	-	3,263,286
OIT	3,263,286	-	3,263,286
OSU	1,377,218	48,060,583	49,437,801
PSU	3,045,345	-	3,045,345
SOU	3,263,286	-	3,263,286
UO	1,377,218	-	1,377,218
WOU	3,263,286	-	3,263,286
<b>Total, 2025-27</b>	<b>\$18,852,926</b>	<b>\$48,060,583</b>	<b>\$66,913,509</b>
Total, 2023-25	18,329,943	36,406,064	54,736,007
Variance	522,983	11,654,519	12,177,502
%	3%	32%	22%

**Sports Lottery** – The Sports Action Lottery game was authorized by the 1989 Legislature, allowing bets on professional football games. HB 3466 (2005) prohibited betting on sporting events effective July 2007 and dedicated 1% of lottery revenues for athletic programs and student scholarships. As outlined in ORS 461.543, 88% of available funding is for athletic

programs. Of that amount, 70% shall be for non-revenue producing sports with 30% for revenue producing. At least 50% of the total is for women's athletics. The remaining 12% shall be spent on scholarships, equally split between merit-based and need-based.

**Outdoor School** – Programs offered through the Outdoor School build self-sufficiency and leadership skills, help students understand the interdependence of Oregon's rural and urban areas and develop critical thinking skills, and improve school attendance and retention rates. These programs aim to improve student achievement in the areas of science, technology, engineering, and mathematics through direct, hands-on experience, which is shown to strongly influence learning and career choices.

## SUPPORT FOR OHSU

OHSU has four public missions: education, clinical care, research, and statewide outreach. The university educates the next generation of health care professionals and biomedical scientists by offering professional degrees in dentistry, nursing, medicine, pharmacy (OHSU/OSU), and other health professions. It also educates many interns, residents, and fellows in over 80 accredited specialty programs in medicine and dentistry.

Total support funding for OHSU grew \$6.3 million, or 4.5%, to \$147 million during 2025-27 as noted in Table 13. OHSU's continuing programs were funded at CSL with exceptions and additional programs explained below.

**Table 13: Funding for OHSU**

<b>Funding Type</b>	<b>2023-25</b>	<b>2025-27</b>	<b>Variance</b>	<b>%</b>
Education and General	74,003,628	79,183,883	5,180,255	7%
30 x 30 x 2030 Plan	43,155,511	46,178,589	3,023,078	7%
Child Dev & Rehab Center	9,722,149	10,403,097	680,948	7%
Oregon Poison Center	4,011,089	4,291,994	280,905	7%
Oregon Child Integrated Dataset (OCID)	2,000,000	2,140,000	140,040	7%
Statewide Behavioral Capacity Dashboard (OBCC)	5,400,000	4,280,000	(1,120,000)	(21%)
Oregon Perinatal Collaborative (OPC)	1,000,000	500,000	(500,000)	(50%)
Area Health Education Center	1,500,000	-	(1,500,000)	(100%)
Viability Study	-	100,000	100,000	100%
<b>Total</b>	<b>\$140,792,377</b>	<b>\$147,077,563</b>	<b>\$6,285,186</b>	<b>4.5%</b>

OHSU receives state funding for its education and general mission, which includes support for the School of Medicine, School of Nursing, and School of Dentistry. In total, this is noted as education and general funding in Table 13. OHSU allocates the funding internally as appropriate.

The Child Development and Rehabilitation Center (CDRC) combine clinical excellence with innovative research to provide the best care for children with special health needs. The staff specialize in diagnosis, assessment, and intervention related to disorders affecting development. Funding for 2025-27 is at CSL.

The Oregon Poison Center provides continuous, free emergency help for poisonings through its toll-free telephone number. It serves residents of Oregon, Alaska, and Guam. Funding for 2025-27 is at CSL.

Ongoing support was provided for the Oregon Child Integrated Dataset (OCID), which includes child-related data from a variety of sources. This collaborative effort includes data from the Oregon Health Authority, Department of Human Services, and the Oregon Department of Education. OHSU will be working with the Oregon Longitudinal Data Collaborative (OLDC) within the HECC Office of Research and Data on this effort.

Funding of \$4.3 million was provided to continue state support of the Oregon Behavioral Health Coordination Center (OBCC) at OHSU. In 2023-25 there was an additional one-time investment of \$1,400,000, which was phased out in 2025-27. OBCC serves as a hub for information regarding acute and residential behavioral health services across Oregon. The Center includes a tool providing real-time data on facility capacity and available placement options for behavioral health patients.

An additional \$100,000 was appropriated in HB 5006 to study and review the current and future financial viability of the Oregon National Primate Research Center (ONPRC).

## SUPPORT FOR COMMUNITY COLLEGES

Total institutional support funding for the community colleges grew \$55.9 million or 7% to \$870.4 million during 2025-27 as noted in Table 14. Community college funding primarily flows through the following programs:

1. **Community College Support Fund (CCSF)** – The CCSF is the state’s primary direct funding contribution for college operations which is largely allocated to institutions via a distribution model. More detailed information about the model is included in the next section of this report. A small amount of timber tax funding, based on expected revenue collections, is distributed to the colleges and noted as other funds (OF). For 2025-27, the CCSF was funded at a total of \$854 million, which includes funding for six set asides. This is funded at CSL. More information can be found in Table 15.
2. **DOC Education Services** – This program includes funding from the Department of Corrections (DOC) to the HECC for distribution to the colleges who provide educational services for adults in custody. It was funded at CSL for 2025-27.
3. **Skills Centers and First-Generation Grants** – This program includes funding for the Margaret Carter and Sabin Schellenberg Skills Centers as well as funding for first generation student grants and is funded at CSL for 2025-27.
4. **Other Support** – This includes funding for other programs that are specific to the biennium in which they are appropriated as detailed in Table 16.

**Table 14: Funding for Community Colleges**

Funding Type	2023-25	2025-27	Variance	%
CCSF – GF	795,605,543	854,254,344	58,648,801	7%
CCSF – OF	98,626	105,333	6,707	7%
DOC Education Services	10,864,866	11,321,190	456,324	4%
Skills Centers and First-Generation Student Grants	4,394,457	4,719,131	324,674	7%
Other Support	3,535,704	-	(3,535,704)	(100%)
<b>Total</b>	<b>\$814,499,197</b>	<b>\$870,399,998</b>	<b>\$55,900,801</b>	<b>6.9%</b>

### COMMUNITY COLLEGE SUPPORT FUND (CCSF)

State funding appropriated within the CCSF includes categorical funding for several set aside programs as well as funding for the community college distribution model. The distribution model includes a base payment for each of Oregon’s 17 colleges and then allocates the remaining funding based on enrollment using a three-year average. Enrollment funding is equalized across local and state funding sources.

There are currently six set asides. Funding for the set asides is taken off the top of the CCSF and summarized in Table 15. The set asides include:

- **Corrections** – Funding that allows adults in custody to take community colleges courses while incarcerated. The allocation changes by the same percentage as the overall CCSF.
- **Contracts Out of District (COD)** – Funding that allows students not in a service district to take courses in a neighboring district. The offering district is reimbursed based on the average formula funding per FTE.
- **Distance Learning** – Funding to increase the capacity and quality of distance learning programs in all districts. The allocation changes by the same percentage as the overall CCSF.
- **Strategic Fund** – Funding for statewide initiatives and for the colleges to meet new legislative requirements. The HECC established the percentage of CCSF, currently 1.00%, used for the fund.
- **Student Support** – Funding to provide additional resources to support traditionally underrepresented students who have faced the highest barriers to success. The amount will eventually be 5% of the total CCSF.
- **Student Success** – Funding to incentivize progression toward and completion of credentials in alignment with existing state higher education goals. The amount will eventually be 5% of the total CCSF.

**Table 15: Community College Support Fund**

<b>Funding Type</b>	<b>2023-25</b>	<b>2025-27</b>	<b>Variance</b>	<b>%</b>
Corrections	2,803,616	3,010,287	206,671	7%
COD	300,000	322,115	22,115	7%
Distance Learning	2,281,934	2,450,149	168,215	7%
Strategic Fund	5,967,042	8,542,543	2,575,501	43%
Student Support	7,500,000	30,000,000	22,500,000	300%
Student Success	5,000,000	20,000,000	15,000,000	300%
Distribution Model	771,752,952	789,929,250	18,176,298	2%
<b>Total</b>	<b>\$795,605,544</b>	<b>\$854,254,344</b>	<b>\$58,648,800</b>	<b>7.4%</b>

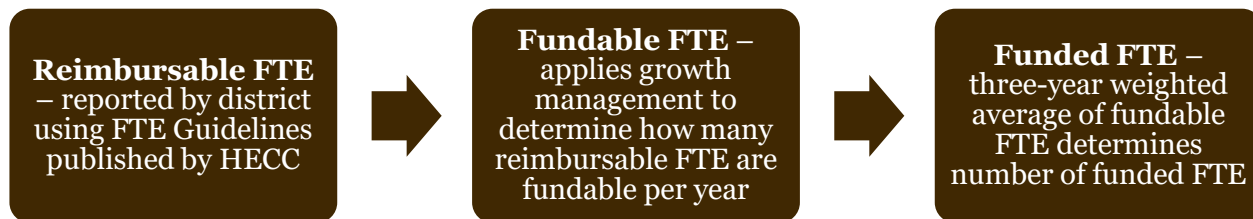
Funding for the set asides is distributed via grant agreement throughout the biennium. Funding for the distribution model is distributed in eight payments with five in the first year of the biennium and three in the second year of the biennium. Two of the eight payments in the first year occur in the first quarter of the biennium. There is no payment in the last quarter of the biennium for the CCSF, but there is a payment for Student Support and Student Success. Any remaining set aside funding at the end of the biennium is allocated to the colleges through the distribution model.

The enrollment data for the three-year average is updated every fall and property tax information is updated at the end of each calendar year after the amount of property taxes to be assessed is determined. The distribution model is updated after both enrollment and property taxes are updated. Any difference between the preliminary and updated allocations are calculated and then amortized throughout the remaining payments.

Specific calculations and current data related to the distribution model can be found on the HECC's website within the pages for the Office of Postsecondary Finance and Capital. The administrative rules are codified in OAR 589-002-0120 (and related rules) defining the allocation of the Community College Support Fund (CCSF) including the set asides and the distribution model.

### **Funded FTE**

The community college distribution model includes two components: a base payment and equalized enrollment funding. Both are based on the number of funded FTE which is the weighted average of fundable FTE during the last three academic years. Fundable FTE are the number of reimbursable FTE that are eligible after applying the growth management component.



One reimbursable FTE is defined as 510 clock hours of instruction (which is 34 weeks in three terms times 15 hours per week). The FTE Guidelines stipulate that reimbursable courses are those taught in Oregon to residents of Oregon and neighboring states excluding hobby or recreation courses. An annual audit is conducted by CCWD to ensure compliance.

The Growth Management Component (GMC) is applied to the number of reimbursable FTE for each college. The GMC is intended to prevent erosion in the level of funding per FTE. It does not apply to colleges with an enrollment of less than 1,100 FTE. It compares reimbursable FTE to prior year data to determine each college's fundable FTE. The GMC calculations are outlined in OAR 589-002-120 (6) (c).

The number of fundable FTE is then weighted using a three-year average with 40% based on the most recent year and 30% based on each of the two years prior. This determines the number of funded FTE for each college which is then used in the calculations for the two components.

### **Base Payment**

The base payment ensures a minimum level of funding for essential district operations related to fixed costs that do not change based on enrollment. It increases funding stability and predictability for the colleges. A small college supplement is included based on enrollment.

The base payment for each college is calculated using a flat rate of \$1,104 (for FY2026) per funded FTE up to 1,100 FTE with the rate adjusted for inflation over time. For those colleges with less than 1,100 funded FTE, currently four, an additional amount is added which is the difference between 1,100 funded FTE and the actual funded FTE multiplied by half the flat rate. This is the preliminary base payment. The preliminary payment is then multiplied by the size factor to derive the final base payment for each college.

### **Equalized Enrollment Funding**

Enrollment funding is allocated by the relative proportion of funded FTE for each college. There are two steps involved. The first involves calculating the total public resources (TPR) available for distribution by adding the property tax revenue for all colleges to the available CCSF revenue and subtracting the total of base payments. Property tax data is collected from each college annually.

The second step is to apply the proportion of funded FTE for each college to the TPR available for distribution. This results in the TPR funding for the college. Then, the property tax revenue for the college is subtracted. This leaves the equalized enrollment funding the college will receive through the distribution model.

In general, state funding makes up about 60% of the TPR with property taxes accounting for the rest. This varies by college with some colleges contributing up to 70-80% of TPR through property taxes while some contribute around 20-30%. Property tax assessments across all 17 colleges have increased 20% in the five-year period from 2020 through 2024.

### **Intercept Payments**

Certain distributions made throughout the biennium are impacted by intercept payments which are related to debt service for pension obligation bonds issued by the colleges. Under ORS 238.698, the HECC is allowed, pursuant to a funds diversion agreement, to divert a portion of the calculated distribution for a college to the trustee responsible for the debt service.

The total value of these payments has increased from \$29.9 million in FY2020 to \$51.8 million in FY2024 representing a 73% increase. All but two of the colleges participate in this program. At least one of the two has issued their own pension obligation bonds separately.

### **Timber Tax Revenue**

The colleges annually receive a small amount of timber tax revenue from the Oregon Department of Revenue. It is distributed in equal shares to all 17 colleges. The revenue is generated by a natural resources tax resulting from logging activity on state lands.

## **DOC EDUCATION SERVICES**

This program includes funding from the Oregon Department of Corrections (DOC) via an interagency agreement to the HECC for distribution to the colleges who provide educational services for adults in custody in DOC facilities. This program began during the 2021-23 biennium.

It was a new arrangement agreed to in 2021 where DOC no longer has a direct financial relationship with the colleges who provide these services. Instead, DOC transfers the funding through the agreement with HECC and HECC provides payments to the community colleges.

For 2025-27, the funding of \$11.3 million is at the general rate of CSL inflation to reflect the expected actual cost.

## **SKILLS DEVELOPMENT CENTERS**

This program includes funding for the two Skills Centers in the Portland metro area. Funding for 2025-27 is at CSL with \$377,616 appropriated for each center. The centers are:

- The Sabin-Schellenberg Professional Technical Center in Milwaukie, founded in 1967, provides opportunities to the students at North Clackamas School District and currently serves approximately 3,500 students in grades 9 through 12 who attend classes in career and technical education from farm to work at one of three campuses.
- The Margaret Carter Skills Center at PCC, founded in 1989, assists unemployed and underemployed learners in becoming more self-sufficient by providing educational and occupational training to meet and match labor market opportunities. Those served are mostly adults who may have experienced the criminal justice system, may have dependents, may have not completed a GED, and are disproportionately students of color.

## **FIRST GENERATION STUDENT GRANTS**

As required by HB 3063 (2015), funding is provided for a grant program to increase the number of underserved, low-income, and first-generation college-bound students who enroll in community college and make progress toward a degree or a certificate. The grants can be used for services designed to increase student enrollment, retention and degree/certificate completion, including counseling programs, college initiatives, advising services, and assistance in obtaining financial aid. Funding for 2025-27 is at CSL totaling \$4.0 million.

## **OTHER SUPPORT**

This program includes funding for certain projects that are separate and distinct from the other programs because they are discrete, one-time projects appropriated because of funding availability. No funding was provided for this during 2025-27.

## CAPITAL CONSTRUCTION PROJECTS

The Oregon Legislature can authorize state-issued bonds for capital investments in community college and public university construction projects. Within Article XI of the Oregon Constitution, there are three types of state-backed, general obligation bonds available for higher education capital projects. These include XI-F (1) bonds for public universities only, XI-G bonds for community colleges and public universities, and XI-Q bonds for public universities only.

- **XI-F (1)** bonds are backed by university revenues and can be utilized for non-E&G projects. The university pays the debt service for these bonds. These are often used for auxiliary projects. The HECC is responsible for conducting a revenue sufficiency analysis for each project funded with these bonds.
- **XI-G** bonds are matching bonds wherein the institution must provide a 1:1 match and are restricted to higher education institutions with the State paying the debt service.
- **XI-Q** bonds have no matching requirement, are restricted to state-owned buildings, and the State pays the debt service.

Occasionally the state will provide capital funding using other sources. This could include direct revenue program debt like lottery bonds in which dedicated lottery revenues pay the debt service. Or it could include direct appropriations which often involve smaller projects with funds dispersed via grant agreement that do not incur debt on behalf of the state. Any projects funded by direct appropriations are accounted for elsewhere in this report.

For 2025-27, the Legislature approved \$469.5 million in state-issued bonds for eight new projects as well as capital improvement and renewal for the public universities. Table 16 summarizes how that compares to the prior biennium.

**Table 16: Bond Funding for New Capital Construction**

	<b>Bond Type</b>	<b>2023-25</b>	<b>2025-27</b>	<b>Variance</b>	<b>%</b>
Colleges	XI-G	37,500,000	20,000,000	(17,500,000)	(47%)
Universities	XI-G, XI-Q	325,513,551	311,907,853	(13,605,698)	(4%)
Universities	XI-F (1)	10,200,000	137,540,000	127,340,000	1,248%
<b>Total</b>		<b>\$373,213,551</b>	<b>\$469,447,853</b>	<b>\$96,234,302</b>	<b>26%</b>

Table 17 summarizes the investment by project, type of bond, and by sector. This includes \$100 million for Capital Improvement and Renewal (CIR) funding for the public universities. The CIR allocation is shared among all the public universities based on a distribution framework of adjusted gross square feet and the weighted density of students, faculty, and staff. Four new projects are included for the universities with five new projects for the community colleges.

**Table 17: 2025-27 New Capital Construction Projects**

<b>Bond Type</b>	<b>Project</b>	<b>Amount</b>
XI-G	Clackamas CC Farming, Horticulture, Wildfire	8,000,000
XI-G	Mount Hood CC Lab and Classroom Renovations	8,000,000
XI-G	Klamath CC Cosmetology ADA Remediation	4,000,000
	<b>Total, Community Colleges</b>	<b>\$20,000,000</b>
XI-Q	Capital Improvement and Renewal (CIR)	120,000,000
XI-G, XI-F	PSU – Center for the Performing Arts	137,540,000
XI-F	PSU New Housing Project	85,000,000
XI-G, XI-Q	SOU Creative Industries/Student Success	40,550,000
XI-G, XI-Q	UO Child Behavioral Health Building	53,250,000
XI-G, XI-Q	WOU Data Center	13,107,853
	<b>Total, Public Universities</b>	<b>\$449,447,853</b>

Table 18 lists those community college projects that the Legislature reauthorized for the 2025-27 biennium. This allows the colleges more time to raise matching funds for Article XI-G bonds. The effort to raise matching funds may require voter referendums or other activities.

**Table 18: Reauthorized Capital Construction Projects**

<b>Bond Type</b>	<b>Project</b>	<b>Amount</b>
XI-G	Clatsop CC – Maritime Science Building	7,900,000
XI-G	Southwestern Oregon CC – CTE Renovation	8,000,000
	<b>Total, Community Colleges</b>	<b>\$15,900,000</b>

## **Project Descriptions**

### **Clackamas - Center for Excellence for Farming, Horticulture, and Wildland Fire -**

Center of Excellence for Farming, Horticulture, and Wildland Fire project includes moving these instructional programs out of our oldest building, Clairmont Hall, and constructing a modern training facility to serve Horticulture, Arboriculture, Wildland Fire, and other related programs. Programs located directly adjacent to Clairmont Hall (Welding and Apprenticeships) would also receive many additional benefits from this facility.

**Mount Hood - Classroom and Lab Renovations -** Upgrade and modernize classrooms and labs to ensure safety, provide technology to help students engage with subject matter, promote innovation, and support student completion as part of the skilled workforce. Upgraded classrooms and labs will improve safety, provide technology to help students engage with subject matter, promote innovation, and support student completion as part of the skilled workforce. Classrooms will be sized and outfitted to support all ranges of instruction.

**Klamath - Cosmetology ADA Remediation –**The project is to construct a new, \$8 Million, 22,000-square-foot work-skills building on campus. Includes a cosmetology lab, clinical courses, room for separate classrooms, storage. State-of-the-art learning both in-house and remotely.

**All universities – Capital Improvement and Renewal -** The Capital Improvement and Renewal project is proposed to provide funding to the seven public universities, to address deferred maintenance, code compliance, safety issues, and Americans with Disabilities Act (ADA) accessibility improvements for campus facilities.

**PSU - Portland Oregon Center for the Performing Arts -** Portland State University's proposed project is a collaborative partnership with the City of Portland, a private-hotel partner, philanthropic elements, and PSU. This project includes a new, state-of-the-art 3,000-seat performing arts facility, a 1,200-seat secondary venue owned by PSU along with supporting academic spaces.

**PSU - New Housing Project -** PSU intends to build a new - up to 7 story -residential building on west campus. This new building will serve PSU's first year students, providing a modern residential hall to support students living on campus. The new building will include up to 576 beds with ensuite restrooms, student support spaces, student lounges and student study spaces.

**SOU - Creative Industries/Student Success -** The Creative Industries / Student Success and Leadership Center will renovate SOU's existing Music Building & Digital Media Center (DMC) Building. This project will be phased, with the Music Building renovation occurring first, allowing the current Music & Digital Media programs to fully integrate & collaborate, forming a new Creative Industries Center.

**UO - Child Behavioral Health Building -** The Child Behavioral Health Building Project at the university's new UO Portland campus. The building will house the Ballmer Institute for Children's Behavioral Health and the Portland facilities of the Prevention Science Institute, two units which are devoted to developing innovative ways to support children's behavioral health—

one of the most pressing societal issues of our time. The new Child Behavioral Health Building will facilitate collaboration between both institutes.

**WOU - Data Center** - Western Oregon University's (WOU) data center is in a retrofitted 60-year-old classroom, equipped with cooling systems designed for human comfort rather than optimal server and data tower conditions. Operating near its cooling threshold, this equipment necessitates supplementary cooling from portable units during summer months. Recently, a nonstandard temperature control design led to a drop in the data center temperature, causing a system failure during freezing temperatures.

**Clatsop – Maritime Science Building** – The project includes the purchase of currently leased Marine and Environmental Research Training Station (MERTS) campus land, renovation of the existing science building, and construction of a new Maritime Science Building on the MERTS campus, which will include classrooms, labs, and expanded faculty and support space.

**Southwestern Oregon – Career Technical Education Renovations** – Renovate current career technical education space including welding and manufacturing.

## DEBT SERVICE

This funding provides for debt service payments on state issued bonds. Some bonds (XI-Q and Lottery) have debt service paid solely by the state, some are paid by a mix of state and institution revenues (XI-G), and yet other types (XI-F) are paid solely by the institution.

Total debt service, including debt service paid entirely by the institutions for state-issued bonds, increased by 5% to \$636.3 million for 2025-27. The general and lottery fund share combined amounts to 66% of total debt service during 2025-27 with details included in Table 20.

This information is for state-backed bonds only and does not represent the total outstanding debt service for the institutions. Total long-term liabilities noted in their annual financial reports will include other liabilities. As a result, the total liabilities reported in the institutions' annual financial reports will not tie to the numbers noted here.

Table 19 reflects the funding for debt service by general fund, lottery fund, other funds for the colleges, public universities, and OHSU. One exception is the SWOCC elevator project in the amount of \$247,500 as directed for Tioga Hall as noted in HB 5006, Section 102, 2025 Regular Session.

**Table 19: Funding for Debt Service**

<b>Institutions</b>	<b>General Fund</b>	<b>Lottery Fund</b>	<b>Other Funds</b>	<b>Total</b>
Community Colleges	47,068,827	9,516,710	385,000	56,970,537
Public Universities	306,958,030	34,833,901	210,427,059	552,218,990
OHSU	23,571,125	-	3,317,168	26,888,293
<b>Total, 2025-27</b>	<b>\$377,597,982</b>	<b>\$44,350,611</b>	<b>\$214,129,227</b>	<b>\$636,077,820</b>
Total, 2023-25	321,129,649	44,781,886	237,610,976	603,522,511
Variance	56,468,333	(431,275)	(23,481,749)	32,555,309
	18%	(1%)	(10%)	5%

## APPENDIX – GLOSSARY AND COMMON ACRONYMS

**Agency Requested Budget (ARB)** – An agency’s requested biennial budget submitted to the Governor by August 30 of every even numbered year.

**Biennium** – A two-year fiscal period. Oregon approves a “biennial budget” every two years. It consists of two annual budgets, one for each fiscal year. The biennium runs from July 1 of an odd-numbered year to June 30 of the next odd- numbered year.

**Budget Note** – A legislatively expressed direction to a state agency or other part of state or local government to undertake certain activities, included in the budget report for a budget bill.

**Budget Report** – The document, prepared by the staff of the Joint Committee of Ways and Means, providing further details on how funds appropriated through a budget bill are to be spent.

**Current Service Level (CSL)** – A budgetary term that refers to any budget proposal which requests future funding for service provision “at the current level.” The Current Service Level will reflect changes due to inflation, labor contract changes, caseload changes, and any other changes required to continue to provide the same level of service. Beginning with this biennium, the universities have a separate CSL calculation developed in concert with the Legislative Fiscal Office.

**Debt Service** – Cash that is required for a particular time to cover the repayment of interest and principal on a debt incurred by an institution. Debt service can be incurred and paid by via institutions, general fund or lottery funds.

**Distribution** – A quarterly disbursement of funds to institutions in concert with the rules set out via the SSCM and other specific legislative direction, operated in concert with OAR 715-013-0005.

**Fiscal Year (FY)** – The 12-month period beginning July 1 and ending June 30, used by the state government for accounting purposes. Fiscal year designation is based on the year in which it ends [e.g., fiscal year 2019 (FY 2019) runs from July 1, 2018 - June 30, 2019.]

**General Fund** – Fund used to account for all assets and liabilities of the state of Oregon except those particularly assigned for other purposes in another more specialized fund. It is the primary funding vehicle for public universities.

**Governor’s Recommended Budget (GRB)** – The recommended biennial budget of the Governor, released in December of every even numbered year.

**Higher Education Coordinating Commission (HECC)** – The body established by ORS 350.050 and appointed by the Governor for the purposes of coordinating and promoting higher education, workforce development and other related initiatives.

**Inflation** – Defined as the annual change in the Consumer Price Index (CPI) for the Western region of the United States as determined by the Bureau of Labor Statistics.

**Joint Committee on Ways and Means** – The primary budget writing committee of the Oregon Legislature, responsible for passing all budgets and jointly chaired by one member each from the majority party from the Oregon House and the Oregon Senate.

**Legislatively Approved Budget (LAB)** – The budget approved by the Oregon legislature, largely on a biennial basis.

**Lottery Funds** – Funds generated from proceeds from the Oregon State Lottery. Designated for specific purposes as outlined by Article XV, Section 4 of the Oregon Constitution such as Sports Lottery, Outdoor School and capital construction.

**Oregon Health Sciences University (OHSU)** – An independent corporation and institution of higher learning as established by ORS 353.020.

**Oregon University System (OUS)** – The former governing body for Oregon’s universities, abolished effective July 1, 2015, and primarily replaced by the HECC and the public universities.

**Public University** – Any institution of higher learning as defined in ORS 352.002, including the University of Oregon (UO), Oregon State University (OSU), Portland State University (PSU), Oregon Institute of Technology (OIT), Western Oregon University (WOU), Southern Oregon University (SOU), and Eastern Oregon University (EOU). Regional campuses, including Oregon Tech-Wilsonville and Oregon State University-Cascades are considered a component of the parent institution, and not independent institutions.

**Public University State Programs** – Separately funded programs conducted at public universities that further the public service and educational missions of the institution. Provides General Fund support for certain institutes, centers, and programs operated by the public universities that address economic development, natural resource and other issues. Many of these programs have an industry-specific focus, matching state support with funds from private sector and other sources. It also includes any funding for programs designated as “one-time” (only intended to be funded for one biennium) or targeted appropriations which are made to specific programs but are not necessarily limited to one biennium.

**Public University Support Fund (PUSF)** – The primary state funding vehicle for Oregon’s public universities. The PUSF represents the state’s General Fund contribution to the operation of education, student support, research, and public service programs.

**Statewide Public Service Programs (SWPS)** – Oregon State University’s three Statewide Public Service Programs (Extension Service, Agricultural Experiment Station and Forest Research Laboratory) established to improve the lives of Oregonians through discovery, outreach, and learning focused on critical issues of importance to communities throughout the state and the world.

**Student Success and Completion Model (SSCM)** – The vehicle for determining PUSF allocations to the universities. It is split into three components: Mission Support (MS), Activity-Based Funding (ABF), and Outcomes Based Funding (OBF).

**Technical and Regional University (TRUs)** – The four technical and regional universities (EOU, OIT, SOU and WOU), as well as OSU-Cascades for some purposes, each of which offer a full slate of undergraduate and some graduate programs but few doctoral programs, and which primarily serve a specific regional area or technical focus of the state of Oregon.

<b>Common Acronyms</b>	<b>Spelled out acronym</b>
ARB	Agency Request Budget
CIP	Classification of Instructional Program Codes
CSL	Current Service Level
COFA	Compact of Free Association
DS	Debt Service
E&G	Education and General
EOU	Eastern Oregon University
ETSF	Engineering Technology Sustaining Fund
FF	Federal Funds
FTE	Full-Time Equivalent Student
FY	Fiscal Year
GF	General Fund
GRB	Governor's Recommended Budget
HECC	Higher Education Coordinating Commission
LF	Lottery Funds
LAB	Legislatively Adopted Budget
MS	Mission Support
NCES	National Center for Education Statistics
OBF	Outcomes-Based Funding
OF	Other Funds
OIT	Oregon Institute of Technology
OSU	Oregon State University
OSU CC	Oregon State University – Cascades
OUS	Oregon University System
OHSU	Oregon Health and Science University
PSU	Portland State University
PUSF	Public University Support Fund
RAM	Resource Allocation Model
SCH	Student Credit Hour

<b>Common Acronyms</b>	<b>Spelled out acronym</b>
SELP	State Energy Loan Program
SHEEO	State Higher Education Executive Officers Association
SOU	Southern Oregon University
SSCM	Student Success and Completion Model
SWPS	Statewide Public Service Programs
TRU	Technical and Regional University
UO	University of Oregon
WICHE	Western Interstate Commission for Higher Education
WOU	Western Oregon University

