

2018 UNIVERSITY EVALUATION: University of Oregon

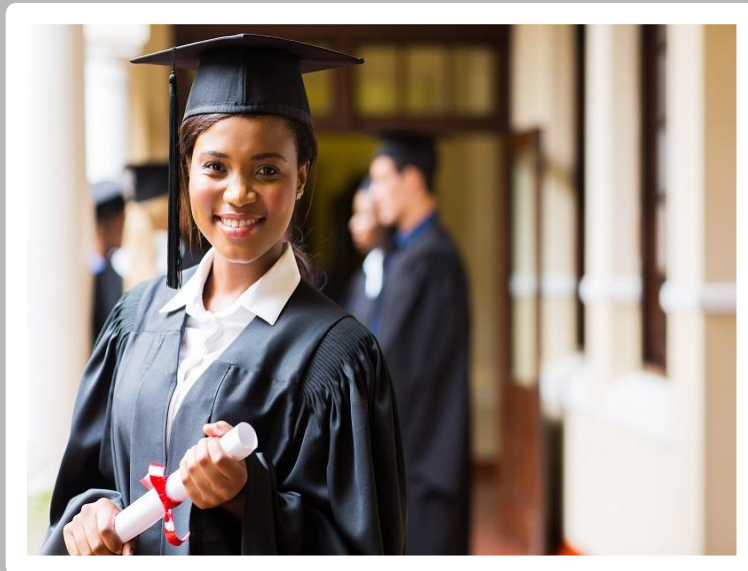


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INTRODUCTION

This report is guided by Oregon Revised Statute 352.061, as revised by SB 54 (2017), which requires that the Higher Education Coordinating Commission (HECC) submit to the Legislative Assembly an evaluation of public universities listed in ORS 352.002. Each public university must be evaluated in the manner required by this section once every two years. The purpose of this 2018 report is to evaluate the University of Oregon's contributions to State objectives for higher education as articulated in statute and in the HECC's Strategic Plan (https://www.oregon.gov/HigherEd/Documents/HECC/Reports-and-Presentations/HECC-StrategicPlan_2016.pdf). The report relies on a combination of accreditation reports, self-assessments conducted by the university on criteria jointly developed with the HECC, and state and federal data. This is UO's third evaluation, and as such, it builds on the descriptive benchmarks identified in the 2016 Report. It is a formative document that signals areas of key interest to the HECC that support the objectives of the State of Oregon: student success as measured by degree completion; access and affordability as measured by equity across socioeconomic, racial/ethnic and regional (urban/rural) groups; academic quality and research; financial sustainability; and continued collaboration across universities in support of the State's mission for higher education. Additionally, it describes how the University of Oregon's Board of Trustees has operated since its formation in 2013-2014. The form and content of subsequent annual evaluations will continue to be guided by feedback from legislators, the public, and the universities about how to improve the usefulness of this process and product.

LEGISLATIVE MANDATE (SB 270)

Passed by the Oregon legislature in 2013, Senate Bill 270 (SB 270) (2013) established individual governing boards at the University of Oregon and Portland State University. It also established a process for the other five Oregon public universities to establish individual governing boards, which they subsequently did. In addition, the bill required the Higher Education Coordinating Commission (HECC) to conduct annual evaluations of the universities. The stipulations required by the bill are codified in Oregon Revised Statute (ORS 352.061).

ORS 352.061(2) stipulates that the HECC's evaluations of universities must include:

- a) A report on the university's achievement of outcomes, measures of progress, goals and targets; and
- b) An assessment of the university's progress toward achieving the mission of all education beyond high school as described in ORS 350.014 (the 40-40-20 goal).

Finally, ORS 352.061(2)(c) also requires that the HECC assess university governing boards against the findings set forth in ORS 352.025, including that governing boards:

- a) Provide transparency, public accountability and support for the university.
- b) Are close to and closely focused on the individual university.
- c) Do not negatively impact public universities that do not have governing boards.
- d) Lead to greater access and affordability for Oregon residents and do not disadvantage Oregon students relative to out-of-state students.

- e) Act in the best interests of both the university and the State of Oregon as a whole.
- f) Promote the academic success of students in support of the mission of all education beyond high school as described in ORS 350.014 (the 40-40-20 goal).

For context, ORS 352.025 notes four additional Legislative findings:

- a) Even with universities with governing boards, there are economy-of-scale benefits to having a coordinated university system.
- b) Even with universities with governing boards, shared services may continue to be shared among universities.
- c) Legal title to all real property, whether acquired before or after the creation of a governing board, through state funding, revenue bonds or philanthropy, shall be taken and held in the name of the State of Oregon, acting by and through the governing board.
- d) The Legislative Assembly has a responsibility to monitor the success of governing boards at fulfilling their missions, their compacts and the principles stated in this section.

This year the HECC evaluated three institutions: Oregon State University, University of Oregon, and Portland State University.

EVALUATION PROCESS

In an effort to approach the first annual evaluation in a collaborative manner, in 2015 the HECC formed a work group comprised of university provosts, inter-institutional faculty senate, staff from the Chief Education Office, HECC staff, then-HECC Commissioner Kirby Dyess, and other university faculty and staff. The workgroup began meeting in February 2015 with a focus on understanding the purpose and scope of the evaluation as defined in statute, the structure of the evaluation, and the process for the evaluation. As a result of these conversations, an evaluation framework was developed as a tool to assist in the evaluation process.

During its development, the framework was shared with various groups such as university presidents, university faculty senates and others to seek feedback and input on the framework. The framework was revised based on input and suggestions and three categories were identified as organizers. These included institutional focus areas, governance structure focus areas, and academic quality. Each category contained key metrics and performance measures of academic quality that were aligned with the newly-adopted student success and completion model indicators. After final review and consideration of stakeholder feedback, the HECC adopted the framework on September 10, 2015.

During each evaluation report cycle, the framework template is populated with data from the HECC Research Office and then verified by university offices for institutional research and data. All data included in this report is from the HECC unless otherwise indicated.

A balanced evaluation of whether Oregon's public universities are meeting the goals described for them by State law does not lend itself to a formulaic or mechanical approach. The Commission draws from contextual elements such as the State's fluctuating funding for higher education and changing student demographics to help explain data in the framework, and progress towards goals. The Commission also leverages other evaluations already

undertaken by universities including self-studies, accreditation reports and the work of boards of trustees to provide a perspective that is uniquely focused on each institution’s contribution to serving the State’s higher education mission under the new post-Oregon University System governance model.

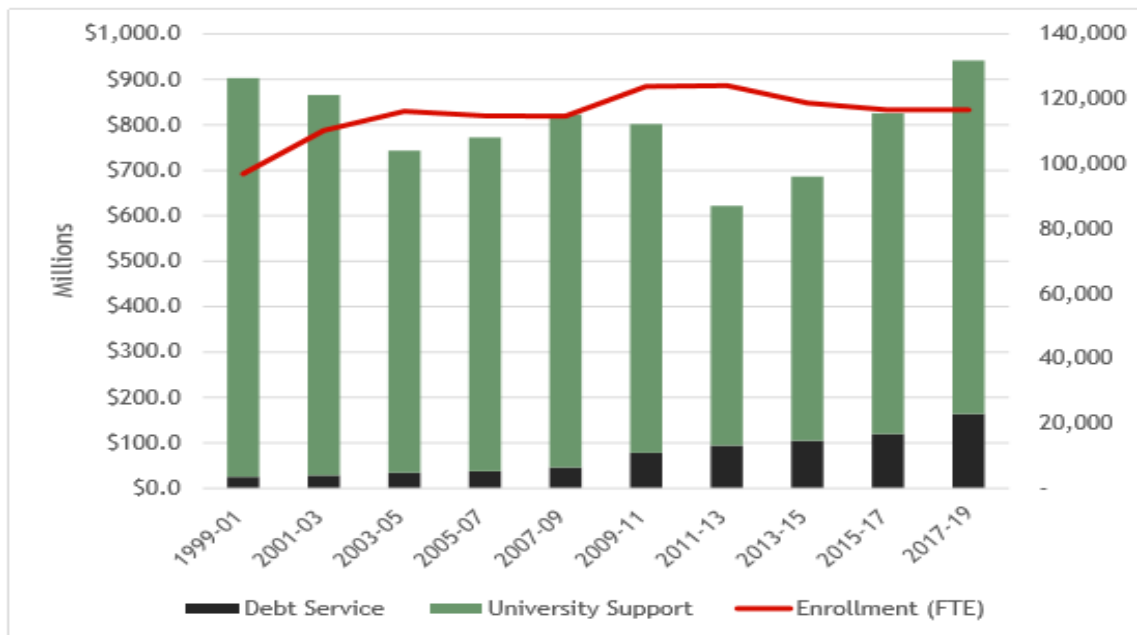
This report is focused on the legislative charge and the HECC’s primary areas of emphasis as indicated in its Strategic Plan. This report is not a comprehensive evaluation. It reflects the narrower scope of legislative issues of interest, incorporating findings from accreditation studies where there is overlap.

STATEWIDE CONTEXT

Funding History

Over the past several biennia, state funding for public universities has not kept pace with enrollment or inflation. While recent investments have moved the needle in the right direction, additional funding is necessary to support institutions as they work to increase the graduation and completion rates for a growing diverse population.

Figure 1: Public University Funding



Notes: Projected Enrollment, Statewide Public Services and Sports Lottery excluded. Data Source: OUS IR 2013 Fact Book, p. 114, SCARF enrollment data, HECC BRS 2015-16, 2016-17, and 2017-18

Governance Changes

Senate Bill 270 (2013) outlines the benefits that are to be achieved from having public universities with governing boards that are transparent, closely aligned with the university’s mission, and that “act in the best interest of both the university and state of Oregon as a whole.” In addition, the Legislature found that there are benefits to having economies of scale and as such, universities were granted the ability to continue participation in shared service models. It is important to note that all public universities are required to participate in group health insurance, a

select set of group retirement plans, and collective bargaining through July 1, 2019, per ORS 352.129. After July 1, 2019 the universities are no longer mandated to offer the same scope and value for each of the employee benefits referenced in the statute (ORS 352.129), but are still required to participate in a shared administrative arrangement for the provision of the benefits.

Local Conditions and Mission

The University of Oregon (UO) is the flagship campus and one of the three largest public universities in Oregon. It is a world-class public teaching and research university that offers tremendous breadth and depth in liberal arts and sciences, as well as professional programs. Students, faculty members, and employees from a wide variety of backgrounds share a commitment to preserving the environment and pursuing innovation in nearly 300 comprehensive academic programs that range from Eugene to Portland and from the coast to the mountains. The UO is among the 115 institutions chosen from 4,633 U.S. universities for top-tier designation of "Doctoral/Very High Research Activity" in the most recent Carnegie Classification of Institutions of Higher Education. The university was admitted in 1969 into the exclusive membership of the Association of American Universities (AAU), an organization of leading research universities devoted to maintaining a strong system of academic research and education. The UO is among 62 AAU universities, both public and private, and along with University of Washington, is one of just two members in the Pacific Northwest.

ORS 350.075 and 350.085 require the HECC to review and approve public university mission statements. At its June 11, 2015 meeting the HECC reviewed and approved the University's mission statement. The mission, vision, purpose and values of UO are reproduced here:

MISSION:

The University of Oregon is a comprehensive public research university committed to exceptional teaching, discovery, and service. We work at a human scale to generate big ideas. As a community of scholars, we help individuals question critically, think logically, reason effectively, communicate clearly, act creatively, and live ethically.

PURPOSE:

We strive for excellence in teaching, research, artistic expression, and the generation, dissemination, preservation, and application of knowledge. We are devoted to educating the whole person, and to fostering the next generation of transformational leaders and informed participants in the global community. Through these pursuits, we enhance the social, cultural, physical, and economic wellbeing of our students, Oregon, the nation, and the world.

VISION:

We aspire to be a preeminent and innovative public research university encompassing the humanities and arts, the natural and social sciences, and the professions. We seek to enrich the human condition through collaboration, teaching, mentoring, scholarship, experiential learning, creative inquiry, scientific discovery, outreach, and public service.

VALUES:

We value the passions, aspirations, individuality, and success of the students, faculty, and staff who work and learn here. We value academic freedom, creative expression, and intellectual discourse. We value our diversity and seek

to foster equity and inclusion in a welcoming, safe, and respectful community. We value the unique geography, history and culture of Oregon that shapes our identity and spirit. We value our shared charge to steward resources sustainably and responsibly.

ACCREDITATION

This report is formative and focuses on the topics identified by the Legislature and in alignment with the HECC's Strategic Plan. It is not intended to be a comprehensive evaluation of University of Oregon. A more comprehensive assessment and review of academic and institutional quality is available from the Northwest Commission on Colleges and Universities (NWCCU) which accredits UO and other universities in Oregon. Accreditation of an institution of higher education by the NWCCU indicates that it meets or exceeds criteria for the assessment of institutional quality evaluated through a peer review process. An accredited college or university is one which has available the necessary resources to achieve its stated purposes through appropriate educational programs, is substantially doing so, and gives reasonable evidence that it will continue to do so in the foreseeable future. Institutional integrity is also addressed through accreditation. NWCCU accreditation occurs on a seven-year cycle that consists of three parts: a Year One, a Mid-Cycle in the third year, and culminating Year Seven review. This section draws on some relevant parts of NWCCU reports, supplemented with information on economic and community impact (identified from UO sources). Other components of NWCCU reports are incorporated elsewhere as appropriate.

The University of Oregon was last reaffirmed for accreditation in July 2017. Evaluative materials for UO are available at <https://provost.uoregon.edu/current-accreditation-cycle>. The UO completed its Year 7 report in March 2017 as a part of a unique Demonstration Project, a three-year project with four other institutions focused on the assessment of student learning outcomes and general education as manifestations of mission fulfillment. A copy of the reaffirmation letter with NWCCU recommendations is posted at https://accreditation.uoregon.edu/files/nwccu_reaffirmation_2017.pdf.

NWCCU applauded UO for its innovative human-centered design to build trust and social capital across campus to carry out the work of general education revision. In this same July 2017 letter NWCCU urged UO to continue working on Recommendations 1 and 2 originally issued in its Spring 2013 review. These recommendations asked that:

1. UO clarify its objectives and related indicators of achievement, ensuring that they are measurable, assessable, and verifiable, so that UO can collect the necessary information to prepare the Year Seven Self Evaluation Report and that
2. UO intensify and focus its efforts to identify and publish expected course, general education, program, and degree learning outcomes.

NWCCU requested that these be addressed in an addendum to the Spring 2018 Year One (Mission and Core Themes) Report. The UO initiated a new 7-year accreditation cycle in Spring 2018 with the submission of their Year One Report which was accepted by the Commission with "no further action required." A copy of this notification letter can be found at https://provost.uoregon.edu/files/university_of_oregon_-_year_one_notification_letter.pdf.

UO also has individual programs in the university's professional schools and colleges that are accredited by the following organizations:

- Accrediting Council on Education in Journalism and Mass Communications
- American Assembly of Collegiate Schools of Business
- American Association of Museums
- American Bar Association
- American Chemical Society
- American Psychological Association
- American Society of Landscape Architects
- American Speech-Language-Hearing Association
- Commission on Accreditation for Marriage and Family Therapy Education
- Commission on English Language Program Accreditation
- Council for Exceptional Children
- Foundation for Interior Design Education Research
- National Architectural Accrediting Board
- National Association of School Psychologists
- National Association of Schools of Music
- National Association of Schools of Public Affairs and Administration
- National Athletic Trainers Association
- Planning Accreditation Board
- Teacher Standards and Practices Commission

Economic and Community Impact

The University of Oregon remains a significant force in the Oregon economy. Between 2016 and 2018, UO research expenditures increased by 12% from \$106.5 in FY16 to \$119.4 million FY18. The following information relies on an economic impact assessment originally produced in June 2014 (updated in January 2015) by UO

economics professor Timothy Duy. The estimated economic footprint of the University of Oregon in fiscal year 2013-14 was \$2.3 billion, which represented a 16.6% increase over the previous fiscal year.¹

Three factors primarily account for the increased economic impact. First, direct spending on the part of the University rose 6.4% to \$736 million. Second, the percentage of out-of-state students rose to 47.8% from 45.2%. The primary economic impact is derived from out-of-state demand for the University's product (higher education). Higher demand from out-of-state sources yields greater economic impact because it represents new activity in the state of Oregon rather than simply a shifting of activity within the state. Finally, construction spending rose sharply to \$151.8 million compared to \$44.9 million the previous year.²

Spending by the University of Oregon and its students and visitors drove an additional \$440 million of household earnings and 13,420 jobs in the state (economic impact). Overall, the University of Oregon effects \$790.1 million of household earnings and 24,597 jobs in the state (economic footprint). Assuming an average tax rate of 5.4%, the household earnings of \$790.1 million was associated with \$42.7 million of tax revenue for the state. University of Oregon employees had \$21.6 million of state income tax withheld during fiscal year 2013-14.³

In October 2016, the University of Oregon announced a \$500 million gift from Phil and Penny Knight to create the Knight Campus for Accelerating Scientific Impact. The transformational lead gift is a part of a \$1 billion, ten-year initiative designed to fast-track scientific discoveries that improve the quality of life for people in Oregon, the nation and beyond and train a highly capable scientific workforce for the jobs of tomorrow. When the billion dollar initiative is fully operational, UO envisions the campus to have three new buildings outfitted with cutting edge laboratories, advanced life sciences technical and imaging facilities, human-subject interaction spaces, flexible pedagogical environments for engineering and applied sciences and an innovation center with leasable labs and desk/meeting space. During peak construction, the Knight Campus is expected to contribute over \$100 million in total economic impact annually to Oregon's economy, and support more than 1,000 jobs. UO estimates that when fully underway the Knight Campus will drive the creation of some 750 jobs and produce nearly \$80 million in total economic activity statewide annually.

¹ Duy 2015. p. 26

² Ibid. p. 27

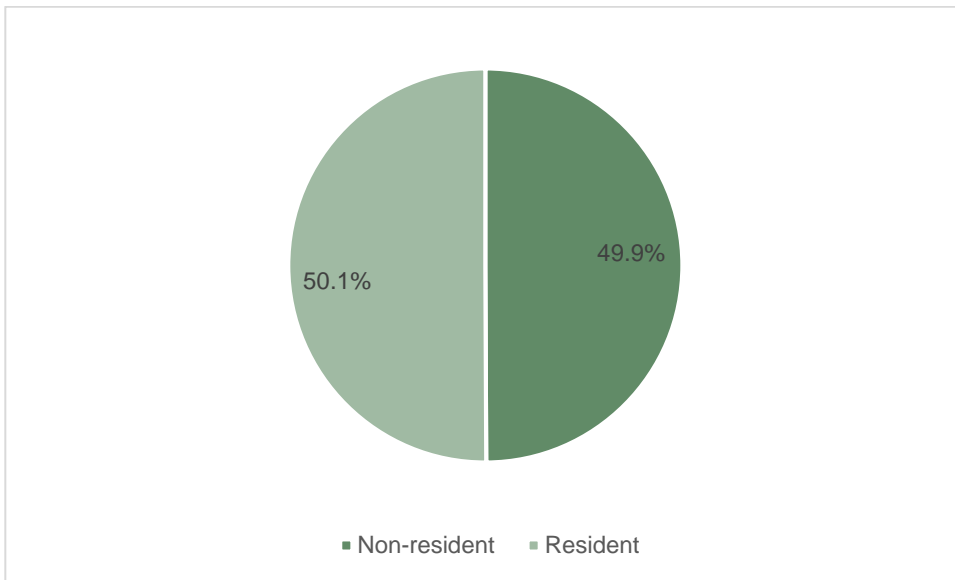
³ Ibid. p. 27

STUDENT ACCESS AND SUCCESS

Nationally, enrollment in higher education has generally declined since its peak during the Great Recession. The State of Oregon sees a similar pattern with some variation across institutions, and particularly in the enrollments and completion rates of low income, minority and rural students. This section is focused on tracking trends in enrollment and completion outcomes.

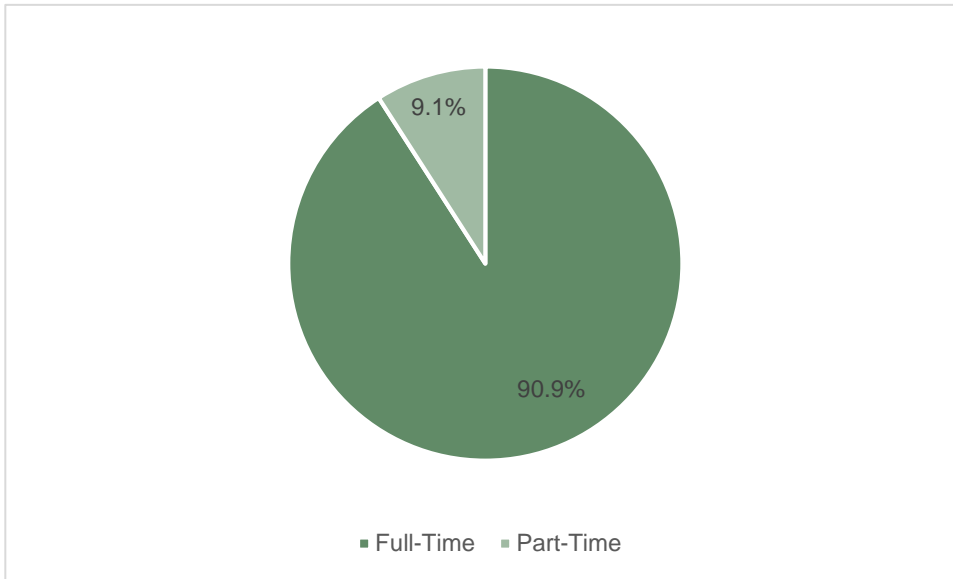
As detailed by Figures 2 and 3, just over half of UO students (50.1%) are resident and the majority (90.9%) attend full-time.

Figure 2: UO Student Enrollment by Residency, Fall 2018



Source: HECC (2018)

Figure 3: UO Student Enrollment by Full-Time/Part-Time Status, Fall 2018



Source: HECC (2018)

In fall 2018, UO enrolled 22,760 students, a 3.7% decline from fall 2016. However the number of newly admitted students increased for the first time since 2015; moreover, the increase in newly admitted students was among resident students (up 10.8%, versus a 2.8% decline for non-residents between the 2018 and 2017 fall terms). According to UO, this decline in non-resident students was attributable to a decline in international students.

UO's total enrollment has declined year-over-year since 2012, but has increased by 5.8% over the last decade (from 21,507 in 2008 to 22,760 in 2018); most of the increased growth over the last decade can be attributed to the non-resident student population, which has increased 44.8% over that time period, compared to a 15.8% decrease in resident enrollment.

UO's growth in enrollment of underrepresented minorities (e.g., American Indian/Alaska Native, African American, Hispanic, and Pacific Islander) is noteworthy even as overall enrollments declined. In Fall 2018, the University enrolled 4,444 underrepresented minority students, an increase of 10.4% from Fall 2016, and an increase of 70% since 2011. Underrepresented minorities constitute 21.2% of the resident student population. Pell Grant recipients constitute 17.8% of total enrollment. There appears to be an upward trend in enrollment among Hispanic and students who identify as being of two or more races, along with a slight increase in Black non-Hispanic and American Indian/Alaska Native students.

Table 1: UO Headcount Enrollment by Race/Ethnicity, Fall 2015, 2016, 2017, and 2018

Race/ Ethnicity	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Change Fall 2017 to Fall 2018
Non-Resident Alien	3,412	3,125	2,797	2,411	(386)
American Indian/ Alaska Native	146	153	143	156	13
Asian	1,324	1,308	1,284	1,348	64
Black Non-Hispanic	472	493	514	517	3
Hispanic	2,259	2,437	2,570	2,705	135
Pacific Islander	106	103	79	99	20
Two or more races,	782	840	892	967	75
Two or more races, not	620	635	657	703	46
White Non-Hispanic	14,612	14,146	13,650	13,438	(212)
Unknown	392	394	394	416	22

Source: HECC (2018)

Different student populations do not perform and graduate at similar rates. When viewing graduation rates for subsets of the student population, it is important to remember that many cohorts contain small numbers, and small changes in those numbers can look like large changes in rates. The six-year graduation rate for underrepresented minorities in the 2011 cohort is about 9 percentage points lower than the overall first-time freshmen graduation rate from the same cohort. Pell grant recipients graduation rates were slightly lower (5.6 percentage points) than the overall cohort rate.

The four and six-year graduation rates for UO first-time freshmen who entered in the fall term of 2011 are as follows:

Table 2: Four-Year and Six-Year Graduation Rate, First Time, Full Time Freshmen Entering UO in Fall 2011

	Four-Year Graduation Rate	Six-Year Graduation Rate
All Students	52.7%	74.4%
Underrepresented Minorities	45.4%	65.8%
Pell Grant Recipients	46.0%	68.8%

Source: HECC (2018)

*Fall 2011 cohort is the latest year of available data for the six-year graduation rate

UO's number of resident completions by award type declined in every category in the 2017-18 academic year compared to the 2016-17 academic year, except at the professional and master degree levels. UO awarded about 25.5% fewer certificates, 7.2% fewer bachelor's degrees, 32.3% more master's degrees, no change in doctoral degrees, and 22.6% more professional degrees. Compared to the 2016-17 academic year, UO's total number of completions for both resident and non-resident students declined by 2.1% from 6,272 in 2016-17 to 6,143 in 2017-18. The greatest number of completions continues to be at the bachelor's degree level. UO does not award associate's degrees.

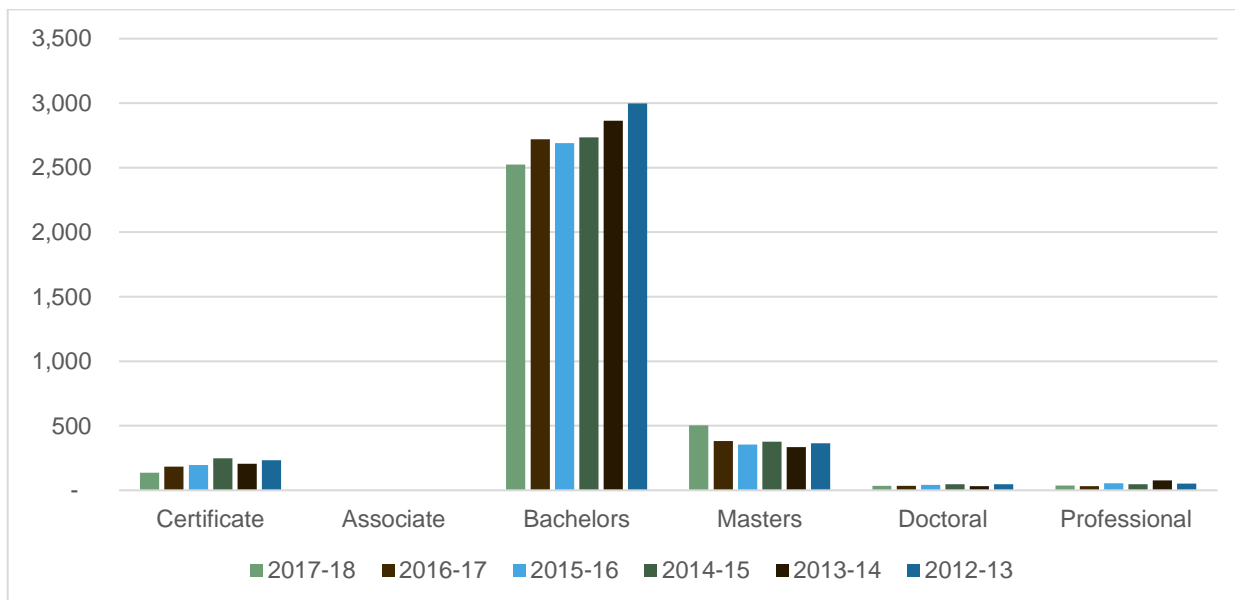
It is important to note that the decrease in number of degrees awarded is related to enrollment trends. When looking at the rates of completion, UO is demonstrating a positive trend. According to UO, the four-year graduation rate for the 2010 cohort was 49.9%, the 2011 cohort was 51.9%, the 2012 cohort was 52.9%, and the 2013 cohort was 56.1%. One can see similar trends in subgroups of students. For example, underrepresented minority students had the following graduation rates: 2011 cohort was 43.8%, 2012 cohort was 46.4%, and 2013 cohort was 51.2%. In addition, the graduation rates for resident students have also shown similar increases 2011 cohort was 49.5%, 2012 was 52.7%, and 2013 was 57.0%.

Table 3: UO Resident Student Completions by Award Type

	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Certificate	137	184	197	249	207	234
Associate	-	-	-	-	-	-
Bachelors	2,524	2,721	2,691	2,735	2,864	2,998
Masters	504	381	355	376	336	365
Doctoral	35	35	43	47	32	48
Professional	38	31	55	47	77	53

Source: HECC (2018)

Figure 4: UO Resident Student Completions by Award Type



Source: HECC (2018)

The fall 2018 headcount is the most diverse in the university’s history, including the largest number of students in the institution’s history who identify as African-American. The 2017-18 year also saw the highest number of racial and ethnic minorities earning degrees. While the total number of resident graduates has been declining over the last three years, it is noteworthy that the total number of underrepresented graduates has seen a general increase with fluctuations across the different groups. Hispanic, non-resident aliens, and Asian students have seen a steady

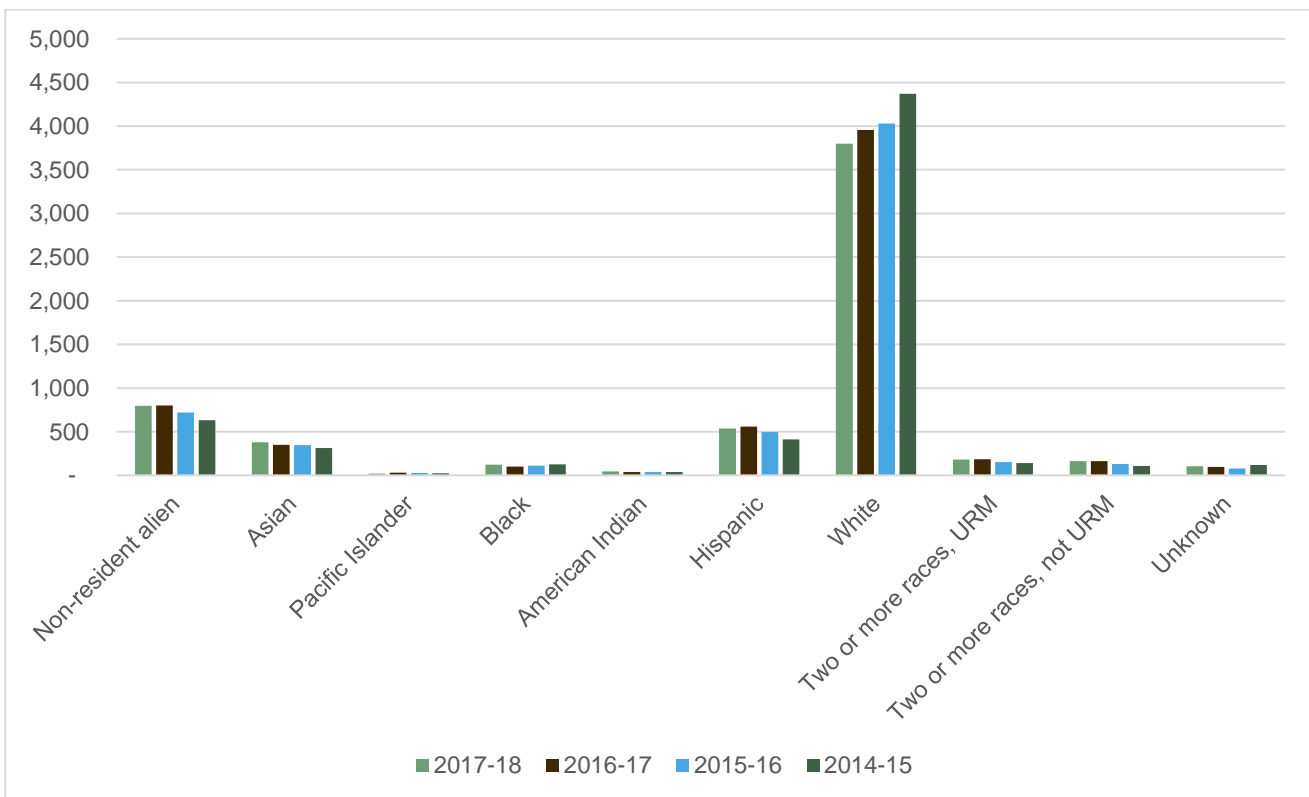
increase. However it's important to note that fluctuations in degree awards are related to enrollment trends. To better understand the data, review the table and graph below:

Table 4: UO Completions by Race/Ethnicity

	2017-18	2016-17	2015-16	2014-15
Non-resident alien	795	799	720	632
Asian	380	348	347	314
Pacific Islander	20	29	28	23
Black	121	99	110	124
American Indian	44	38	39	39
Hispanic	538	559	497	412
White	3,797	3,957	4,028	4,369
Two or more races, URM	182	185	153	141
Two or more races, not URM	164	162	128	108
Unknown	102	96	79	120

Source: HECC (2018)

Figure 5: UO Completions by Race/Ethnicity



Source: HECC (2018)

AFFORDABILITY

Among the factors that the HECC is required to determine (under ORS 352.065 and 352.025(1)(d)) is whether universities remain affordable for Oregon residents.

Many students and prospective students at the University of Oregon, like their counterparts at other universities around the state and nationwide, continue to face significant challenges related to access and affordability. Public defunding of higher education is a national trend that is shifting a majority of the burden of paying for a college education to students and their families. That shift has been particularly acute in Oregon in recent years. Partly as a result of state funding cuts, resident undergraduate tuition and fees at University of Oregon increased 83.4% in the last 10 years, including increases of 7.5% and 2.8% in 2017-18 and 2018-19 respectively.⁴ In 2018-19, resident undergraduate students saw tuition increases of 2.8% and fee increases of 2.8%⁵ over the prior year. Resident graduate students have faced similar increases.

Students, however, do have access to financial aid at University of Oregon. In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), University of Oregon students benefit from UO's significant commitment of institutional resources to scholarships, remissions, and tuition discounts. In the 2017-18 academic year, UO recorded \$43,122,284 in resident remissions (30.3% of resident gross tuition charges). For 2016-17, UO recorded \$46,982,187 in resident tuition remissions (35.6% of resident tuition and fees charges).

The University of Oregon also engages in a number of targeted programs designed to improve access and affordability. For example, UO's primary need-based scholarship program, PathwayOregon, covers the full tuition and fees (after a student has accepted all federal and state aid for which they qualify) for Pell-eligible Oregon first-time freshman residents with a high school GPA of at least 3.4. Sixty percent of PathwayOregon recipients are first generation college students. PathwayOregon students also receive comprehensive academic supports, and see significantly higher four-year graduation rates than non-PathwayOregon resident students (60.8% vs. 55.6% for cohorts entering in Fall 2013). Since the program's inception in 2008, more than 6,000 Oregon residents have received this grant. Further, UO has a number of scholarship programs targeting students of color, low-income students, and other underserved populations.⁶ However, despite these considerable efforts, in 59% of resident students in 2016-17 were unable to meet expenses with expected resources: family contributions, student earnings, and grant aid.⁷

Tuition tells only a part of the affordability story. The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. University of Oregon estimates the

⁴ Source: <https://registrar.uoregon.edu/costs/tuition-fees> as well as historical OUS tuition data. Defined to include full-time resident non-promise tuition and all mandatory fees (including incidental fees).

⁵ A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) will pay \$9,675 in tuition and \$2,133 in fees for a total of \$11,898.

⁶ Source: <https://financialaid.uoregon.edu/scholarships>

⁷ Source: <https://www.oregon.gov/highered/research/Documents/Snapshots/UO-Snapshot.pdf>

average student budget for living expenses annually to be \$15,468 for the 2018-19⁸ – an amount that exceeds resident tuition and fees.

While it is natural to view affordability primarily in terms of the student's direct cost associated with their enrollment, a larger perspective takes into account whether the student completes his or her degree, does so in a reasonable period of time, and has earning potential commensurate with the debts that might have been incurred. On average, the earnings of federal loan recipients 10 years after beginning school at UO are \$44,800.⁹ Among University of Oregon undergraduate degree recipients who graduate from the university with federal loan debt, their average federally-backed debt load is \$20,500. According to the College Scorecard, in the 2016-17 academic year, 38% of UO's students had federally supported loans and 24% received Pell Grants.

⁸ Source: https://financialaid.uoregon.edu/cost_of_attendance

⁹ Source for earnings, Pell grant information and debt load is the College Scorecard: <https://collegescorecard.ed.gov/>

ACADEMIC QUALITY AND RESEARCH

The HECC relies on four key areas to track academic quality and research at each institution: regular external accreditation reviews to assess each institution's progress in meeting its stated mission, vision and goals; evidence of regular academic program review to improve quality; regular faculty evaluation and opportunities for professional development; and institutional reports of research activity evidenced by research expenditures. Research contributions are also reflected in economic impact and collaborations both discussed elsewhere in this report.

In 2014, the HECC adopted a new formula for distributing state resources to public universities that incentivizes growth in enrollment and graduation outcomes. While no evidence has emerged that the new formula has resulted in the lowering of academic quality standards at Oregon public universities, the HECC remains sensitive to this concern and continues to be vigilant about sustaining rigorous academic quality at all public universities. In partnership with all public universities, the HECC leverages collaborative partnerships with organizations such as the State Higher Education Executive Officers Association (SHEEO) and the Association of American Colleges and Universities (AAC&U) to pursue promising initiatives to develop nationally normed outcomes to assess and track student learning and post-graduation success.

The University of Oregon has a long established record of academic excellence. In 1969 it was admitted to the Association of American Universities (AAU), an organization of leading research universities devoted to maintaining a strong system of academic research and education. The University of Oregon is among 62 AAU universities, both public and private, and one of just two in the Pacific Northwest. The University of Oregon is among the 108 institutions chosen from 4,633 U.S. universities for top-tier designation of "Doctoral/Very High Research Activity" in the most recent Carnegie Classification of Institutions of Higher Education. For FY 2018 UO reports total research expenditures of over \$119.4 million.

UO's Clark Honors College was the first four-year public honors college west of the Mississippi. The university's academic programs are organized into eight degree-granting schools and colleges: The College of Design, College of Arts and Sciences, College of Education, School of Law, Lundquist College of Business, School of Journalism and Communication, School of Music and Dance, and Graduate School. The University of Oregon is particularly strong in the sciences (biology, chemistry, math, physics and geoscience), along with the neurosciences, cognitive sciences, anthropology, geography, materials, education and education research, sustainable architecture, journalism, entrepreneurship and sports business, environmental law, and East Asian languages and literatures. The university is well known for interdisciplinary programs such as environmental studies and comparative literature.

Program review is essential to maintain and improve program quality. The University of Oregon's processes for academic program review and approval are clearly established. Any significant change in the University's academic programs as defined by the HECC is approved by the Board committee responsible for academic affairs prior to the submission to the Commission. Internal program approval processes are managed by the Office of the Provost and posted at: <https://provost.uoregon.edu/new-revised-programs>. The Office of the Provost manages program review processes. Information on program review is available online at: <https://provost.uoregon.edu/program-review>

Faculty evaluation and professional development are fundamental to sustaining academic quality. The University of Oregon has distinct processes for evaluation and promotion for "tenure-track faculty" (TTF) and "non-tenure

track faculty” (NTTF) and has a Professional Development and Training Policy (<https://policies.uoregon.edu/vol-3-administration-student-affairs/ch-8-admissions-oregon-residency/professional-development-and>) that recognizes the “importance of encouraging and supporting employees in professional development activities that are related to their employment.” The University of Oregon, Office of Human Resources (<http://hr.uoregon.edu/professional-development/professional-development-services>) offers a central resource for coordinating training, assisting instructors, and providing an easy access portal for learners and the Teaching Engagement Program (TEP) provides faculty support for their teaching through workshops, seminars and individual consultations on best practices.

COLLABORATION

The University of Oregon benefits from, and contributes to, a host of collaborative activities with other postsecondary institutions. Additionally, the UO participates in cooperative contracting with the other Oregon public universities and with national cooperative contracts.

Various leadership councils provide a great opportunity for continued collaboration and information-sharing regarding current and anticipated issues and shared goals. Faculty at all public universities are represented at the Inter-Institutional Faculty Senate (IFS) which is made up of elected senate representatives from each institution. The IFS serves as a voice for all faculties of Oregon public universities in matters of shared concern.

Other examples of collaboration at the University of Oregon include their emergency management efforts, two IT-related efforts (the Network for Education and Research in Oregon (NERO) and Oregon Gigapop (OGIG)), the Orbis Cascade Alliance, and the Regional Accelerator and Innovation Network (RAIN).

The University of Oregon engages in a number of collaborative initiatives with other universities and partners, as indicated below (P indicates participation):

Table 5: UO Collaborative Initiatives Participation

Other University Collaborations	University Response
Public University Councils:	
Presidents Council	P
Provosts Council	P
Vice Presidents for Finance and Administration (VPFAs)	P
General Counsels (GCs)	P
Public Information Officers (PIOs)	P
Legislative Advisory Council (LAC)	P
Cooperative Contracting	P
Capital Construction Services	N/P
OWAN	P
OGIG	P
NERO Network	P
RAIN	P
Orbis Cascade Alliance	P
ONAMI	P
Other	P

The UO has played a role in higher education emergency management since 2005, when it started the National Disaster Resilient Universities (DRU) Network. The goal of the DRU Network is to facilitate open communication, discussion, and resource sharing among university and college practitioners responsible for making America's campuses more disaster resilient. As of January 2019, the DRU Network has more than 2,200

members. In 2009 the university assisted several other Oregon campuses to develop their natural hazard mitigation plans. UO Emergency Management (UOEM) recognized the benefit of bringing together institutions of higher education in Oregon and the Pacific Northwest to discuss successes and challenges. Since 2010, UOEM has hosted annual Disaster Resilient Universities (DRU) Higher Education Summits. The DRU Summits ranged from those that are topic specific (e.g., pandemic illness, earthquakes, enterprise risk management) to more general sessions aimed at sharing best practices and networking among those charged with making their campuses safe and resilient. In 2015, a number of staff from UO's Incident Management Team assisted Umpqua Community College (UCC) with coordination of its short term recovery efforts following the October 1 shooting on its campus.

Following the UCC incident, the Governor appointed Andre Le Duc, UO's Chief Resilience Officer and Associate Vice President, as Chair of the Campus Safety Working Group tasked with:

- 1.) Analyzing promising practices that can be shared across all higher education institutions to maintain public safety, prevent, prepare for and effectively manage future response and recovery efforts for campus-wide emergencies; and
- 2.) Identifying resource needs and potential state policy to enable a coordinated strategy across the higher education system, both public and private institutions.

The Working Group presented their recommendations and final report to the Governor in 2016 that include an all-hazard, multi- faceted approach to making Oregon campuses safer.

UO collaborates and participates in shared services related to information technology. The Network for Education and Research in Oregon (NERO) is a service center administered by the UO. It is a statewide research and education network providing services to higher education institutions, community colleges, K12, local and state government, municipalities, and non-profit groups. The Oregon Gigapop (OGIG) provides network connectivity to Internet2, the premier research and education network that connects research universities across the United States. Member institutions are the University of Oregon, Oregon Health & Science University, Oregon State University and Portland State University. UO is also strengthening ties with OHSU through partnerships in developmental biology and exploring opportunities associated with the Phil and Penny Knight Campus for Accelerating Scientific Impact.

The UO Libraries participates in several regional and national library consortiums to share library collections, resources, and expertise, and to realize cost discounts for a variety of services and resources. Among these is the Orbis Cascade Alliance, a consortium of 39 academic libraries located in Oregon, Washington, and Idaho, including Oregon's seven public universities and 17 other higher education institutions, community colleges and private, across the state. Orbis members share an integrated library management platform that offers access to over 9.5 million items to its collective user community. Orbis also provides consortial electronic resource purchasing for its members for over \$9 million dollars in products.

RAIN leverages community, university, and business resources to grow the startup ecosystem in the state's south Willamette Valley and mid-coast region. The UO is a key partner in RAIN, along with OSU, as one of the providers of innovation and human capital to help the region create high-growth, technology-based startup companies. Since launching in July 2014, the UO-supported RAIN Eugene accelerator has supported 34 start-up companies with resources, mentoring, and guidance, helping them to grow and thrive in the regional economy. RAIN programs connect campus innovation activities with the local entrepreneurial community, provide

experiential learning opportunities for students, and support startup companies founded by UO students. UO students gain experience by conducting market research, assisting in due diligence reviews under the supervision of pro bono attorneys, and helping with marketing and communications.

PATHWAYS

One area of collaboration that is of some concern, both in Oregon and nationally, is transfer student success. The statutes outlining goals for transfer student success and cooperation between Oregon's higher education sectors (ORS 341.430 & ORS 348.470) are the framework for HECC's continued partnership with the seven public universities. Recent policy discussions between the institutions and HECC give this sustained work a renewed focus: more and better statewide data on transfer student outcomes and potential statewide solutions where persistent barriers exist.

Although Oregon has state-level policies and processes to ensure that students may apply credits earned upon transfer from community college to university (the Associate of Arts Oregon Transfer degree, for example), research that resulted from House Bill 2525 (2015) and subsequent HB 2998 (2017) report suggests that community college transfer students on the whole often face challenges in completing an intended major, which results in excess accumulated credits, increased tuition costs, and debt.¹⁰ Statewide, community college transfer students graduate with more "excess" credits than their direct entry counterparts. And despite the best efforts of advisors, faculty, and administrators, some students who complete statewide degrees such as the AAOT are ill-served with excess credit if they transfer into certain majors. Major requirements at the university level can change without notice, and community college students and advisors can be hindered in effective degree planning.

Statewide, 40.5 % of students who entered an Oregon public university in fall 2017 did so from a community college or other transfer institution (HECC Office of Research and Data, "University Student Data" <http://www.oregon.gov/highered/research/Pages/student-data-univ.aspx>). University of Oregon in that same period enrolled 24.2% of its students as transfers.

The passage of HB 2998 in 2017 required the HECC to work closely with both public universities and community colleges to create a new framework for statewide transfer, a Foundational Curriculum of at least 30 credit hours, and a process for the creation of Unified Statewide Transfer Agreements (USTA) in major fields of study to aid transfer students in moving smoothly into university degree programs, with fewer lost or excess credits.

UO faculty and administrators have been advisors and participants to the HB 2998 implementation process, including serving as chair of the foundational curriculum subgroup, adding insight and value to the newly created foundational curriculum and continuing to work closely with HECC staff and other institutions to move this work forward. They participated in the development and submission of a 2018 legislative report on the topic.¹¹ Additionally, University of Oregon has been an active participant in statewide projects such as the statewide Oregon Transfer and Articulation Committee (OTAC), which oversees and maintains the statewide transfer degrees.

Among the seven public universities in Oregon, UO enrolls the largest percentage of first-time freshmen at 77.9% in fall 2018, resulting in the smallest percentage of transfer students. Statewide, 41.5 % of students who entered an

¹⁰ Source: [HB 2998 \(2017\) "Post-Secondary Student Transfer"](#)

¹¹ Ibid.

Oregon public university in fall 2018 did so from a community college or other transfer institution. [FN HECC Office of Research and Data, “University Student Data” <http://www.oregon.gov/highered/research/Pages/student-data-univ.aspx>].

UO maintains robust online resources for transfer students to help them navigate the transition to the university. Additionally, the University has been an active participant in statewide projects such as the HB 2525 workgroup and the statewide Oregon Transfer and Articulation Committee (OTAC), which oversees and maintains the statewide transfer degrees. UO maintains close partnerships with Lane Community College (LCC) and other institutions in the form of articulation agreements, dual enrollment programs with LCC and Southwestern Oregon Community College, and other transfer student-focused initiatives.

SHARED ADMINISTRATIVE SERVICES

Pursuant to ORS 352.129 and following the convening of the Workgroup on University Shared Services established by the 2013 Legislature, the seven public universities created the University Shared Services Enterprise (USSE), a service center hosted by Oregon State University. USSE offers a fee for service model for many back office functions previously offered by the OUS Chancellor’s Office. ORS 352.129 mandates participation by the independent universities in certain services offered by USSE until July 1, 2019. These mandated services include group health insurance, group retirement plans and collective bargaining. The UO serves fiduciary for all of the former Oregon University System retirement plans, and hosts the Oregon Public Universities Retirement Plans ("OPURP") shared-services organization. All seven public universities participate in OPURP via shared-services agreement.

The two largest plans managed by OPURP, the Optional Retirement 401(a) Plan ("ORP") and the Tax-Deferred Investment 403(b) Plan ("TDI"), hold \$1.89 billion in retirement assets of former and current public university employees (as of 09/30/2018) at three (3) separate investment firms. OPURP coordinates with the investment firms, individual universities’ benefits and payroll offices, and the University Shared Services Enterprise, to provide timely, accurate, and compliant retirement plan services to all eligible employees.

Pursuant to ORS 352.129 and following the convening of the Workgroup on University Shared Services established by the 2013 Legislature, the seven public universities created the University Shared Services Enterprise (USSE), a service center hosted by Oregon State University. USSE offers a fee for service model for many administrative and accounting functions previously offered by the Chancellor’s Office. The UO has chosen not to participate in many of the services provided by the USSE. Beginning several years prior to the dissolution of OUS, the UO undertook the process of hiring and building the financial management team necessary to support internal and external financial reporting and strong internal financial management for the institution without support of a centralized service center model. This intentional separation has allowed the UO to undertake nearly all services rendered by the USSE without attributing a direct cost increase from pre- to post-independence. Table 6 below summarizes shared services. (P indicates Participation)

Table 6: Shared Administrative Services

Provider	University Response
University Shared Services Enterprise (USSE, hosted by OSU)	
Financial Reporting	N/P
Capital Asset Accounting (currently only OIT)	N/P
Payroll & Tax Processing (includes relationship w PEBB, PERS/Federal retirement)	P (UO Retirement Plans Management)
Collective Bargaining	P
Information Technology/5th Site	P (UO Retirement Plan Management)
Treasury Management Services:	

Legacy Debt Services-Post Issuance Tax Compliance	P
Legacy Debt Services-Debt Accounting	N/P
Non-Legacy Debt Services	N/P
Bank Reconciliations (and other ancillary banking services)	N/P
Endowment Services	N/P
Other Miscellaneous Statements of Work:	
Provosts Council Administrative Support	P
Legislative Fiscal Impact Statement Support	P
Risk Management Analyst (TRUs only)	N/P
Public University Fund Administration	N/P
University of Oregon	
Retirement Plans	P
Legacy 401(a) Plan	P
Legacy 403(b) Plan	P
Optional Retirement Plan (ORP)	P
Tax-Deferred Investment (TDI) Plan	P
SRP Plan	P
Public University Risk Management and Insurance Trust (Risk Management)	N/P

There does not appear to have been a deleterious impact on other institutions due to non-participation of the UO in USSE services. This is true in terms of both cost and service quality, as all other institutions continue to purchase many if not most non-mandated services. By continuing to participate in shared services, other institutions are implicitly stating that either:

- USSE is rendering value added services given its current price point and service quality, or
- Institutions lack the capacity to manage other outsourced providers, or to insource services.

Questions remain as to whether the USSE could continue to operate at the level of service and cost competitiveness for other USSE participants if other institutions were to withdraw. Because of the in-sourcing of work formerly offered by the Chancellor's Office and currently offered by the USSE, the UO believes it has either increased the effectiveness or decreased the cost of services rendered or both. Specifically, the UO cites savings and increased risk coverage related to its now individual insurance purchase agreements. The UO has also chosen to provide its own payroll, treasury and cash management services. The latter two services provide greater levels of flexibility in asset and liability management and operational efficiencies for the UO. The effort was cited by Moody's as credit positive and is an important level of control for the UO's administration and Board of Trustees.

FINANCIAL METRICS

This section of the University of Oregon’s evaluation includes an overview of key high-level financial ratios which are viewed as “industry standard” metrics for understanding the strength of a public institution’s balance sheet and its operating performance. These ratios cannot be viewed in isolation from each other, or as a single snapshot in time, but as a continually unfolding story. Like any entity, the University of Oregon’s ability to fulfill its mission is dependent on its long-term financial health. The financial ratios examined in this section provide information on the financial flexibility possessed by the institution at the balance sheet date and yearly operating results compared to the size of the enterprise. Both types of measures should be understood in the context of the institution’s overall strategy and its capacity to effectively execute on that strategy.

Standard benchmarks for each ratio are presented alongside calculated ratios for the institutions. These benchmarks are for demonstration purposes only. It is important to recognize the best comparison in assessing financial stability for an institution may not be peer institutions or national benchmarks, but may be a comparison to the institution itself over time.

UO administrators have undertaken extensive stress testing to provide the institution’s Board of Trustees with a broad view of potential financial outcomes. In particular, UO administrators presented 27 different long-term scenarios (with different assumptions about resident tuition, non-resident tuition, state appropriation, enrollment growth, collective bargaining agreements, PERS costs, etc.). This stress testing allows UO’s Board to be thorough and take a stronger long-term view when making budgeting decisions.

In some cases, the effort of tracking institutional financial stability through ratios is complicated by changes in accounting standards and practices. For example, effective in the 2014-15 fiscal year (FY 15), Governmental Accounting Standards Board (GASB) Statement No. 68 attempts to improve pension-related accounting and financial reporting. This change in the presentation of pension-related financial information impacts all of the ratios used in this evaluation. In addition, beginning in the 2017-18 fiscal year, GASB Statement No. 75 was implemented regarding accounting and reporting of other postemployment benefits, most notably health care, although its impact was far less than GASB 68’s. As such, the ratios are presented in two different ways: inclusive of the impacts of GASB 68 and GASB 75 and exclusive of the impacts of GASB 68 (and GASB 68/75 for FY 18).

The following narrative focuses on the ratios provided by UO to the HECC with GASB 68/75. Ratios without GASB 68 (and without GASB 68/75 for FY 18) are presented for reference at the end of this section:

UNIVERSITY OF OREGON RATIOS WITH GASB 68/75				
Ratio	FY 16	FY 17	FY 18	Benchmark
Viability Ratio	76.02%	105.28%	99.56%	>125%
Primary Reserve Ratio	51.78%	70.08%	68.92%	>40%
Net Operating Revenues Ratio	-8.98%	-4.06%	-4.63%	>4%
Return on Net Assets Ratio	-1.29%	29.23%	3.02%	>6%
Debt Burden Ratio	5.47%	5.77%	5.49%	<5%

The viability ratio measures one of the most basic elements of financial health: expendable net assets available to cover debt should the institution need to immediately settle its obligations. Ideally, an institution would have enough expendable resources immediately available to more than cover debt. UO's viability ratio has increased over the past three years and is just short of this capability. This indicates that the institution is in a good position should it choose to issue additional debt to increase its performance and capabilities.

The primary reserve ratio compares expendable net assets to total expenses, providing a snapshot of how long the institution could continue operations without the ability to generate revenues from those continuing operations. A trend analysis of the primary reserve ratio indicates whether an institution has increased its net worth in proportion to the rate of growth in its operating size. UO's primary reserve ratio has been increasing and is well above the standard benchmark, indicating that the institution has properly balanced operating expenses with revenues.

The net operating revenues 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. While UO has shown an operating loss over the past three years, the proportional size of the loss has decreased. Although the losses are relatively small, and due substantially to GASB 68/75 adjustments, continuing negative operating revenues ratios 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.

The return on net assets ratio demonstrates whether an institution is financially better off than in previous years. It shows an institution's total economic return. A positive return on net assets ratio 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 ratio may indicate the opposite, unless the negative ratio is the result of strategic investment in strategies that will enhance net assets in the future. It is worth noting that the return on net assets ratio can be substantially impacted by large gifts or pledges to an institution's foundation. While these gifts do increase an institution's assets, they do not necessarily provide an institution with additional assets they can use for ongoing priorities. For example, UO showed a substantial one-time increase in its return on net assets ratio in FY17, primarily due to a large influx of gifts to the UO Foundation related to the new Phil and Penny Knight Campus for Accelerating Scientific Impact. The UO's return on net assets ratio then returned to a level closer to their historical trends in FY 18. All of this goes to say that UO's return on net assets ratio is at a relatively strong sustainable level.

Debt burden ratio demonstrates two factors: the extent to which an institution has used borrowed funds to finance its mission; and the relative cost of institutional borrowing to total operating expenditures. While UO's debt burden ratio has been slightly above the standard benchmark of 5% for the past three years, UO has also shared that their institutional debt burden benchmark has long been 7%, a level below which they have consistently remained. Their 7% benchmark represents a reasonable benchmark by which to track and evaluate an institution's debt burden ratio. As a result, these ratio levels indicate that the debt is not being overly relied upon to finance UO's activities and that the cost of debt is at a manageable level.

The ratios presented in the table below reflect financial statements excluding the impact of GASSB 68 for all three years and GASB 68/75 for FY 18 (the first year that GASB 75 was implemented). They are provided for reference:

UNIVERSITY OF OREGON RATIOS WITHOUT GASB 68 AND GASB 75*					
Ratio	FY 16	FY 17	FY 18	FY18*	Benchmark
Viability Ratio	88.90%	124.00%	124.50%	126.30%	>125%
Primary Reserve Ratio	64.94%	85.81%	90.88%	92.01%	>40%
Net Operating Revenues Ratio	-1.51%	-0.10%	0.76%	0.62%	>4%
Return on Net Assets Ratio	2.53%	29.94%	5.06%	5.06%	>6%
Debt Burden Ratio	5.95%	6.05%	5.84%	5.83%	<5%
*Without GASB 75 and GASB 68, all others are without GASB 68 only					

BOARD OF TRUSTEES

The Boards of Trustees at each public university and their respective university constituents are continuing the process of developing effective working relationships. The Commission continues to recommend that the areas that all Boards should be attentive to include timing and access, for example not scheduling meetings during exams, or when classes are not in session; and encouraging feedback by making an effort to allow non-board members to weigh in early on in the meetings rather than having to sit through the whole meeting. At UO the Board of Trustees and faculty continue to work on a joint understanding of appropriate access.

The Board of Trustees of the University of Oregon meets at least quarterly and all meeting agenda and materials are posted to the Board website. The UO Board of Trustees held meetings on the following dates. This excludes committee meetings.

- 2014-2015 Academic Year: August 7, 2014; September 11-13, 2014; November 5, 2014; December 11-12, 2014; March 5-6, 2014; June 4-5, 2015
- 2015-2016 Academic Year: September 10-11, 2015; December 3, 2015; February 18, 2016; March 4, 2016; June 2, 2016
- 2016-2017 Academic Year: September 8-9, 2016; December 1-2, 2016; March 2-3, 2017; June 1-2, 2017
- 2017-2018 Academic Year: September 7-8, 2017; October 18, 2017; December 7-8, 2017; March 1-2, 2018; June 7-8, 2018
- 2018-2019 Academic Year (In Process): September 5-7, 2018; December 3-4, 2018

Public notice as well as agenda and meeting materials were posted in advance of each meeting on the Board's website (see the website: <http://trustees.uoregon.edu/meetings>) and sent directly to members of the media. The Board adopted bylaws on January 23, 2014; they were last amended on March 5, 2015 (see the bylaws available at: <http://trustees.uoregon.edu/governance>).

Board meetings are duly noticed and publicized; meetings were open to the public except for executive sessions as allowed by law. Meeting documents are posted online; and copies are available for the public for any materials distributed at the meeting. Most meetings of the full board are live streamed with a link available in real time on the Board's website. The Board complies with public records requests in coordination with the university's Public Records Office. The Board or its designated committee receives regular reports on finances, treasury activity, internal and external audit, student success, capital planning, and presidential priorities.

The Board adopted a policy outlining its delegated authorities, retaining authority for transactions of certain size, scope, length or obligation. In addition, the Board adopted policies or statements relating to treasury and investment management, committee functions, trustee responsibilities, a university mission statement, presidential assessment, and other governance matters. Governance documents are regularly reviewed and updated as necessary; they are available at: <http://trustees.uoregon.edu/governance>.

Trustees maintain a consistent focus on the long-term health of the institution. The Board of Trustees adopts the operating and capital budgets for the university, establishes tuition and fees, and issues debt.

Meeting agenda, minutes and materials articulating such discussions are available (see the website with these materials: <http://trustees.uoregon.edu/meetings>). Audio recordings are available upon request.

The Board hired the current president on April 14, 2015 and conducts annual evaluations of the president per its adopted policy on presidential evaluation. The Board adopted UO's mission statement on November 5, 2014. Following adoption on November 5, 2014, the mission statement was forwarded to the HECC, which approved it on June 11, 2015.

The UO forwards significant changes in the university's academic programs (as defined by rule) to the HECC following Board approval.

The University of Oregon complies with ORS 352.025(2)(c), holding legal title to all property, whether acquired before or after the creation of the governing board. Individual items are not listed here given the volume of property associated with the university.

CONCLUSION

This report is guided by Oregon Revised Statute (ORS) 352.061, which requires that the HECC report on the university's achievement of outcomes, measures of progress, goals and targets; assess the university's progress toward achieving the mission of all education beyond high school, described in the 40-40-20 goal; and assess how well the establishment of its governing board comports with the findings of ORS 352.025. As a benchmark document this report relies heavily on regularly conducted academic accreditation reports and the self-assessments prepared for these accreditation reviews, as well as state and federal data. The contents of this report signal areas of alignment with the HECC Strategic Plan which in turn supports the objectives of higher education for the State of Oregon.

The Northwest Commission on Colleges and Universities (NWCCU) last affirmed external accreditation for the University of Oregon in July 2017. The UO completed its Year 7 report in March 2017 as a part of a unique Demonstration Project, a three-year project with four other institutions focused on the assessment of student learning outcomes and general education as manifestations of mission fulfillment.

The University of Oregon remains a significant force in the Oregon economy. Between 2016 and 2018, UO research expenditures increased by 12% from \$106.5 in FY16 to \$119.4 million FY18. The estimated economic footprint of the University of Oregon in fiscal year 2013-14 was \$2.3 billion, according to UO economist professor Timothy Duy. A similar report has not been produced since.

In fall 2017 the University of Oregon had an overall student headcount of 22,980, with approximately 91% of those students attending full time. A little over half (50.1%) of the student body were Oregon residents. Fall 2018 saw modest enrollment declines from the previous fall: non-resident student population declined by 3.2%; resident students increased 1.3%; and the overall student headcount declined by 1%. At the same time, the number of underrepresented minority students enrolled at UO continues to increase, and is up more than 49% since 2012. In fall 2018, the University enrolled 4,444 underrepresented minority students, an increase of 5.9% from fall 2017. Underrepresented minorities constitute 19.5% of the total student population. Pell Grant recipients account for 17.8% of total enrollment.

The number of degrees awarded by UO has been relatively flat since 2012-13. While 52.7% of University of Oregon undergraduates finish their degrees within four years, underrepresented and Pell Grant recipients graduate at a rate roughly 7 percentage points lower than the overall student population. It should be noted however, that underrepresented students overall are graduating in greater numbers over the last four years, although that success is largely supported by the growing number of Hispanic completers.

Many students and prospective students at the University of Oregon, like their counterparts at other universities around the state and nation, continue to face significant challenges related to access and affordability. Public defunding of higher education is a national trend that is shifting a majority of the burden of paying for a college education to students and their families. That shift has been particularly acute in Oregon in recent years. Partly as a result of state funding cuts, resident undergraduate tuition and fees at University of Oregon increased 83.4% in the last 10 years, including increases of 7.5% and 2.8% in 2017-18

and 2018-19 respectively.¹² In 2018-19, resident undergraduate students saw tuition increases of 2.8% and fee increases of 2.8%¹³ over the prior year. Resident graduate students have faced similar increases. Tuition, however, tells only a part of the affordability story. The total cost of attendance for students includes significant expenses associated with housing, food, transportation, and textbooks. University of Oregon estimates the average student budget for living expenses annually – \$15,468 for the 2018-19 academic year¹⁴ – an amount which exceeds resident tuition and fees.

In addition to need-based federal and state financial aid programs (Pell and the Oregon Opportunity Grant), University of Oregon students benefit from UO's significant commitment of institutional resources to scholarships, remissions, and tuition discounts. In the 2017-18 academic year, UO recorded \$43,122,284 in resident remissions (30.3% of resident gross tuition charges). The year prior, in the 2016-17 academic year, UO recorded \$46,982,187 in resident tuition remissions (35.6% of resident tuition and fees charges). In 2017, the most recent year for which data was available, UO's average financial aid award for an incoming student was \$11,038, which, on average, meets 58% of demonstrated financial need.¹⁵

As noted at the outset, this report constitutes a benchmark against which to evaluate University of Oregon's progress in the coming years. It does not strive to be a comprehensive evaluation of this complex and multi-faceted university; rather, it emphasizes several areas that are of particular importance to the HECC and to the State of Oregon. In partnership with institutional leadership, legislators, and other stakeholders, the HECC will continue to consider modifications to this annual process and product in order to improve its usefulness to our universities and to the people of Oregon.

12 Source: <https://registrar.uoregon.edu/costs/tuition-fees> as well as historical OUS tuition data. Defined to include full-time resident non-promise tuition and all mandatory fees (including incidental fees).

13 A full-time resident undergraduate student (taking 45 credits per year or 15 credits for each of three terms) will pay \$9,675 in tuition and \$2,133 in fees for a total of \$11,898.

14 Source: https://financialaid.uoregon.edu/cost_of_attendance

15 Source: <https://bigfuture.collegeboard.org/college-university-search/university-of-oregon>

