HIGHER EDUCATION COORDINATING COMMISSION

FINANCIAL SUSTAINABILITY OF OREGON PUBLIC UNIVERSITIES 2026

Financial Data through FY2025 or June 30, 2025

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KEY TAKEAWAYS

Enrollment has steadied after the disruptions of the pandemic, but long-term trends remain challenging. Oregon expects fewer students moving through the K-12 system in the coming years, and the number of traditional college-aged residents is projected to stay flat. As a result, universities will increasingly rely on adult learners, online students, and other non-traditional groups to sustain enrollment and revenue.

Education and general fund activity shows expenses continuing to outpace revenues, creating a growing structural imbalance within operating budgets. Personnel costs, the largest share of spending, are rising due to wage growth, health and retirement costs, inflationary pressures, and other mandatory obligations (i.e., insurance, compliance, technology, debt) that institutions have little discrection to reduce. The Higher Education Cost Adjustment (HECA), which better reflects university cost pressure, has recently begun increasing faster than consumer inflation, signaling continued upward pressure on institutional budgets. As a result, several universities are now operating with very thin or negative operating margins, leaving limited room to build reserves, absorb future shocks, or invest in strategic priorities.

State funding has increased in recent biennia and has helpedmaintained affordability. However, Oregon still lags most states in funding per student, leaving institutions more dependent on tuition and more vulnerable if enrollment declines or appropriations level off. Many universities are relying more heavily on state support within their general funds, increasing risk if future legislative funding does not keep pace with rising costs.

Financial strength varies widely across institutions. Larger universities with broader program portfolios – particularly OSU and UO – generally demonstrate stronger long-term financial health based on ratio performance, though they are not immune to structural pressures. Several regional universities face more persistent challenges. Many smaller campuses maintain comparatively low reserves and limited debt capacity, constraining their ability to respond to shocks or invest in transformation. Governing boards may need to continue exploring operational changes, partnerships, or re-engineering efforts to adapt.

Overall, the financial sustainability of Oregon's public universities remains a mixed picture: stable in some areas, strained in others, and increasingly influenced by structural forces beyond any individual campus's control. While recent state investments and non-operating revenues have helped stabilize many institutions in the near term, underlying pressures persist. The next several years will likely require continued fiscal discipline, targeted innovation, operational restructuring, and close coordination between universities, governing boards, and the state to ensure institutions remain financially sustainable and capable of serving students and communities across Oregon.

OVERVIEW

This report contains a wide-ranging financial evaluation of Oregon's public universities and includes information on broader trends. The intent is to inform the Commission's work in developing state goals, determining strategic investments, and recommending a consolidated budget, as outlined in Oregon Revised Statues (ORS) 350.075 (3). This report focuses solely on Oregon's public universities; however, monitoring of local workforce boards, non-exempt private colleges, universities, and career schools is also conducted by the HECC. The report is organized around the elements of the purpose statement noted below with operating assumptions that propose:

- Oregonians are best served by a higher education system that combines centralized coordination with independent board governance.
- The direct governance of the institutions is the work of the independent boards, which are responsible for financial viability, sufficiency, and sustainability across all funding sources.
- The HECC's responsibility is to ensure collaboration and coordination among public institutions of higher education for the benefit of all Oregonians. HECC observes the work of institutional boards in maintaining financial viability and stewarding public resources and serves as a trusted third-party reporting to the legislature and governor on these matters.

PURPOSE STATEMENT

The purpose of financial monitoring is to support statewide policy making guided by the goals and mission of public higher education in Oregon. Specifically, the financial monitoring performed by HECC staff seeks to:

- Provide advance warning of financial instability for policy makers.
- Identify potential systematic risks to Oregon's higher education infrastructure with a particular focus on the education and workforce mission of the institutions.
- Maintain an awareness of broader institutional finance trends to inform the HECC's agency request budget (ARB) and related recommendations for the Governor and Legislature.

OTHER ORGANIZATIONS INVOLVED IN FINANCIAL MONITORING

The regulatory triad of state agencies, accrediting bodies, and the federal government, are primarily involved in monitoring the financial health of public institutions of higher education. Other entities, outside of regulators, often perform similar analysis as well.

The Northwest Commission on Colleges and Universities (NWCCU) is recognized by the US Department of Education and the Council on Higher Education Accreditation (CHEA) to accredit postsecondary institutions. Legally a non-profit corporation, NWCCU accredits institutions of higher education in Alaska, Idaho, Montana, Nevada, Oregon, Utah, Washington, and British

Columbia. It recognizes institutions for performance, integrity, and quality to merit the confidence of the education community and the public.

The eligibility and assessment standards used include a review of governance, resources, and capacity. Eligibility requirements 19 and 20 address fiscal resources, planning, and accountability and require the submission of an external financial audit within 15 months after the fiscal year ends. Standard 2.E.1 considers auditing and regular reporting to assess financial stability, including sufficient cash reserves to achieve and fulfill its mission. Standard 2.E.2 assesses for appropriate available funds, realistic development of financial resources, and risk management to ensure short-term financial health and long-term financial sustainability.

The federal government has for many years played a role in providing oversight of higher education through institutional eligibility for student financial aid programs. Consistent with the Higher Education Act (HEA), institutions must be financially responsible to participate in Title IV programs. Related regulations identify the criteria that public, private, nonprofit, and proprietary institutions need to meet to demonstrate they are financially responsible.

Outside of regulators, there are others, the most prominent being credit rating agencies, who perform similar analysis. Of the largest credit rating agencies, Moody's Investor Services (i.e., Moody's Ratings) is the most prominent to cover institutions of higher education. They rate the debt sold independently by institutions to provide potential investors an understanding of the institution's financial health and more specifically their ability to repay debt. Their financial framework considers scale, market profile, operating performance, financial resources and liquidity, leverage and coverage, and financial policies. They also consider qualitative and contextual information when determining a credit rating.

OUTLOOK FOR HIGHER EDUCATION

Financial stability – once the foundation that allowed colleges and universities to plan confidently for the future – is no longer assured for many institutions. Enrollment has stalled rather than grown, government support faces increasing scrutiny, and operating costs continue to rise at a pace that far exceeds institutions' ability to manage them. Together, these pressures signal an increasingly uncertain future for higher education at both the national and regional levels.

Major rating agencies, including S&P Global Ratings, Moody's, and Fitch Ratings, have shifted their 2026 outlook for higher education from *stable* to *negative*. According to Moody's (2025), recent and potential federal policy changes are creating a more challenging operating environment for colleges and universities. The agency notes that state funding is "vulnerable" amid an "uncertain policy trajectory," with costs previously borne by the federal government likely to shift to the states. In addition, according to a recent survey of 275 college administrators, more than 75 percent of respondents said they need to make some sort of changes to their budgets to be able to fulfill their mission. [1] Additional details on these dynamics appear later in this report in the Broader Financial Trends section.

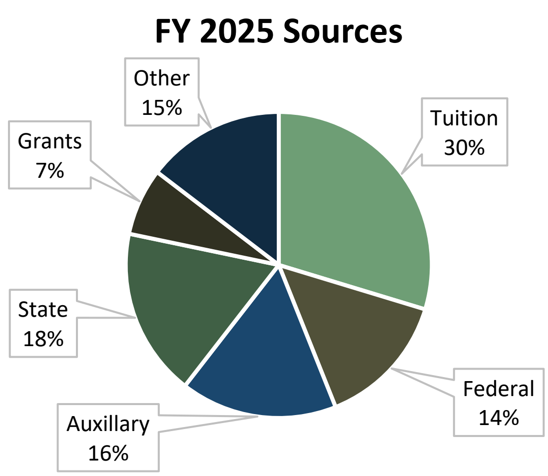
FINANCIAL OVERVIEW

The seven public universities in Oregon are not considered state agencies. However, under Oregon Revised Statue (ORS) 352.033, they are considered governmental entities. The state's annual comprehensive financial report notes they are "public bodies legally separate from the state." They are complex organizations with their own housing, food service, healthcare services, and often their own police force responsible for over eighteen million square feet of space in over 800 buildings serving all 36 Oregon counties. They are eligible for state backed bonds for capital construction.

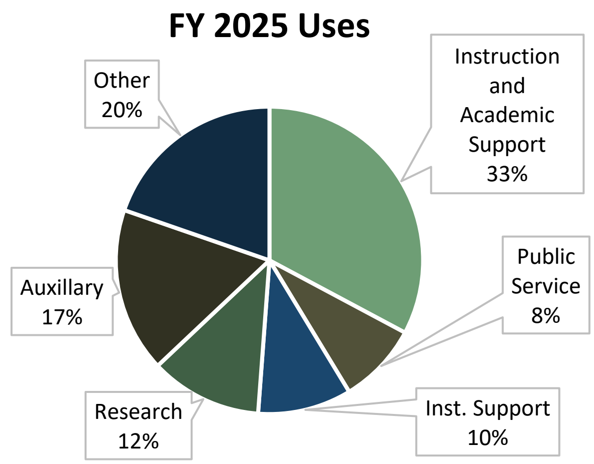
Each university has an independent governing board with members appointed by the Governor. The board has the ultimate authority over institutional finances including the viability, sufficiency, and sustainability of the institution across all funding sources. Donations are received by affiliated nonprofit foundations. The foundations are included as a component unit within the university's annual financial report. The universities are required to publish an annual financial report that has been externally audited.

The universities use fund accounting to track activity by legal requirement or intended purpose. Each fund is a separate set of self-balancing accounts. Fund accounting helps facilitate accountability and required reporting. Although not exhaustive, the most common funds include:

- General Fund – this is sometimes called the Education & General (E&G) fund. This includes activities for instruction, research, and public service functions.
- Restricted Fund(s) – used to track grant funding which is often research related but could include grants from other sources.
- Auxiliary Fund – related to food service, housing, athletics, and retail operations.
- Plant Fund – related to physical plant (buildings) and other capital activity.



[1] The Chronicle of Higher Education, the budget crisis is here, February 2026.



When considering all funds, the largest source of revenue for the universities is tuition and fees. Collectively, the universities are more dependent upon tuition and fee revenue than in previous decades, increasing institutional exposure to enrollment fluctuations and market demand shifts. When looking only at the general fund, tuition and fee revenue makes up about 63% while state appropriations comprise 26%. The state provided a larger share in previous decades. This evolving revenue structure places greater financial pressure on institutions to maintain enrollment levels and diversity revenue sources while balancing affordability concerns for students and families.

The largest expense is instruction and related academic support. The largest expense by natural classification is personnel costs including wages and benefits which make up about 80% of all spending. Some expenses are outside the control of the university like PERS contribution rates.

FINANCIAL CONDITION ANALYSIS

To provide warning of potential financial instability for policy makers, the financial sustainability of each institution is assessed using currently available data. The analysis includes both quantitative and qualitative factors for appropriate context. The metrics are measured over time to understand emerging trends.

There is no singular method perfectly capable of determining the long-term financial sustainability of an institution. The focus in this report is on a simplified methodology with a higher likelihood of identifying financial stress and potential instability over time. The goal is to include metrics that provide an overall assessment of financial condition and insight into whether institutions possess sufficient flexibility and reserves to adapt to changing operatin environments, calculated using currently available data.

Several factors can lead to an increased risk of predictable financial instability and are therefore used in this analysis. These include a sharp decline in enrollment, a decline in financial ratios over time, and an increased reliance on a single revenue source.[2] An assessment of the trend for each by university is included in Table 1. Other factors, such as financial statement audit issues, known investigations or sanctions, and leadership turnover, are also discussed.

The assessment of the Composite Financial Index (CFI) is informed by the book, *Strategic Financial Analysis for Higher Education*, which is considered industry standard. However, the condition of each metric is noted as stable, struggling 1, or struggling 2, which is informed by work conducted through the National Association of College and University Business Officers (NACUBO) [3]. More detailed information, including explanations of the metrics and conditions, is included in subsequent tables.

An explanation of the general trend for each metric is included below. More detailed information is included in the rest of this section and in the appendix as noted.

- Enrollment – Considering fall, fourth week FTE for all students including undergraduate and graduate, resident and non-resident, enrollment has stabilized post-pandemic, but two-year declines persist at EOU, PSU, SOU, and WOU, with growth at OIT, OSU, and UO. Over ten years, enrollment is down at all but OSU and UO.
- Financial Ratios – Operating margins remain thin of negative at several institutions. Long-term capacity is also constrained for the regional universities, as reflected in lower primary reserve and viability ratios.
- Reliance on State Funding – The reliance on state funding, as measured by the percentage of E&G fund (general fund) revenue provided by the state, has increased for most of the

[2] Kelchen, Robert. "Examining the feasibility of empirically predicting college closures." Economic Studies at Brookings, 2020, https://www.brookings.edu.

[3] NACUBO/Baker Tilly, Path to Sustainability Project, 2023.

institutions over the past three years. Increased reliance can provide near-term stability but heightens vulnerability to future changes in state funding appropriations.

- Other Factors – There are no known ongoing investigations or sanctions for any of the universities. Some of the universities have had recent challenges publishing an annual financial report in a timely manner.

ENROLLMENT

Stable, if not growing, enrollments over time are among the most visible indicators of an institution's financial health because net tuition revenue is typically the largest source of operating, or general fund, revenue. Also, the distribution of state funding is influenced by the enrollment of and success of students. Credit rating agencies rely on enrollment trends to determine student demand and market position, both of which are factors in ratings analysis.

Significant fluctuations in enrollment from year to year can lead to revenue volatility, which can impact an institution's financial health. Credit rating agencies rely on enrollment trends to assess student demand and market position, both of which are factors in ratings analysis. The recent trend in fall, fourth-week FTE enrollment for all students is shown in Table 2.

Table 1: Trend in Fall, Fourth Week Enrollment

	2016	2020	2023	2024	2025	Two-year Trend	Ten-year Trend	Annual Growth Rate
EOU	2,221	2,124	1,973	2,082	2,004	-3.8%	-9.8%	-1.1%
OIT	3,239	3,214	2,898	3,045	3,132	2.9%	-3.3%	-0.4%
OSU	26,527	27,013	29,983	31,545	32,350	2.6%	22.0%	2.2%
PSU	19,721	17,428	14,977	14,585	14,242	-2.4%	-27.8%	-3.6%
SOU	4,293	3,512	3,236	3,209	3,150	-1.8%	-26.6%	-3.4%
UO	22,629	21,263	23,257	24,072	24,299	0.9%	7.4%	0.8%
WOU	4,529	3,769	3,171	3,083	2,978	-3.4%	-34.2%	-4.6%

Condition Associated with Fall FTE Enrollment Trend (Two-Year Trend)

Stable – Increasing of relatively stable (i.e., <2% decrease)
Struggling 1 – Decreased by 2 to 5%
Struggling 2 – Decreased by 5 to 10%
In Crisis – Decreased by >10%
Source: NACUBO/Baker Tilly, Path to Sustainability Project, 2023.

FINANCIAL RATIOS

Financial ratios are a commonly used tool to illuminate the current condition of institutions and have been used in higher education since the early 1980s. They are the predominate tool used by most states in financial monitoring work. A version is used by the U.S. Department of Education to calculate financial responsibility scores of private institutions.

There are some common criticisms. One is that the data is historical and may not offer much situational awareness in an environment where circumstances are rapidly changing. Also, that the calculations are influenced by factors outside a governing board's control, such as pension liabilities for example. Another is that by including a portion of restricted foundation (i.e., component unit) assets, the interpretation of the university's overall financial position is distorted. Although valid, these criticisms can be addressed by using trend data to compare an institution to itself over time and by including additional context. The best approach is to compare an institution to itself over time, rather than comparing peer to peer.

The overall financial health of an institution can be assessed via two dimensions of inquiry, short-term operating performance and long-term financial capacity. Strong operating results alone may not be sufficient if institutions lack reserves, liquidity, or strategic flexibility. Likewise, strong reserves may not be sustainable if recurring revenues consistently fail to keep pace with recurring expenses. Along those two dimensions, four key financial questions are asked. Then, a financial ratio is designed to measure the answer for each question.

In this report, four financial ratios are used to assess the financial condition of each institution. The outcome for all four are then blended into a Composite Financial Index (CFI). The CFI provides a more balanced view of an institution's finances. Measuring the index over time offers a glimpse as to the progress institutions are making toward achieving financial goals.

Both the short-term and long-term perspective are considered because sustainability is based on achieving the university's mission today while balancing the need to develop the capacity for mission relevance in the future. The financial ratios used in this report attempt to measure both as summarized in Table 3.

Data used to calculate the ratios is reported to the HECC by the universities. Data for the related foundations (i.e., component units) is included in the calculations, which is an industry standard practice. The calculations are adjusted for pension and OPEB liabilities with related expenses excluded as appropriate. Additional guidance on methodology is offered by NACUBO.

The recent trend in the calculated ratios is included in Tables 3 through 7 with detailed calculations for each university included in the appendix. There is a seemingly endless array of data from which to choose metrics to measure an institution's financial condition. The intent is to assess a limited set of objective financial metrics to provide the means for institutions to have difficult conversations with partners around their financial condition.

Table 2: Financial Ratios Used to Assess Sustainability

	Short-Term Performance	Short-Term Performance	Long-Term Capacity	Long-Term Capacity
Measure	Do revenues meet or exceed expenses?	Does asset performance support the mission?	Are resources sufficient and flexible enough to support the mission?	Are debt resources managed strategically?
Ratio	**Operating Margin**	**Return on Net Assets**	**Primary Reserve**	**Viability Ratio**
Calculation	Net Income / Total Revenue	Change in Net Assets / Total Net Assets	Expendable Net Assets / Total Expenses	Expendable Net Assets / Long-term Debt
% of CFI (Weights)	10%	20%	35%	35%

Return on Net Assets – This ratio measures total economic return during the fiscal year. It answers the question "are they better off financially than they were a year ago?" It shows an institution's total economic return. A positive return on net assets means an institution is increasing its net assets and is likely to have increased financial flexibility and ability to invest in strategic priorities. A negative return on net assets may indicate the opposite, unless it is the result of strategic, one-time investments. A temporary decline in this ratio could be reasonable should it reflect a strategy to improve the institution's financial condition. Table 3 includes data by university over time.

Table 3: Trend in Return on Net Assets

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Six-year Average
EOU	4.9%	13.8%	9.5%	-0.9%	14.9%	14.0%	9.4%
OIT	12.7%	21.9%	17.2%	12.8%	0.7%	5.4%	11.8%
OSU	0.2%	12.4%	-1.0%	2.4%	4.2%	3.7%	3.6%
PSU	0.5%	3.8%	-0.5%	-0.6%	-2.0%	-0.4%	0.1%
SOU	-10.8%	-3.2%	0.8%	4.7%	-2.6%	-3.6%	-2.5%
UO	4.2%	8.7%	11.6%	5.4%	6.6%	10.6%	7.9%
WOU	-6.7%	3.0%	-3.5%	-3.6%	2.9%	-0.3%	-1.3%

Source: *Reported to the HECC by the Public Universities*

Operating Margin – This ratio indicates whether total operating activities for the fiscal year generated a surplus or created a deficit. It attempts to demonstrate whether an institution is living within its available resources. A persistently negative result may indicate that an institution does not currently have capacity to develop a stronger fund balance or make strategic operating investments without the use of existing fund balance, expense reductions, or revenue enhancements. Table 4 includes data by university over time.

Table 4: Trend in Operating Margin

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Six-year Average
EOU	-3.9%	-3.1%	-2.1%	-3.2%	-1.3%	2.5%	-1.9%
OIT	0.7%	4.6%	7.0%	-0.9%	-6.5%	-1.4%	0.6%
OSU	0.2%	14.8%	-1.5%	3.3%	5.4%	5.3%	4.6%
PSU	0.6%	5.2%	-0.7%	-0.8%	-3.0%	-0.5%	0.1%
SOU	-16.3%	-4.9%	1.3%	7.5%	-3.9%	-5.2%	-3.6%
UO	-1.3%	-1.2%	0.8%	3.5%	-0.1%	0.0%	0.3%
WOU	-8.1%	4.0%	-4.3%	-4.4%	2.8%	-0.5%	-1.8%

Source: *Reported to the HECC by the Public Universities*

Primary Reserve – This ratio measures the sufficiency and flexibility of financial resources, across all institutional funds, for long-term mission attainment. Expendable net assets represent those assets the institution can access quickly and spend to meet its operating and capital requirements. This ratio provides a snapshot of financial strength and flexibility by indicating how long the institution could function using its expendable reserves without relying on additional net assets generated by operations. See Table 5 for data.

Table 5: Trend in Primary Reserve

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Six-year Average
EOU	0.18	0.22	0.23	0.15	0.19	0.25	0.20
OIT	0.27	0.36	0.33	0.29	0.26	0.29	0.30
OSU	0.70	0.91	0.87	0.82	0.82	0.87	0.83
PSU	0.34	0.46	0.51	0.50	0.45	0.47	0.46
SOU	0.24	0.42	0.32	0.47	0.40	0.30	0.36
UO	0.51	0.90	0.96	0.93	1.23	1.39	0.99
WOU	0.32	0.40	0.38	0.37	0.37	0.31	0.36

Source: *Reported to the HECC by the Public Universities*

Viability Ratio – This ratio measures whether debt resources are managed strategically for long-term mission attainment. It is a coverage ratio that expresses how much, in a decimal format, of existing long-term capital debt can be repaid with currently available resources if needed. Table 6 includes data by university over time.

Table 6: Trend in Viability

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Six-year Average
EOU	0.54	0.74	0.88	0.60	0.82	1.31	0.82
OIT	0.60	0.81	0.78	0.43	0.43	0.51	0.59
OSU	1.60	1.35	1.43	1.39	1.58	1.72	1.51
PSU	1.05	1.39	1.60	1.67	1.77	1.82	1.55
SOU	0.64	0.95	0.80	1.03	0.89	0.73	0.84
UO	0.90	1.17	1.24	1.27	2.05	2.45	1.51
WOU	0.79	0.93	0.94	1.03	1.06	1.08	0.97

Source: *Reported to the HECC by the Public Universities*

Composite Financial Index – The CFI combines all four ratios into a single score that attempts to quantify the overall financial well-being of the institution. It is designed for simplicity and ease of use. The CFI is normally measured from 1-10, although it can be negative. It lacks absolute precision and is best measured over time with appropriate context. It is recommended the CFI be used in conjunction with other quantitative and qualitative measures to assess an institution's financial condition. Table 7 includes data by university over time.

Table 7: Trend in Composite Financial Index

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Six-year Average
EOU	1.11	2.34	2.15	0.57	2.58	3.35	2.02
OIT	2.55	4.17	3.76	2.34	0.63	1.62	2.51
OSU	3.22	5.92	3.28	3.8	4.33	4.51	4.18
PSU	1.87	3.16	2.58	2.61	2.23	2.69	2.52
SOU	-1.17	1.2	1.68	3.16	1.24	0.52	1.11
UO	2.41	4.13	4.79	4.33	5.61	6.77	4.67
WOU	0.21	2.45	1.1	1.14	2.44	2.38	1.62

Source*: Reported to the HECC by the Public Universities.*

The industry standard for CFI is 3.0 or above for sustainability, while a score of 1.5 is generally considered the minimum threshold for financial well-being. Based on the six-year average CFI that is used to smooth year-to-year volatility, the conditions reflected in Table 1 are defined as: stable for a CFI greater than 3.0, struggling 1 for a CFI between 2.9 and 1.5, and struggling 2 for a CFI below 1.5. This is based on a six-year average of the CFI to account for potential year-to-year volatility. The following recommendations outline potential governing board strategies aligned with each range.

CFI Range and Suggested Board Strategies

7.5 to 10.0	Deploy resources to achieve robust mission
6.5 to 7.5	Allow experimentation with new initiatives
4.5 to 6.5	Focus resources to compete in future state
2.5 to 4.5	Direct resources to allow transformation
1.0 to 2.5	Re-engineer the institution
1.0 and less	Consider substantive programmatic adjustments

Source: *Strategic financial analysis for higher education: identifying, measuring & reporting financial risks (7th ed.). Prager, Sealy & Co., LLC; KPMG LLP; and Attain LLC.*

RELIANCE ON STATE FUNDING

The ability to draw on diverse revenue sources allows an institution to maintain a healthy financial position by reducing the potential of volatility due to unexpected changes from any single revenue source. Considering each revenue source's percentage of total revenue provides indication of dependence. There is no universally accepted benchmark or definition of overreliance. However, it is helpful to consider the trend over time.

Table 9 summarizes the trend in the percentage change in revenue that comes from state support to provide an understanding of the dependence on state funding. This metric is based on the proportion of E&G fund (general fund) revenue that comes from state funding. More information on E&G fund (general fund) activity over time is included for each university in the appendix. The three-year trend noted in table 9 is the difference between the percentage noted in FY2025 minus FY2023.

An increasing, or relatively stable, level of state funding support is a sign of financial health and can have a positive impact on student affordability. A decreasing level of state funding support could indicate the potential for financial stress and could be emblematic of other challenges which could include lower enrollment, reduced persistence, and fewer completions. However, a decreasing level of state funding support, again measured as a relative proportion, could also result from increased enrollment or the increase of other revenues, or an increase in state support could be the result of a decline in other revenue sources potentially indicatin greater reliance and less diversification of revenue streams. Therefore, a cautious assessment is required.

Table 8: Trend in Percentage of Revenue from State Support

	FY2021	FY2022	FY2023	FY2024	FY2025	Three-year Trend
EOU	47%	49%	50%	50%	48%	-4%
OIT	46%	52%	50%	51%	50%	0%
OSU	25%	25%	24%	24%	23%	-4%
PSU	33%	36%	36%	38%	38%	6%
SOU	39%	43%	42%	44%	46%	10%
UO	15%	15%	15%	15%	15%	0%
WOU	40%	42%	47%	46%	48%	2%

Source: *From E&G fund (general fund) data submitted to the HECC as included in the appendix.*

Condition Associated with Change in State Support (Three-Year Trend)

Stable – Increasing or relatively stable (i.e., <2% decrease)
Struggling 1 – Decreased by 2 to 5%
Struggling 2 – Decreased by 5 to 10%
In Crisis – Decreased by >10%

Source: *NACUBO/Baker Tilly, Path to Sustainability Project, 2023.*

OTHER FACTORS

In addition to enrollment and financial metrics, a more robust understanding of an institution's circumstances can be informed by considering other contextual factors including audit findings, late submissions of annual financial statement audits, pending investigations, accreditation sanctions, and leadership turnover.

AUDIT ISSUES

The institutions are required to have an external audit performed of their annual financial reports every year. The auditor expresses an opinion on the financial statements and is required to communicate on certain other matters with those charged with governance. Any material weaknesses identified by the auditor would raise the level of concern about the institution's financial condition. The HECC is aware of one university that had material weaknesses identified by external auditors.

KNOWN INVESTIGATIONS OR SANCTIONS

Although this could include all known investigations and sanctions regardless of source, the focus is on the regional accrediting body. Oregon is served by the Northwest Commission on Colleges and Universities (NWCCU). The current accreditation standards, specifically 2.E.1 through 2.E.3, used by NWCCU include reference to the financial stability and control expected of each institution and represent good practice. Accreditation is a prerequisite for an institution to participate in federal financial aid programs and is therefore fundamental to an institution's financial viability. The HECC is not aware of any current accreditation sanctions affecting the public universities.

SYSTEMATIC FINANCIAL TRENDS

While the analysis in the previous section included data across all funds for the institution as well as for the related foundations (i.e., component units), the analysis in this section focuses on the education and general (E&G) or general fund of the institution. This limits the perspective to the education and workforce mission to identify potential challenges and trends.

Table 9: Trend in E&G (General) Fund – Combined

	FY2021	FY2022	FY2023	FY2024	FY2025
Total Revenue	1,745,281,196	1,801,756,977	1,900,132,375	2,028,954,922	2,116,677,285
Total Expenses	1,660,596,941	1,764,427,078	1,898,905,318	2,050,289,342	2,142,136,207
Operating Margin	84,684,255	37,329,899	1,227,057	-21,334,420	-25,458,921
Operating Margin as a Percent	4.9%	2.1%	0.1%	-1.1%	-1.2%
Percent State Revenue	26%	27%	26%	27%	26%
Months Operating Balance	2.5	2.7	2.5	2.2	2.0

Source: *From E&G fund (general fund) data submitted to the HECC, included in the appendix by university.*

The trends noted during the five-year period observed for Oregon public universities as noted in Table 10 are similar to the national observations offered by Moody's as summarized earlier in this report:

- **Expenses have consistently grown faster than revenues over the five-year period, and the gap has widened in recent years.** Total revenues increased from $1.745B in FY2021 to $2.117B in FY2025, while total expenses rose from $1.661B to $2.142B in the same period. Because expenses are growing at a slightly higher rate, operating margins declined from positive levels in FY2021–FY2023 to negative values in FY2024 and FY2025, indicating increasing pressure on institutions' ability to balance budgets.
- **State funding as a share of total E&G revenue has remained stable.** The proportion of revenue from state support stayed between 26% and 27% across all five years shown (FY2021–FY2025).

- **Financial reserves, as measured by months of operating balance, show a clear downward trend overall.** Operating balance rose from 2.5 months in FY2021 to 2.7 months in FY2022, but then steadily declined to 2.5, 2.2, and finally 2.0 months by FY2025. This indicates reduced financial cushion at the system level, even if individual institutions may have experienced more stability.

CURRENT FISCAL CIRCUMSTANCES

All seven public universities are taking steps to ensure a stable fiscal environment going forward. Examples of recent actions that have occurred within the universities' education and general (E&G or general) funds to address and improve financial sustainability include:

EOU – During FY2025, a $4.8 million (or 8.4%) reduction occurred across all operating units through a shared governance approach to balance expenditures with available resources. The bulk of the reduction, $3.0 million, was in compensation.4 EOU has also been able to leverage grants and other external funding sources to offset costs.

OIT – The FY 2026 budget was balanced without any necessary reductions over the prior year. This was an improvement over FY2025, where an initial 4.7%, or $3.4 million, in reductions were necessary to achieve a balanced budget. However, FY 2025 saw a 3.5% increase in SCH over budget resulting in a positive net margin on operations for the year. In FY 2024 a 1.9%, or $1.4 million, reduction was necessary to achieve a balanced budget. OIT completed three consecutive years of spending reductions related to enrollment declines during FY 2022, FY 2023 and FY 2024 to better align spending with expected revenues. During FY 2025 and 2026, Oregon Tech experienced moderate increases in enrollment which eased the need for expense reductions.

OSU – In spring 2025, OSU began a proactive and collective budget reduction effort focused on containing costs, improving long-term financial resilience, and realigning resources. The result of these efforts has been a 5.2% ($43.8 million) overall reduction to E&G spending, beginning in FY2026. Although OSU continues to demonstrate comparatively strong financial health indicators, university leadership has acknowledged the importance of proactively addressing structural operating pressures, including rising personnel costs, constrained tuition growth, inflationary pressures, and uncertainty in future federal and state funding environments.

PSU – During FY2025, PSU engaged in a financial sustainability effort called Bridge to the Future which focused on four key areas of adjustment: operational excellence, program revitalization and

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[4] April 2024 Finance and Administration Committee Meeting, FY2025 Preliminary E&G Budget, page 4.

curricular stewardship, retirements, and net revenue growth.5 PSU took action to reduce an $18 million operating deficit by reducing the workforce by approximately 104 FTE through vacancies, retirements, non-renewals, and limited layoffs. During September 2025, university leadership presented an updated plan to balance the E&G budget by FY2028. Staff anticipate needing to reduce costs by roughly $35 million through two major strategies: instructional portfolio rebalancing along with administrative and fiscal optimization.[6]

SOU – see below

UO – During FY2026, it was announced that staff were projecting a $25 – 30 million structural deficit in E&G funds necessitating budget reductions. Since that time, the president and provost have shared with the campus community a proposal to enact $29.2 million in recurring budget cuts, including eliminating 176 E&G funded positions. This includes 117 layoffs of faculty and staff enacted by September 2025.[7]

WOU – As noted in a recent review conducted by the Northwest Commission on Colleges and Universities (NWCCU), significant progress has been made in controlling expenses. Ongoing efforts have included assessment of vacant positions, maximizing revenue collection efforts, focusing on essential needs, enhancing student-centered activities, and identifying shared services and support opportunities. Also, in FY2026, Western launched "Strengthening the Pack - Looking Forward," a dual-strategy initiative aimed at neutralizing the projected $5.2 million structural deficit and fostering long-term fiscal sustainability while prioritizing student-centered operations. This strategic initiative will identify $2-$3 million in budget reductions by June for inclusion in the FY2027 Preliminary Budget. The initiative will identify additional $2-$3 million in budget reductions next year for inclusion in the FY2028 Preliminary Budget through restructuring that reduces costs and reallocates resources to priority areas, including reducing or eliminating filled and vacant positions, streamlining programs, reducing operational costs, consolidating services, and adjusting departmental budget allocations to reflect actual spending.

SOU FINANCIAL CONDITIONS

On August 1, 2025, SOU declared financial exigency to transform the university to address existing structural deficits. During the September 2025 board meeting, a plan to reimagine the university was presented and a budget update was provided. The plan calls for an E&G budget target of $60 million, a more focused academic portfolio, and more than $10 million in savings over the next four years. On February 3, 2026, SOU enacted immediate spending restrictions following a board meeting during which trustees discussed a cashflow shortage expected to exist as early as summer

5 Board of Trustees Meeting, November 2024, Agenda item 6c.

6 Board of Trustees Meeting, September 26, 2025, Agenda item 11b.

7 Full Board of Trustees Meeting Materials, September 15-16, 2025, Agenda item 5e.

2026. SOU staff shared a detailed cashflow forecast showing the current expense trajectory, combined with the timing of receipts, projects a failure to meet financial obligations by spring 2027 without intervention.

In response, HB 5204, which passed during the 2026 session, includes a Special Purpose Appropriation (SPA) to the Legislature's Emergency Board in the amount of $15 Million for potential distribution by HECC to SOU to assist the university with short-term financial stability. These funds are intended to address SOU's projected FY2027 insolvency.

Further, HB 5204 appropriated $500,000 to the HECC for the use of an external consultant to support SOU in developing, by April 30, 2026, a long-term financial sustainability plan that details actions SOU will take to ensure solvency through FY2027, that reflects a balanced budget for the 2027-29 biennium, and details how programs and functions may be sustainably delivered by SOU alone, by SOU in partnership with other institutions, or as part of an alternative structure. HECC contracted with Deloitte to support this work.

CASH POSITION

SOU's financial circumstances prompted broader questions regarding the cash position of Oregon's other public universities. Accordingly, HECC staff completed an initial assessment of cash conditions across all seven institutions. Key observations from this high-level review are provided below.

- EOU provided a monthly cash flow forecast that shows an ending FY2026 balance of $33.1 million. EOU projects an ending FY2027 balance of $37.8 million compared to average monthly outflows of $7.9 million.
- OIT provided a monthly cash flow forecast that shows an ending FY2026 balance of $47.9 million. OIT projects an ending FY2027 balance of $49.2 million compared to average monthly outflows of $8.4 million. OIT projects to end the 2027-29 biennium in June 2029 with a cash balance of $44.5 million.
- OSU provided a monthly cash flow forecast that shows an ending FY2026 balance of $200.4 million compared to average monthly outflows of $163.1 million. It should also be noted that an additional $100 million is reserved, and currently undrawn, for debt service.
- PSU provided a monthly cash flow forecast with 30-, 60-, and 90-day liquidity metrics that show an ending FY2026 balance of $207.2 million compared to average monthly outflows of $57.7 million.
- UO reported to its board in December 2025 that, "the cash and investment pool averaged $623 million during Q1 FY2026, excluding bond proceeds and that average balances were approximately $32 million higher than the same quarter of FY2025." Granted, much of that is reserved for various purposes. In a December 2025 Treasury Report, UO reported Days Cash on Hand at 140 days.

- WOU provided a monthly cash flow forecast to its board with 30- and 60-day liquidity metrics that show an ending FY2026 balance of $29.4 million compared to average monthly outflows of $12.3 million. WOU projects an ending FY2027 balance of $19.2 million compared to average monthly outflows of $13.5 million.

DAYS CASH ON HAND

Another measure of liquidity is days cash on hand. This ratio inicates how many days an institution can cover its cash operating expenses using cash and short-term investments that can be readily converted to cash. For example, a value of 50 means the institution could continue operating for 50 days without receiving additional revenue. Higher values generally reflect stronger liquidity and may also indicate capacity to invest in longer-term assets.

Days Cash on hand is calculated by dividing cash and equivalents by operating expenses then multiplying the result by 365.

- Cash and equivalents are defined as the total current and noncurrent cash and cash equivalents from the statement of net position. Two versions of this measure are presented: Table 11 excludes fixed income portfolios (such as Public University Fund and other short term investments), and Table 12 includes the fixed income portfolio. recognizing that access to these funds depends on the type of investment and internal university processes

- Operating expenses are defined as the sum of net cash used for operating activities plus net cash used for payments of capital debt, both principal and interest, from the statement of cash flows.

Table 10: Days Cash on Hand Over Time – Cash and Cash Equivalents

	FY2025	FY2024	FY2023	FY2022	FY2021
EOU	129.5	48.0	48.5	78.8	85.6
OIT	72.9	26.1	42.2	61.1	43.9
OSU	41.6	37.8	30.6	52.6	92.6
PSU	58.0	45.3	55.4	75.3	83.0
SOU	19.7	45.8	52.3	31.8	32.1
UO	125.8	132.8	136.6	158.8	125.9
WOU	83.4	30.3	34.8	54.8	58.6
Combined	472.9	320.8	344.9	438.0	438.7

Table 11: Days Cash on Hand Over Time – Including Fixed Income Portfolio

	FY2025	FY2024	FY2023	FY2022	FY2021
EOU	200.3	157.4	162.6	172.5	181.1
OIT	138.4	87.6	130.5	128.3	89.1
OSU	59.8	74.0	64.2	86.0	124.8

	FY2025	FY2024	FY2023	FY2022	FY2021
PSU	141.3	151.7	179.7	162.4	169.7
SOU	66.9	92.7	102.8	86.6	87.2
UO	149.2	155.8	161.1	184.8	156.9
WOU	102.5	119.9	124.1	123.9	121.8
Combined	717.1	687.4	745.3	782.1	760.9

BROADER FINANCIAL TRENDS

The purpose of this section is to provide a summary of broader trends that may impact the financial sustainability of the institutions. The intent is to inform state higher education goals, strategies, and investments. The trends outlined focus on demographics and market demand, inflation, revenues and expenses, and state funding. Key takeaways include:

- Enrollment headwinds have eased slightly over the past few years as there has been a gradual post-pandemic recovery. However, demand uncertainty might continue to suppress revenue.
- Multiyear union contract increases might lead to larger growth in expenses over the short-term. Balancing expenses with available revenue will continue to create budgetary strain.
- Recent increases in state funding are having a positive impact on student affordability.
- Potential additional costs lurk outside primary expense drivers.

DEMOGRAPHICS AND MARKET DEMAND

Enrollment is a key revenue driver. Forecasted demographics suggest the enrollment outlook does not appear promising, although there have been modest gains made in the post-pandemic recovery. The implication being that institutions will not be served well by expectations of substantially higher enrollments of resident students under age 25.

The number of public K-12 students in Oregon has declined 2.8% since 2020-21[8] while the number of annual high school graduates in Oregon is projected to decline 19% through 2041.[9] Also, the number of Oregon residents aged 18 – 24 is projected to increase by 1% total through 2033 while decreasing as a percentage of the overall population as show in Table 12 with national projections predicting a similar trend through the end of the century.[10]

Table 12: Oregon Population Age 18-24

	Age 18-24	Total Population	Proportion
2000	330,328	3,431,100	9.6%
2010	359,854	3,837,300	9.4%
2020	371,972	4,236,615	8.8%

[8] Oregon Statewide Report Card for 2024-25, Oregon Department of Education, November 2025, p. 2.

[9] WICHE, Knocking at the College Door: Projections of High School Graduates, 11th edition, December 2024, p. 35.

[10] US Census Bureau, 2023 National Population Projections, https://www.census.gov/programs-surveys/popproj.html, February 2024.

2030 projected	380,612	4,408,800	8.6%
2033 projected	377,592	4,487,000	8.4%
Variance, 2020 to 2033	5,620	250,385	
Variance as percent	2%	6%	

Source: *Oregon Department of Administrative Services, Office of Economic Analysis, Oregon Economic and Revenue Forecast, Tables C.3 and C.6, December 2024.*

At the same time, Oregon's population is growing more diverse in terms of race and ethnicity. The Hispanic population in Oregon is the largest historically underrepresented group and growing rapidly. Since the year 2000, the Hispanic population has doubled, with the Asian, Hawaiian and Pacific Islander (AHPI) population not far behind. An overwhelming proportion of them are children and young adults with many being the first generation in college.[11] Recent research has shown that serving first-generation students, English learners, and adults older than 24 years requires significant additional spending, up to 1.6 times as much, to achieve the average level of success.[12]

Meanwhile, uncertainty remains regarding long-term student demand. The college-going rate of Oregon high school graduates has declined from 61% to 55% during the past decade.[13] The Oregon Employment Department projects the share of all jobs in Oregon that require a bachelor's degree or higher in the next decade will be largely unchanged.[14] And the adult-learner population nationally has migrated toward "cheaper, more flexible, and quicker-to-advance-through online courses provided by a narrow cadre of [mostly private] institutions capable of investing in expensive marketing campaigns".[15] However, according to Georgetown University's Center on Education and the Workforce, "Of all jobs in Oregon, 70% will require some postsecondary training beyond high school in 2031." [16]

INFLATION

Inflation is a key cost driver. One perspective on inflation is the consumer price index for urban consumers (CPI-U). The growth in the CPI-U over time often influences wage and benefits expense

[11] Oregon's Demographic Trends, DAS Office of Economic Analysis, July 2019.

[12] Jesse Levin, Bruce Baker, Jason Lee, Drew Atchison, and Robert Kelchen. An Examination of the Costs of Texas Community Colleges. Institute of Education Sciences. U.S. Department of Education. 2023.

[13] HECC Annual Report of Key Performance Measures, December 2025.

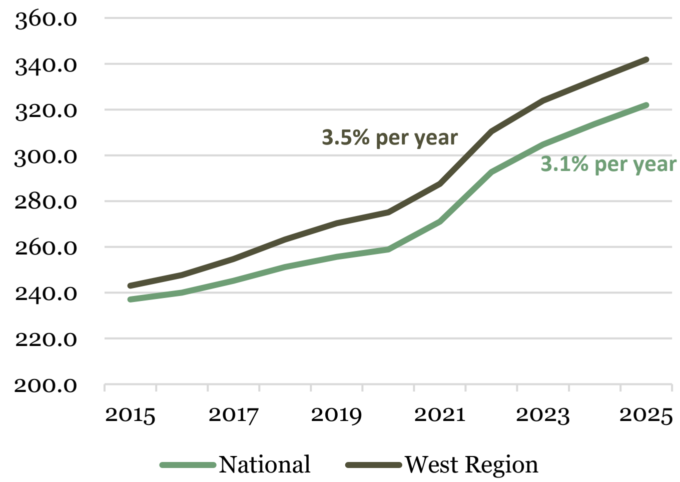
[14] Damon Rundberg, Oregon Employment Department, Enrollment at Oregon's Public Universities, December 2021.

[15] Dan Bauman, Colleges Were Already Bracing for an Enrollment Cliff. Now There Might be a Second One. The Chronicle of Higher Education, February 7, 2024.

[16] Anthony P. Carnevale, Nicole Smith, Martin Van Der Werf, and Michael C. Quinn. After Everything, Projections of Jobs, Education, and Training Requirements through 2031. Georgetown University, Center on Education and the Workforce, 2023.

growth. Figure 1 shows the growth in CPI-U over time for both the western region and the national average.

Figure 1: CPI-U Trend



Although the year-to-year increases are similar, inflation in the western region has grown faster than the national average. Inflation spiked to over 8.0% during the pandemic but has now fallen to 2.7% year over year as of January 2026 for the western region.[17] Inflation in the western region averaged 2.3% from 2000 through 2020. With that in mind, higher inflation in the future compared to the recent historical average might lead to an acceleration of spending in the short-term.

Another perspective on inflation is the Higher Education Cost Adjustment (HECA) created by the State Higher Education Executive Officers (SHEEO). It is designed to more accurately measure the inflation institutions face, largely through personnel costs which comprise 75% of the measure. The other 25% is related to general growth in services and supplies costs.

Table includes a comparison of inflation measures over time. The average inflation for each of the past four decades is noted along with the inflation over the past four years of the current decade. Historically, institution-based inflation (HECA) has outpaced consumer-based inflation (CPI-U). That trend reversed itself in the 2010's and early 2020's. However, beginning in 2024, HECA has once again started to outpace consumer-based inflation. This may create upward pressure on tuition and fee rates at a time when pricing power is limited for most institutions.

Table 13: Comparison of Inflation Measures

	HECA	CPI-U Western Region	Variance
1980's Average	5.5%	4.6%	0.9%
1990's Average	3.2%	3.1%	0.1%

[17] U.S. Bureau of Labor Statistics, Western Information Office, News Release, February 13, 2026.

	HECA	CPI-U Western Region	Variance
2000's Average	3.2%	2.6%	0.6%
2010's Average	2.0%	2.1%	(0.1%)
2021 to 2022	5.1%	8.0%	(2.9%)
2022 to 2023	4.2%	4.3%	(0.1%)
2023 to 2024	3.6%	2.8%	0.8%
2024 to 2025	3.2%	2.6%	0.6%

Source: HECA is from the State Higher Education Finance Survey, SHEEO, Data Adjustments. CPI-U is from the U.S. Bureau of Labor Statistics, Western Region.

REVENUES AND EXPENSES

Balancing expenses with available revenues is important to achieving the mission in the short-term and developing the capacity for mission relevance over the long-term. Table 14 includes the trend in public university revenues and expenses over time. With enrollment largely flat (i.e., down less than 2%) in the past decade, the annual growth in total expenses is more than inflation. Total revenue has also been growing more than both inflation and total expenses. However, the annual growth in non-operating revenues is higher than that of operating revenues.

Table 14: Public University Revenues and Expenses

Unadjusted for inflation

	Operating Revenue	Non-Operating Revenue	Total Revenue	Total Expenses
2015	1,882,389,983	707,470,416	2,589,860,399	2,550,612,987
2016	1,935,824,423	776,352,863	2,712,177,286	2,945,796,322
2017	2,017,399,638	799,201,872	2,816,601,510	2,923,114,403
2018	2,094,001,762	838,512,455	2,932,514,217	3,096,621,623
2019	2,135,579,603	917,197,975	3,052,777,578	3,141,792,258
2020	2,098,030,800	1,000,026,546	3,098,057,346	3,275,365,935
2021	1,978,403,643	1,092,414,644	3,070,818,287	3,246,797,794
2022	2,254,498,836	1,128,288,224	3,382,787,060	3,332,153,888
2023	2,424,883,648	1,151,655,786	3,576,539,434	3,535,913,198
2024	2,574,259,000	1,207,953,000	3,782,212,000	3,760,819,000
Annual Growth Rate	**3.5%**	**6.1%**	**4.3%**	**4.4%**

Source/Notes: *U.S. Department of Education, NCES, IPEDS, finance component data, public institutions. All funds, capital activity excluded.*

Operating revenue is generated from the direct provision of services and includes net tuition and fees, grants and contracts, and auxiliary enterprises. Non-operating revenue includes government appropriations, financial aid grants, investment earnings, and gifts. The growth in non-operating revenue has enabled total revenue to grow faster than expenses. As discussed previously, this is true for all funds, but not the E&G funds, and the trend by university is markedly different.

When comparing total revenues to total expenses, the public universities have failed to consistantly generate enough revenue to cover expenses in six of the past ten years. This excludes capital activity, so it is possible capital related funding changed that outcome. During the years when a positive margin (i.e., the difference between total revenues and expenses) was generated, it averaged just over 1% of total expenses. The persistence of narrow or negative margins suggests limited long-term financial flexibility absent continued operational adjustments, revenue diversification, or additional external support.

STATE FUNDING

State funding for the public universities has grown during the past decade. This is mainly due to the growth in funding for the public university support fund (PUSF) which has increased from $665.0 million during the 2015-17 biennium to $1.07 billion during the 2025-27 biennium. Along with additional investments in state financial aid programs, this has allowed for recent improvements in student affordability as noted in the HECC's Public University Data Dashboard where the percent of students who cannot afford college costs has declined from 63% in 2011-12 to 50% in 2022-23.

However, state funding for higher education in Oregon has trailed the national average over time. Table 15 provides a comparison to the national average. Currently, for the four-year sector, Oregon ranks 46th in the nation in educational appropriations per full-time student equivalent even though the growth in funding in the recent past is double that of the national average.

This has led to a greater reliance on tuition and fee revenue with a larger share of education revenue composed of net tuition and fees in Oregon compared to the national average.[18] Students today are bearing a larger share of the cost burden than previous generations.

Table 15: Educational Appropriations per FTE

Adjusted for Inflation

	U.S. Average	Oregon	Variance
2019	$9,866	$5,565	(43%)
2024	$11,220	$6,424	(43%)
2025	$11,151	$6,531	(41%)

[18] State Higher Education Finance Survey, SHEEO, Table 4.3, 2024.

	U.S. Average	Oregon	Variance
Variance, 2019 to 2025	$1,285	$966	
Variance as percent	13%	17%	

Source: *State Higher Education Finance Survey, SHEEO, Table 3.2A, 2025. Funding per FTE is adjusted for inflation to current dollars using the Higher Education Cost Adjustment (HECA). Educational appropriations include support funds (CCSF/PUSF), financial aid (OOG, Promise), and property taxes.*

NONTRADITIONAL RISKS

Beyond the typical expense drivers, nontraditional risks have the potential of adding costs or impacting revenues. Such risks include cyberattacks, changing government policies, climate events, and legal issues. As a result, some institutions are dedicating additional resources to revising risk management frameworks and strategies.

Most recently, potential federal policy changes have introduced additional uncertainty into the higher education operating environment. Actions and potential changes include cuts to research funding and other programs, enforcement actions against diversity programs, staff reductions at the U.S. Department of Education, and uncertainty over federal student aid programs. These developments may create operational and financial pressures that lead to a pause in capital investments, hiring freezes, and spending cuts. Moody's Ratings provides a summary of the potential impact on institutions due to the related policy risks in Figure 2.

UNIVERSITY FEEDBACK

EASTERN OREGON UNIVERSITY

Eastern Oregon University serves a uniquely rural and geographically dispersed region of the state and plays a critical role in educational access, workforce development, teacher preparation, public service, and adult degree completion across eastern Oregon. While the university continues to face long-term demographic and enrollment pressures common to rural regional institutions nationwide, recent financial and operational trends suggest evidence of stabilization and disciplined fiscal management rather than immediate financial distress. Indeed, there are several indicators of improvement noted below which generate questions about the trends highlighted within the fiscal report.

EOU's enrollment trends continue to reflect the broader demographic realities affecting Oregon's rural regions and many small public institutions nationally. Enrollment at EOU has shifted. Improvements in graduate enrollment were planned strategies to better EOU's fiscal position and fulfill our mission. In fall 2025, EOU saw a 20% increase in graduate students and a 5.6% loss in undergraduate students. [The 64 additional graduate students' offset financial losses in undergraduate enrollment.] The summation of EOU's enrollment profile as "Struggling 1" does not capture this nuance.

Student success is another strategy EOU adopted to improve its funding and fulfill our mission. EOU realized a 7% increase in our four year graduation rate. The SSCM rewards such successes and we received a resulting increase of $525,100 in state funding. The report characterizes this success as "increased" reliance on state funding, and positions EOU as "Struggling 1."

Financial indicators for Fiscal Year 2025 reflect meaningful improvement in EOU's near-term operating position. The university reported a positive operating margin of 2.5%, compared to negative operating margins in prior years. EOU's Composite Financial Index (CFI) improved to 3.35 in FY2025, above the generally recognized sustainability threshold of 3.0. The university also demonstrated improved liquidity and debt capacity metrics.

These indicators suggest that while EOU remains financially constrained relative to larger institutions, the university currently maintains adequate liquidity and reserve capacity to support ongoing operations and manage near-term volatility. We also have strategies to help support the university during these uncertain times.

EOU undertook significant expenditure reductions prior to FY2025. This was achieved through a shared governance budgeting approach intended to align expenditures with long-term enrollment realities. The university implemented approximately $4.8 million in reductions across operating units, including approximately $3.0 million in compensation-related savings. University leadership has continued to emphasize expenditure discipline, operational alignment, and targeted investments intended to preserve core academic and student support functions.

The university has also leveraged grants and external funding opportunities to support operations and strategic initiatives. Through EOU's academic master planning process, EOU continues to pursue opportunities to expand workforce-aligned programming, adult learner engagement, online and hybrid education delivery, and partnerships with community colleges, employers, and regional organizations.

EOU's financial profile differs significantly from Oregon's larger research universities due to differences in institutional scale, mission, and geography. As Oregon's designated "Rural Serving" Institution, we generally possess:

- Less revenue diversification;
- Greater reliance on state appropriations;
- Smaller auxiliary and research operations;
- Limited economies of scale;
- Higher sensitivity to regional demographic changes; and
- Greater dependence on maintaining affordable access for rural students.

As a result, increased reliance on state support should not necessarily be interpreted solely as financial weakness. For institutions such as EOU, state investment plays a stabilizing role that supports affordability, regional access, workforce development, and educational attainment in underserved areas of Oregon. For example, EOU's tuition increase for Fall 2026 is the lowest among Oregon's public universities.

EOU's percentage of E&G revenue from state support remained relatively stable over the past several years and is generally consistent with the role regional universities play in serving geographically dispersed and place-bound student populations.

Liquidity measures further distinguish EOU's current condition from institutions experiencing acute financial instability. EOU reported 111 days cash on hand in FY2025, which was significantly improved compared to prior years. University cash flow projections submitted to HECC staff indicate projected ending balances of approximately $33.1 million for FY2026 and $37.8 million for FY2027, compared to average monthly outflows of approximately $7.9 million.

EOU's current trajectory appears more consistent with cautious adaptation to structural demographic and fiscal realities than with immediate financial crisis. Nevertheless, long-term challenges remain significant. Continued enrollment pressure, inflationary cost growth, competition for students, increasing employee benefit costs, and limited scale efficiencies will continue to require ongoing strategic planning and operational discipline.

Long-term sustainability for EOU will likely depend on several interrelated strategies, including:

- Continued strengthening of strategies to assist rural student post-secondary equity gaps in college going, as well as their retention, persistence, and graduation
- Continued alignment of expenditures with enrollment realities;
- Deep focus on regionally beneficial workforce-aligned certificates and degree programs;

- Increased engagement with adult and nontraditional learners;
- Regional workforce and employer partnerships;
- Shared services and collaborative administrative functions;
- Cross-institution academic collaboration; and
- Sustained partnership and investment from the state.

EOU's role within Oregon's higher education ecosystem extends beyond traditional enrollment and scale metrics. The university provides important educational access and workforce preparation capacity in rural eastern Oregon, where alternative public higher education options are limited by geography and distance. As Oregon evaluates long-term higher education sustainability strategies, regional institutions such as EOU may require differentiated approaches that recognize mission, geography, workforce contributions, and rural access responsibilities alongside traditional financial indicators.

EOU also demonstrates evidence of institutional resilience and adaptability in response to changing conditions. Recent actions to reduce expenditures, improve liquidity, stabilize operations, and reposition academic programming suggest active governance and operational stewardship rather than passive reliance on external intervention. While continued adaptation will be necessary, current financial and operational trends indicate that the university is taking proactive steps to respond to evolving demographic and fiscal conditions.

Overall, EOU's financial condition reflects both ongoing structural challenges and emerging indicators of stabilization. The university remains vulnerable to long-term demographic and fiscal pressures common to regional public institutions nationally; however, current data suggest a trajectory of operational adjustment and cautious stabilization rather than immediate insolvency risk. Continued strategic planning, operational discipline, innovation in delivery models, and sustained state partnership will remain important to preserving EOU's long-term mission and service to rural Oregon communities.

OREGON TECH

Thank you for the opportunity to provide additional context regarding Oregon Tech in response to the Higher Education Coordinating Commission's *Financial Sustainability of Oregon Public Universities* report. Oregon Tech is a polytechnic university with a more than $300 million annual statewide economic impact, supports more than 2,500 jobs, and delivers the highest reported return on investment for students among Oregon public universities.

<u>Background</u>

Following a three-year decline, enrollment has stabilized and grown moderately over the past two years and the outlook for FY 2027 enrollment is optimistic. Oregon Tech has responded to the evolving higher education landscape through reducing budgets, improving efficiencies, careful strategic investment, maintaining annual tuition increases at or near four percent, and avoiding faculty and staff layoffs. At the same time, the university has expanded institutional aid significantly, providing approximately $8.6 million in university-funded scholarships and waivers in FY 2026 alone.

Oregon Tech remains focused on cost efficiency and long-term sustainability. The university continues to invest selectively in programs aligned with workforce demand and is pursuing additional efficiencies through improved financial systems and participation in a multi-university shared services assessment.

To remain competitive, Oregon Tech is ensuring its undergraduate, graduate and doctoral degree programs are closely aligned with Oregon's workforce needs and the Governor's Prosperity Roadmap, while ensuring that resources are efficiently managed to meet the needs of students, faculty, staff and to support the university's mission. The University is also focusing resources on student success, stabilizing enrollment, improving student retention and investing in technology.

Financial Sustainability

Oregon Tech has completed three prior consecutive years of spending reductions to better align spending with operational revenues and continues to pursue additional efficiencies such as implementation of the Banner Finance ERP module and Millenium Fast for budgeting. Oregon Tech is also partnering with four other Oregon Public Universities (OPU)s (SOU, WOU, EOU and PSU) in evaluating shared services opportunities. This initiative is focused on achieving efficiencies and standardization through collaboration which could bend the cost curve, thereby slowing the rate of growth for support costs for the universities.

Oregon Tech is demonstrating a trajectory of resilience and disciplined financial stewardship in a challenging statewide higher education environment. While broader trends highlight cost pressures, demographic headwinds, and sector-wide uncertainty, our recent performance reflects a university that is actively managing its position, stabilizing operations, and building a foundation for long-term sustainability.

Strengthening Enrollment and Market Position is essential in the evolving higher education landscape and Oregon Tech stands out positively among regional universities with recent enrollment growth and stabilization. Over the past two years, enrollment has increased by 2.9%, and the institution is among the few in Oregon to show post-pandemic recovery and growth. This momentum reinforces the strength of our polytechnic mission and its alignment with workforce demand, positioning the university to compete effectively even as the pool of traditional-age students levels off statewide.

Oregon Tech continues to demonstrate financial stability with continued recovery and maintains a stable overall financial condition. With a Composite Financial Index (CFI) categorized as "Struggling 1", the university is still within the range that supports strategic repositioning and transformation rather than crisis response. Notably, the university has achieved positive long-term financial performance, with a six-year average return on net assets of 11.8%, indicating consistent growth in institutional resources and financial flexibility over time.

While operating margins have recently tightened, reflecting sector-wide cost pressures, we have demonstrated the ability to return to positive net income and maintain near breakeven performance, illustrating effective fiscal management in a constrained environment.

A defining strength of Oregon Tech is our proactive approach to aligning expenses with revenues. Over multiple years, the university has implemented targeted spending reductions and operational adjustments to maintain balance. This disciplined approach of prudent cost management and strategic discipline is particularly important given that personnel costs, comprising well over 70% of university expenses, continue to rise across the sector. Importantly, these actions reflect deliberate financial governance rather than reactive cuts, positioning Oregon Tech to manage through volatility while preserving mission-critical activities.

Oregon Tech has solid liquidity and financial flexibility. This strong liquidity position provides operational flexibility, risk mitigation capacity, and the ability to invest strategically, even as financial reserves decline modestly across the Oregon public universities as a whole.

Oregon Tech has achieved a balanced reliance on tuition and state funding, with 50% of general fund revenue coming from state appropriations. This diversification helps reduce exposure to volatility in any single revenue source. Additionally, reliance on state funding has remained stable over time, avoiding the sharp increases that signal vulnerability at some peer institutions.

With a CFI in the range that calls for targeted transformation rather than restructuring, Oregon Tech is well-positioned to focus on:

- Enhancing program alignment with workforce needs
- Expanding applied, career-focused offerings
- Leveraging our polytechnic identity to attract nontraditional and adult learners

These strategies are consistent with statewide trends emphasizing the need to diversify enrollment and adapt to changing student demand and expectations.

In summary, Oregon Tech operates from a position of measured strength with:

- Enrollment stabilizing and growing
- Liquidity remaining solid
- Disciplined financial performance, despite margin pressures
- Proactive leadership and multi-year financial management

In a higher education environment marked by uncertainty, Oregon Tech's combination of operational discipline, strong cash position, and mission alignment provides a credible pathway to sustained stability and continued relevance. The university is not merely responding to external pressures, we are actively shaping our future through intentional financial and strategic management of resources and we are positioned to remain a strong and vibrant university serving the state and northwest region.

OREGON STATE UNIVERSITY

No additional feedback submitted.

PORTLAND STATE UNIVERSITY

High-Level Strategic Observations and Structural Context From the perspective of Portland State University, the findings in the HECC Sustainability Report must be interpreted through an integrated lens. The university emphasizes that individual financial ratios, enrollment metrics, and funding trends should be evaluated together to accurately capture the comprehensive fiscal health and trajectory of the institution, rather than viewed as isolated datasets. To maintain rigorous institutional oversight, PSU measures, tracks, and analyzes changes to these core metrics annually within its Financial Profile, ensuring continuous strategic alignment and Board stewardship.

When integrated this way, the data reflects an institution navigating acute, long-term macroeconomic headwinds. Multi-year enrollment contractions and trailing financial ratios place the university in a pressured trend category that demands immediate structural adjustments. While the enrollment curve has shown signs of a more moderate short-term trajectory and core tuition revenues have temporarily leveled, expenditures have outpaced revenues, resulting in negative operating margins driven by unavoidable inflationary pressures, particularly on employee compensation and benefits.

Crucially, an increasing reliance on state support is not inherently indicative of financial growth if it occurs in an environment where other primary revenue sources, such as tuition, are simultaneously contracting. Furthermore, aggregate metrics like “Days Cash on Hand” must be interpreted with caution; this calculation consolidates all of the university’s cash holdings, including restricted funds specifically earmarked for long-term capital infrastructure projects that cannot be used to cover daily operations. While PSU’s relatively stable state funding relationship and historical reserves have provided a temporary operational cushion, they underscore the urgent need for active management rather than structural complacency.

Actionable Roadmap: Bridge to the Future 2.0 and Forward-Looking Strategy To transition from baseline stabilization to long-term vitality, PSU is actively taking decisive steps to permanently eliminate its structural deficit through the Bridge to the Future 2.0 operational roadmap. Since its launch, this initiative has successfully transitioned from financial modeling to the active, phased implementation of a comprehensive reduction and rebalancing plan. The university is aggressively addressing a forecasted budget gap through a combination of thoughtful instructional portfolio rebalancing and administrative and fiscal optimization across non-academic units. To protect the core student experience and minimize campus impacts, these structural adjustments are prioritizing voluntary transitions—such as retirements and natural attrition—alongside necessary academic adjustments to align the institutional footprint with modern operational realities.

Complementing these vital efficiencies, our forward-looking growth strategy is guided by the President's Growth Pillars, which explicitly target institutional transformation and regional impact. By focusing heavily on student retention as our primary growth strategy and moral obligation, we are actively rebuilding trust and implementing data-informed advising models to shepherd every student to the finish line of a degree. Simultaneously, we are strengthening the transfer pipeline to build a seamless gateway and perfect the experience for the region's untapped talent. We are also instilling a permanent culture of intellectual agility through ongoing program portfolio analysis to guide investment in high-growth undergraduate and graduate programs. Finally, as Oregon's officially designated Urban Research University, we are deepening our civic partnerships to provide a front-row seat to the most complex urban challenges of the 21st century, ensuring that our public impact research and experiential learning opportunities expand our regional vitality and make a PSU degree globally significant.

SOUTHERN OREGON UNIVERSITY

No additional feedback submitted.

UNIVERSITY OF OREGON

No additional feedback submitted.

WESTERN OREGON UNIVERSITY

We believe that this report, developed by the Higher Education Coordinating Commission (HECC), shows the challenging national enrollment environment and budget pressures confronting Western Oregon University (Western) and higher education, and how Western is prudently managing resources and striving to be a sustainable and fiscally responsible steward of state resources. The report also demonstrates the need for the state to increase funding for Oregon Public Universities (OPU).

As stated in the report, HECC's methodology for assessing financial sustainability of OPU is among the most acceptable and broadly used best practice in higher education. According to the HECC report, Western and Oregon Public Universities continue to face financial sustainability challenges associated with long-term enrollment decline and structural budget pressures. In the case of Western, between Fall 2016 and Fall 2025, fall fourth-week FTE enrollment declined from 4,529 to 2,978 students, with an average annual decline of 4.6%. Composite Financial Index (CFI) improved from 0.21 in FY2020 to 2.38 in FY2025. While a score of 1.5 or above is generally considered the minimum for well-being, the industry standard for CFI is 3.0 or above for sustainability. The report further states that Western's Education and General fund generated negative operating margins during four of the past six fiscal years. According to the report, negative operating margin improved from 8% in FY2020 to 0.5% in FY2025, with an average annual negative operating margin of 1.8%. This points to the fact that Western is making improvements even within the context of inadequate funding and revenue.

We have kept operating expense growth to 3.1%, below state and national averages. We also boast the lowest tuition growth in Oregon at 3.2%, with overall attendance costs rising just 1.5% and net price of attendance increasing by only 0.4% (both the lowest in Oregon). We are also an economic engine for Polk and Marion counties, providing essential opportunities and producing workforce-ready graduates. Over the last decade, we have increased degree completions per $100,000 in spending by 71.4%.

We are clear-sighted about the impacts of declining enrollment, negative operating margins and lower CFI scores, and are not oblivious to the need for a combination of increased enrollment, contained operating costs and improved cost efficiencies. To that end, Western has established a Strategic Enrollment Management Plan and has completely overhauled its recruitment infrastructure. In 2024, Western pivoted away from a model of diluted accountability by placing Admissions and Student Success under a single Assistant Provost, creating a seamless "recruitment-to-retention" pipeline. This structural change coincided with the adoption of the Common Application, which drove a 27% increase in first-year applications for the Fall 2025 term resulting in a larger incoming class in Fall 2025 than in Fall 2024. By shifting recruitment efforts to engage sophomores and juniors earlier in their high school careers, the university is building a more predictable and resilient enrollment funnel that reduces the volatility of the annual entering class.

We have also successfully stabilized our immediate financial position by exceeding key fund balance target in Board of Trustees policy and launching a systematic deficit reduction plan. At the close of FY2025, the university achieved an 18.6% fund balance ratio, totaling approximately $13.6 million, which significantly outperformed the Board's established policy threshold of 10-12%. In fact, Western has maintained a fund balance within the BOT parameters for the last five years. This strong fund balance position has provided a necessary buffer as the university executes "Strengthening the Pack," a two-year initiative designed to eliminate a $5.2 million structural deficit.

Further, Western has included financial sustainability goal, metrics, and outcomes in its 2024-2030 Strategic Plan (see Institutional Sustainability https://wou.edu/planning/). Our Institutional Sustainability goal in the Strategic Plan is to enhance the financial stability and sustainability of the university through strategic financial planning, responsible resource allocation, and innovative revenue-generation initiatives, ensuring long-term resilience and success. According to metrics in the Western strategic plan, a Composite Financial index less than 3 means Reengineer, implying the need for the university to improve efficiency, reduce costs, and strengthen the overall institutional fiscal well-being. To achieve this strategic priority, we have implemented measures to reduce expenses, control positions, maximize revenue generation, identify partnerships and shared services opportunities, and optimize administrative systems, software acquisition, and use. Western received targeted state sustainability funding during the 2023-25 biennium to modernize administrative systems and improve operational efficiency through replacement and enhancement of the Banner enterprise system. The sustainability funding Banner Optimization project is ongoing.

Our efforts to sustain enrollment, reduce expenses and achieve financial sustainability are achieving results, despite the challenging higher education operating environment. Western's incoming class for fall 2025 exceeded fall 2024, and the incoming class for fall 2026 is projected to exceed fall 2025. **The HECC report shows that Western's Composite Financial Index improved from 0.21 in FY2020 to 2.38 in FY2025**. The report also shows that Western's Education and General fund negative operating margin improved from 8% in FY2020 to 0.5% in FY2025. Rather than implementing sudden and massive budget cuts, Western has taken an approach that utilizes the available fund balance to gradually rebase the existing budget and reset the financial practices, culture, and systems. This approach seeks to preserve the strengths of the institution as it adapts to changing realities, thus placing the institution in a stronger position for future sustainable financial outlook. Western Oregon University will continue to closely monitor the financial outlook and adapt quickly to looming changing conditions.

APPENDIX

FINANCIAL RATIO DEFINITIONS

Data and calculated ratios were collected from the universities. The definitions for the numerators and denominators of the ratios are included below.

Operating Margin *(i.e., net operating revenues) = Gain or Loss before other revenues, expenses, gains, losses (i.e., net income) / Total Operating and Nonoperating Revenue (i.e., total revenues)*

Net Income:

+Total operating revenues

+Nonoperating revenues

-Total operating expenses

-Nonoperating expenses

+Gain/loss before other revenues, expenses, gains, losses for all component units

Adjusted for pension and OPEB by: Subtract from total expenses any expenses/losses resulting from GASB statements 68 and 75.

Total Revenues:

+Total operating revenues

+Nonoperating revenues

+Total operating and nonoperating revenues for all component units

Adjusted for pension and OPEB by: Subtract expenses resulting from GASB statements 68 and 75.

Return on Net (Assets) Position = *Change in Net Position / Total Net Position*

Change in Net Position:

+Change in net position

+Change in net position for component units under either FASB or GASB

Adjusted for pension and OPEB by: Adjust beginning and ending net position by the liabilities and deferred inflows or assets and deferred outflows related to pension and OPEB resulting from GASB statements 68 and 75.

Total Net Position:

+Total net position (beginning of year)

+Total net position (beginning of year) for all component units under either FASB or GASB

Adjusted for pension and OPEB by: Adjust beginning net position by the liabilities and deferred inflows or assets and deferred outflows related to pension and OPEB resulting from GASB statements 68 and 75.

Primary Reserve Ratio = *Expendable Net Assets / Total Expenses*

Expendable Net Assets:

+Unrestricted net position

+Restricted expendable net position

-Restricted expendable for capital acquisitions

+Expendable net assets for component units under either FASB or GASB

Adjusted for pension and OPEB by:Adding back liabilities and deferred inflows OR subtracting assets and deferred outflows, related to pension and OPEB resulting from GASB statements 68 and 75.

Total Expenses:

+Total operating expenses

+Interest expense

+Total expenses for component units under either FASB or GASB

Adjusted for pension and OPEB by: Adding back liabilities and deferred inflows OR subtracting assets and deferred outflows, related to pension and OPEB resulting from GASB statements 68 and 75.

Viability Ratio = *Expendable Net Assets / Total Plant Related Debt*

Expendable Net Assets: Same as noted above for the Primary Reserve Ratio.

Total Plant Related Debt:

+Total plant related debt at par (includes the current and non-current portion of plant related debt that must be repaid, i.e., premiums, discounts, issuance costs, and asset retirement obligations are not included)

+Total plant related debt at part for all component units

FINANCIAL RATIO CALCULATIONS

The data used for the financial ratio calculations are included in Tables A through F. Data for the component units (i.e., foundations) are included.

Table A: Total Revenues (in thousands)

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
EOU	61,725	66,835	68,422	76,171	78,679	82,302	72,356
OIT	93,884	98,531	105,949	105,783	107,895	120,211	105,376
OSU	1,380,194	1,579,894	1,464,521	1,642,787	1,894,565	1,910,365	1,645,388
PSU	553,057	524,904	573,742	553,587	566,605	603,947	562,640
SOU	95,358	103,310	101,374	111,916	117,258	121,875	108,515
UO	1,492,045	1,118,103	1,282,790	1,355,915	1,546,268	1,589,450	1,397,429
WOU	106,931	107,806	113,433	115,758	147,543	142,033	122,251

Table B: Total Expenses (in thousands)

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
EOU	64,161	68,885	69,882	78,593	79,713	82,174	73,901
OIT	93,574	93,953	98,566	106,714	114,925	115,823	103,926
OSU	1,377,604	1,347,034	1,488,161	1,588,084	1,791,679	1,809,484	1,567,008
PSU	595,701	576,462	561,376	562,261	617,753	632,350	590,984
SOU	101,942	97,294	106,714	106,984	121,242	125,453	109,938
UO	1,545,996	1,182,043	1,312,187	1,344,251	1,585,404	1,621,138	1,431,837
WOU	121,839	109,943	113,955	120,416	123,190	126,016	119,227

Table C: Net Operating Revenue (in thousands)

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
EOU	(2,436)	(2,050)	(1,460)	(2,424)	(1,035)	2,034	(1,228)
OIT	704	4,578	7,383	(930)	(7,030)	(1,704)	500

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
OSU	2,889	233,618	(22,696)	54,018	101,833	101,769	78,572
PSU	3,286	27,517	(4,101)	(4,453)	(16,768)	(3,126)	393
SOU	(15,575)	(5,011)	1,281	8,341	(4,523)	(6,347)	(3,639)
UO	(19,829)	(13,434)	10,394	47,629	(1,327)	(679)	3,792
WOU	(8,688)	4,301	(4,914)	(5,077)	4,094	(674)	(1,826)

Table D: Expendable Net Assets (in thousands)

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
EOU	11,454	14,899	16,353	12,051	15,225	20,531	15,086
OIT	25,574	33,453	32,325	30,726	30,183	33,668	30,988
OSU	966,264	1,229,672	1,301,504	1,297,728	1,476,802	1,569,723	1,306,949
PSU	202,291	263,973	286,282	283,844	276,426	298,025	268,474
SOU	24,508	40,470	33,898	50,682	47,970	38,028	39,259
UO	782,894	1,062,454	1,260,497	1,250,593	1,948,669	2,252,623	1,426,288
WOU	39,151	44,507	42,865	44,318	45,286	39,210	42,556

Table E: Plant Debt (in thousands)

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
EOU	21,378	20,215	18,572	20,045	18,517	15,622	19,058
OIT	42,651	41,414	41,447	70,733	69,772	65,838	55,309
OSU	602,653	910,594	910,990	936,863	934,079	910,693	867,645
PSU	192,577	189,600	178,594	170,436	156,125	163,895	175,205
SOU	38,414	42,599	42,455	49,121	53,710	52,213	46,419
UO	867,139	910,737	1,015,524	984,563	952,875	919,997	941,806
WOU	49,347	48,013	45,650	43,027	42,554	36,356	44,158

Table F: Change in Net Position (in thousands)

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
EOU	3,548	10,525	8,277	(845)	14,047	15,190	8,457
OIT	16,761	32,744	31,266	27,382	1,762	12,972	20,481

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
OSU	2,889	233,618	(22,696)	54,018	101,833	101,769	78,572
PSU	3,286	27,517	(4,101)	(4,453)	(16,768)	(3,126)	393
SOU	(15,575)	(5,011)	1,281	8,341	(4,523)	(6,347)	(3,639)
UO	123,371	265,601	383,450	200,385	287,749	488,292	291,475
WOU	(8,688)	4,301	(4,914)	(5,077)	4,094	(412)	(1,783)

Table G: Total Net Position, beginning (in thousands)

Fiscal Year	2020	2021	2022	2023	2024	2025	Six-year Average
EOU	72,496	76,044	86,710	94,988	94,143	108,190	88,762
OIT	132,425	149,187	181,930	213,196	240,778	240,620	193,023
OSU	1,779,214	1,876,867	2,179,054	2,268,468	2,444,143	2,768,969	2,219,452
PSU	698,916	714,884	777,889	797,811	824,724	874,390	781,436
SOU	143,778	157,411	162,988	176,020	175,327	173,910	164,906
UO	2,904,055	3,040,344	3,305,945	3,689,395	4,330,656	4,617,283	3,647,946
WOU	128,878	141,320	141,775	141,202	139,714	156,837	141,621

E&G (GENERAL FUND) FINANCIAL DATA

Eastern Oregon University

EOU	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues						
Gross tuition and fees	24,012,570	26,503,832	25,482,671	25,409,358	26,671,997	29,326,856
Less fee remissions	(2,896,683)	(3,136,099)	(3,006,336)	(2,474,045)	(2,738,563)	(2,900,814)
Net tuition	21,115,887	23,367,733	22,476,335	22,935,313	23,933,434	26,426,042
State operating appropriations	21,158,781	21,664,494	22,163,575	23,897,548	25,248,164	26,255,373
State debt service appropriations	637,752	637,752	632,318	632,318	632,318	632,318
Indirect cost recovery	281,072	559,423	522,028	816,703	633,515	749,436
All other	1,240,178	1,071,257	801,942	1,273,199	1,809,625	1,902,362
Total revenues	44,433,670	47,300,659	46,596,198	49,555,081	52,257,056	55,965,531
Expenses						
Salary & Wages	21,757,863	22,180,144	23,172,890	23,557,632	24,389,116	24,923,734
Benefits: Health	5,593,809	5,689,391	5,709,347	5,603,187	5,855,527	5,768,350
Benefits: Retirement	5,347,647	5,333,409	5,967,779	6,037,957	6,376,213	6,577,592
Benefits: Other	1,769,870	1,779,123	1,821,108	1,858,583	1,998,481	2,028,908
Supplies & Services	7,277,334	9,066,321	11,510,445	12,222,946	12,864,262	12,988,565
Capital Expenditures	422,249	557,195	577,273	434,425	1,479,571	406,720
Institutional Student Aid	-				227,430	746,292
Net Fund Transfers	(76,102)	(123,932)	(978,237)	947,147	149,786	336,292
Total expenses	42,092,671	44,481,651	47,780,605	50,661,877	53,340,386	53,776,453
Net Income (Loss)	2,340,999	2,819,008	(1,184,407)	(1,106,796)	(1,083,330)	2,189,078
As a % of Revenue	5%	6%	-3%	-2%	-2%	4%
Fund Balance Information						
Beginning Fund Balance	8,992,805	11,333,804	14,152,812	12,968,405	11,861,609	10,801,578
Ending Fund Balance	11,333,804	14,152,812	12,968,405	11,861,609	10,778,279	12,990,656
Balance as a % of Revenue	26%	30%	28%	24%	21%	23%
Months of Operating Balance	3.1	3.6	3.3	2.9	2.5	2.8

Oregon Tech

OIT	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues						
Gross tuition and fees	39,203,444	39,575,391	38,189,611	37,487,338	38,690,843	41,833,385
Less fee remissions	(4,696,629)	(5,296,272)	(5,836,744)	(6,599,836)	(7,317,681)	(8,031,004)
Net tuition	34,506,815	34,279,118	32,352,867	30,887,503	31,373,162	33,802,381
State operating appropriations	31,177,125	31,983,229	37,273,590	33,610,737	36,679,560	38,026,853
State debt service appropriations	133,536	133,536	133,536	133,536	133,536	133,536
Indirect cost recovery	391,847	641,157	697,106	1,015,578	994,358	1,076,939
All other	2,374,966	2,057,994	1,561,812	2,482,499	2,779,969	2,989,682
Total revenues	68,584,288	69,095,034	72,018,910	68,129,853	71,960,584	76,029,391
Expenses						
Salary & Wages	31,729,269	30,899,370	31,381,058	32,192,840	33,739,245	34,469,515
Benefits: Health	7,632,935	7,588,587	7,800,146	7,762,930	7,728,738	7,581,538
Benefits: Retirement	6,630,539	6,626,229	6,840,284	7,174,919	7,053,458	7,234,767
Benefits: Other	2,455,764	2,543,065	2,566,229	2,632,624	2,875,034	2,929,111
Supplies & Services	13,767,862	14,105,342	13,936,885	16,670,895	19,106,934	19,257,079
Capital Expenditures	449,496	716,540	152,813	619,976	464,524	379,176
Institutional Student Aid	84,134	10,590	3,984	6,250	4,680	-
Net Fund Transfers	3,036,798	4,792,511	7,414,374	1,695,062	2,832,570	3,600,309
Total expenses	65,786,795	67,282,234	70,095,773	68,755,495	73,805,183	75,451,495
Net Income (Loss)	2,797,493	1,812,800	1,923,138	(625,642)	(1,844,599)	577,896
As a % of Revenue	4%	3%	3%	-1%	-3%	1%
Fund Balance Information						
Beginning Fund Balance	10,749,617	13,592,612	15,235,015	17,218,153	16,613,217	14,789,325
Additions/Deductions	45,502.56	(170,397.14)	60,000.00	20,707	20,707	20,707
Ending Fund Balance	13,592,612	15,235,015	17,218,153	16,613,217	14,789,325	15,387,928
Balance as a % of Revenue	20%	22%	24%	24%	21%	20%
Months of Operating Balance	2.4	2.6	2.9	2.9	2.5	2.4

Oregon State University

OSU	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues						
Gross tuition and fees	441,286,119	448,154,379	475,758,607	520,344,799	577,458,525	638,429,465
Less fee remissions	(46,160,336)	(58,447,333)	(73,851,818)	(87,464,108)	(107,712,509)	(123,999,726)
Net tuition	395,125,783	389,707,046	401,906,789	432,880,691	469,746,016	514,429,739
State operating appropriations	146,511,849	153,061,508	157,178,033	165,380,485	184,526,017	188,394,874
State debt service appropriations	1,072,584	1,072,584	1,053,732	1,053,732	1,053,732	1,053,732
Indirect cost recovery	42,502,851	43,295,958	46,510,821	53,615,736	58,333,248	62,024,524
All other	34,304,853	37,018,351	32,772,392	41,869,438	51,655,570	44,950,306
Total revenues	619,517,919	624,155,447	639,421,766	694,800,083	765,314,584	810,853,176
Expenses						
Salary & Wages	304,994,302	302,808,915	332,504,770	344,029,797	376,860,653	404,600,825
Benefits: Health	61,240,624	62,693,985	64,316,436	67,790,123	73,322,952	78,351,781
Benefits: Retirement	63,165,647	63,592,025	67,926,952	72,407,347	80,517,329	86,501,521
Benefits: Other	42,415,274	43,436,005	40,764,166	45,157,093	50,117,934	47,474,136
Supplies & Services	116,645,972	107,032,222	129,189,602	144,222,086	153,334,489	156,166,711
Capital Expenditures	7,529,763	4,835,280	4,866,746	6,947,998	8,974,973	8,073,157
Institutional Student Aid	1,948,792	2,212,468	2,359,106	2,883,169	2,877,275	3,045,429
Net Fund Transfers	15,957,179	(10,419,977)	(5,612,929)	16,871,423	21,854,267	45,690,183
Total expenses	613,897,553	576,190,922	636,314,849	700,309,035	767,859,871	829,903,743
Net Income (Loss)	5,620,366	47,964,525	3,106,918	(5,508,953)	(2,545,287)	(19,050,568)
As a % of Revenue	1%	8%	0%	-1%	0%	-2.3%
Fund Balance Information						
Beginning Fund Balance	73,572,348	79,192,714	127,157,238	130,264,156	124,755,203	122,209,917
Ending Fund Balance	79,192,714	127,157,238	130,264,156	124,755,203	122,209,917	103,159,349
Balance as a % of Revenue	13%	20%	20%	18%	16%	13%
Months of Operating Balance	1.5	2.4	2.4	2.2	1.9	1.6

Portland State University

PSU	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues						
Gross tuition and fees	233,173,571	223,884,314	214,863,106	204,370,828	197,689,588	198,047,309
Less fee remissions	(20,535,846)	(20,363,299)	(16,713,198)	(20,368,841)	(22,499,279)	(20,934,586)
Net tuition	212,637,725	203,521,015	198,149,908	184,001,987	175,190,309	177,112,723
State operating appropriations	104,835,509	108,426,175	116,216,904	120,092,371	129,463,834	127,948,689
State debt service appropriations	2,182,248	2,182,248	2,162,125	2,162,124	2,162,125	2,162,125
Indirect cost recovery	11,086,809	10,335,981	10,908,359	12,847,777	13,368,538	14,427,141
All other	15,613,029	12,218,146	2,547,048	16,677,343	26,778,468	24,243,812
Total revenues	346,355,319	336,683,565	329,984,344	335,781,602	346,963,274	345,894,490
Expenses						
Salary & Wages	179,116,546	174,151,767	180,992,950	185,539,543	194,228,321	190,394,410
Benefits: Health	29,227,897	29,773,745	30,440,859	30,093,735	30,109,041	30,427,695
Benefits: Retirement	39,892,115	37,993,833	41,340,110	42,241,050	44,928,221	43,461,323
Benefits: Other	22,572,384	23,151,280	20,410,891	20,998,636	23,549,807	21,854,184
Supplies & Services	59,977,155	56,924,850	60,384,444	67,084,149	65,398,853	60,008,921
Capital Expenditures	1,476,974	1,704,931	730,463	730,910	658,538	478,299
Institutional Student Aid	945,554	1,101,790	863,396	1,358,627	1,130,840	730,075
Net Fund Transfers	2,188,249	(8,339,527)	(4,795,409)	(2,237,387)	4,494,333	3,941,220
Total expenses	335,396,874	316,462,669	330,367,704	345,809,264	364,497,954	351,296,128
Net Income (Loss)	10,958,445	20,220,896	(383,360)	(10,027,661)	(17,534,680)	(5,401,638)
As a % of Revenue	3%	6%	0%	-3%	-5%	-1.6%
Fund Balance Information						
Beginning Fund Balance	94,052,027	105,082,927	125,303,823	124,920,464	114,892,802	97,358,122
Additions/Deductions	72,455			-	-	-
Ending Fund Balance	105,082,927	125,303,823	124,920,464	114,892,802	97,358,122	91,956,484
Balance as a % of Revenue	30%	37%	38%	34%	28%	27%
Months of Operating Balance	3.6	4.5	4.5	4.1	3.4	3.2

Southern Oregon University

SOU	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues						
Gross tuition and fees	42,531,939	39,907,934	37,862,093	37,432,028	37,692,843	37,122,584
Less fee remissions	(3,964,601)	(3,244,658)	(3,915,141)	(4,001,773)	(4,852,792)	(5,294,416)
Net tuition	38,567,338	36,663,275	33,946,952	33,430,255	32,840,051	31,828,168
State operating appropriations	22,894,661	23,757,732	26,040,416	26,821,785	27,776,677	28,625,062
State debt service appropriations	179,160	179,160	179,160	179,160	179,160	179,160
Indirect cost recovery	162,151	135,883	183,439	313,217	295,045	307,966
All other	2,291,262	344,774	1,293,038	3,619,903	2,864,717	2,310,430
Total revenues	64,094,572	61,080,824	61,643,005	64,364,320	63,955,651	63,250,786
Expenses						
Salary & Wages	33,507,243	29,131,664	32,759,729	33,065,172	32,914,560	32,743,315
Benefits: Health	7,312,370	7,026,115	6,785,809	7,907,085	8,411,480	8,471,904
Benefits: Retirement	7,881,244	7,050,120	8,042,406	7,889,728	8,393,016	8,453,307
Benefits: Other	3,275,289	3,172,467	2,986,653	2,683,352	2,854,524	2,875,029
Supplies & Services	10,377,891	10,337,051	12,111,423	13,966,593	14,797,123	15,067,657
Capital Expenditures	99,152	123,799	116,636	99,247	103,374	125,307
Institutional Student Aid	-					
Net Fund Transfers	1,913,438	1,525,988	(250,903)	(8,023)	(350,143)	2,810,895
Total expenses	64,366,627	58,367,204	62,551,754	65,603,154	67,123,934	70,547,413
Net Income (Loss)	(272,055)	2,713,620	(908,749)	(1,238,834)	(3,168,283)	(7,296,627)
As a % of Revenue	0%	4%	-1%	-2%	-5%	-12%
Fund Balance Information						
Beginning Fund Balance	5,353,122	5,081,067	7,794,688	6,885,939	5,647,104	3,501,035
Additions/Deductions	-	-	-		1,022,214	-
Ending Fund Balance	5,081,067	7,794,688	6,885,939	5,647,104	3,501,035	(3,795,592)
Balance as a % of Revenue	7.93%	12.76%	11.17%	8.77%	5.47%	-6.00%
Months of Operating Balance	1.0	1.5	1.3	1.1	0.7	(0.7)

University of Oregon

UO	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues						
Gross tuition and fees	478,616,619	473,055,755	512,873,081	554,965,946	583,736,663	619,964,325
Less fee remissions	(53,611,282)	(60,399,952)	(68,529,896)	(77,012,452)	(79,454,242)	(90,817,606)
Net tuition	425,005,337	412,655,803	444,343,185	477,953,494	504,282,421	529,146,719
State operating appropriations	78,719,195	81,918,756	85,822,098	89,718,613	97,352,016	105,702,785
State debt service appropriations	801,356	801,356	798,460	798,460	798,460	798,460
Indirect cost recovery	25,087,226	25,952,583	28,676,144	30,402,907	31,714,638	33,646,952
All other	15,857,545	13,782,416	17,588,183	19,620,712	20,924,887	22,304,109
Total revenues	545,470,659	535,110,914	577,228,070	618,494,186	655,072,422	691,599,025
Expenses						
Salary & Wages	281,581,785	271,825,450	281,108,317	292,257,010	320,273,246	341,521,908
Benefits: Health	59,285,617	61,374,744	51,253,863	61,042,052	68,904,126	72,294,222
Benefits: Retirement	59,640,997	59,759,679	59,813,061	59,745,788	71,524,366	76,012,374
Benefits: Other	46,580,539	44,893,970	42,716,102	46,346,961	51,132,240	53,164,754
Supplies & Services	89,236,178	80,884,239	93,379,901	104,732,222	114,537,251	117,935,087
Capital Expenditures	3,721,532	3,791,094	5,101,140	4,706,874	4,469,209	4,355,151
Institutional Student Aid	5,515,265	4,709,505	3,826,346	4,272,383	5,159,648	4,469,995
Net Fund Transfers	7,007,520	3,348,942	8,554,440	24,499,662	13,964,969	16,375,860
Total expenses	552,569,432	530,587,624	545,753,170	597,602,952	649,965,054	686,129,350
Net Income (Loss)	(7,098,773)	4,523,290	31,474,899	20,891,234	5,107,368	5,469,675
As a % of Revenue	-1%	1%	5%	3%	1%	1%
Fund Balance Information						
Beginning Fund Balance	65,781,550	56,431,874	60,836,172	92,860,048	113,284,907	116,223,240
Additions/Deductions	(2,250,903)	(118,991)	548,976	(71,602)	(2,168,919)	(2,024,358)
Ending Fund Balance	56,431,874	60,836,172	92,860,048	113,679,680	116,223,356	119,668,557
Balance as a % of Revenue	10%	11%	16%	18%	18%	17%
Months of Operating Balance	1.2	1.4	1.9	2.2	2.1	2.1

Western Oregon University

WOU	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues						
Gross tuition and fees	41,518,577	45,774,935	37,816,222	35,959,039	37,475,048	38,016,998
Less fee remissions	(6,583,183)	(6,692,447)	(4,816,588)	(5,061,028)	(4,809,233)	(5,195,175)
Net tuition	34,935,394	39,082,488	32,999,634	30,898,011	32,665,815	32,821,823
State operating appropriations	27,134,107	28,607,959	30,877,368	32,014,393	33,368,270	34,497,828
State debt service appropriations	382,188	382,188	379,248	379,248	379,248	379,248
Indirect cost recovery	701,637	853,272	1,102,796	2,466,641	2,510,095	1,949,783
All other	3,779,304	2,928,845	9,505,637	3,248,957	4,507,923	3,436,205
Total revenues	66,932,630	71,854,753	74,864,684	69,007,250	73,431,351	73,084,887
Expenses						
Salary & Wages	38,132,694	33,875,977	35,937,722	36,047,285	36,409,935	38,378,843
Benefits: Health	9,384,789	8,585,735	7,726,727	7,501,136	7,519,630	8,084,410
Benefits: Retirement	9,801,128	8,954,320	7,827,458	7,856,387	7,962,533	8,324,994
Benefits: Other	3,294,351	3,015,212	4,266,643	4,208,837	4,543,589	4,886,263
Supplies & Services	7,810,405	7,526,376	9,500,964	9,378,017	9,392,063	7,968,611
Capital Expenditures	411,109	127,818	238,268	83,803	422,638	112,727
Institutional Student Aid	-	-	406,440	-	-	-
Net Fund Transfers	5,885,587	5,139,198	5,659,002	5,088,076	7,446,572	7,275,776
Total expenses	74,720,063	67,224,637	71,563,224	70,163,541	73,696,960	75,031,624
Net Income (Loss)	(7,787,433)	4,630,116	3,301,461	(1,156,291)	(265,609)	(1,946,738)
As a % of Revenue	-12%	6%	4%	-2%	0%	-3%
Fund Balance Information						
Beginning Fund Balance	12,955,721	6,240,179	10,870,295	15,089,729	14,025,063	13,753,975
Additions/Deductions	1,071,891	-	917,973	91,625	(5,479)	1,782,900
Ending Fund Balance	6,240,179	10,870,295	15,089,729	14,025,063	13,753,975	13,590,137
Balance as a % of Revenue	9%	15%	20%	20%	19%	19%
Months of Operating Balance	1.1	1.8	2.4	2.4	2.2	2.2

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