

2024 UNIVERSITY EVALUATION: Portland State University (ORS 352.061)



Source: Portland State University

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INTRODUCTION

This evaluation is guided by Oregon Revised Statute (ORS) 352.061, which mandates that the Higher Education Coordinating Commission (HECC) submit a biennial evaluation of public universities listed in ORS 352.002 to the Oregon Legislative Assembly. The purpose of this report is to assess each university's contributions to the state's higher education goals as outlined in state statutes, as well as in the HECC's Strategic Plan for Oregon Postsecondary Education and Training.

These evaluation focuses on key areas of student success, access and affordability, academic quality, and financial sustainability, while also addressing the universities' roles in regional development and community engagement. This report builds on previous evaluations and provides an updated analysis of the universities' progress in meeting the objectives of Oregon's higher education system.

Each university's evaluation is based on a combination of accreditation reports, self-assessments, and both state and federal data. As part of this evaluation, the report highlights the individual strengths, challenges, and initiatives of the universities in fulfilling their missions and meeting state objectives, including efforts to increase degree completion rates, expand access for underrepresented students, and foster academic excellence.

Additionally, each report includes an assessment of the university's Board of Trustees and their role in ensuring transparency, public accountability, and alignment with the State's higher education mission. The findings presented here will help guide ongoing efforts to improve Oregon's higher education system, with an emphasis on supporting institutions as they work to enhance student outcomes and contribute to the economic vitality and cultural enrichment of the state.

Passed by the Oregon Legislature in 2013, Senate Bill 270 established individual governing boards at the University of Oregon (UO) and Portland State University (PSU). The bill also set a timeline for Oregon State University (OSU) to establish its own governing board, which was subsequently implemented.

House Bill 4018 (2014) and Senate Bill 80 (2015) authorized the creation of independent governing boards at:

- Western Oregon University (WOU)
- Southern Oregon University (SOU)
- Oregon Institute of Technology (OIT)
- Eastern Oregon University (EOU)

These actions led to the dissolution of the Oregon University System. SB 270 and subsequent legislation required the Higher Education Coordinating Commission (HECC) to conduct regular evaluations of the public universities. In 2017, the legislature amended ORS 352.061, mandating HECC to evaluate each public university once every two years. The evaluation criteria are codified in ORS 352.061.

ORS 352.061(2) outlines the specific components to be included in each evaluation:

- a) A report on the university's achievement of outcomes, measures of progress, goals, and targets.
- 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).

Additionally, ORS 352.061(2)(c) mandates the HECC to assess university governing boards against the standards set forth in ORS 352.025, which includes the following provisions:

- a) Provide transparency, public accountability, and support for the university.
- b) Are focused closely 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 without disadvantaging Oregon students compared to out-of-state students.
- e) Act in the best interests of both the university and the State of Oregon.
- f) Promote the academic success of students in alignment with the mission of all education beyond high school, as outlined in ORS 350.014 (the “40-40-20” goal).

For context, ORS 352.025 includes additional legislative findings:

- a) Even with universities having governing boards, there are benefits to a coordinated university system through economies of scale.
- b) Services may continue to be shared among universities, even with individual governing boards.
- 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, is held in the name of the State of Oregon, through the governing board.
- d) The Legislative Assembly has a responsibility to monitor the success of governing boards in fulfilling their missions, compacts, and the principles outlined in this section.

This year, the HECC evaluated:

University of Oregon (UO)
 Portland State University (PSU)
 Oregon State University (OSU)

EVALUATION PROCESS

The Higher Education Coordinating Commission (HECC) initiated a collaborative workgroup including university provosts, the Inter-Institutional Faculty Senate, staff from the Oregon Education Investment Board, HECC staff, and faculty from across Oregon’s public universities. The workgroup began its efforts in February 2015 to establish a clear understanding of the purpose, scope, and structure of the evaluation process. This led to the development of an evaluation framework that could evolve to meet the needs of both the universities and the state. After incorporating feedback from stakeholders, the HECC formally adopted the framework on September 10, 2015.

The HECC’s approach to evaluating Oregon’s public universities is designed to be responsive and adaptable to the unique circumstances of each institution. Rather than adhering to a rigid or formulaic process, the evaluation considers factors such as changes in state funding, student demographics, and the universities’ strategic goals. By integrating a variety of data sources—including self-studies, accreditation reports, and input from university boards of trustees—the HECC aims to provide a nuanced, holistic perspective on each university’s contributions to the state’s higher education objectives.

This evaluation is not a comprehensive review of all aspects of each university but focuses on key legislative priorities, including student success, access and affordability, and financial sustainability. The findings from this evaluation provide insights that support policy development and ensure that Oregon’s higher education institutions remain responsive to both state needs and student outcomes.

STATEWIDE CONTEXT

Funding History

In the wake of the Great Recession (2008-2012), state funding for public universities in Oregon experienced a significant decline, the effects of which are still felt today. Although recent state investments in higher education have returned to pre-recession levels, they are tempered by growing debt obligations tied to state-funded capital projects. As a result, these funding levels have not kept pace with the increasing demands placed on public universities. With an increasingly diverse student body and a focus on raising graduation and completion rates, additional funding is essential to ensure that institutions have the resources they need to support student success and meet the evolving educational needs of the state.

Governance Changes

Senate Bill 270 (2013) established the benefits of having independent governing boards for public universities, emphasizing that these boards should be transparent, closely aligned with the university's mission, and "act in the best interest of both the university and the State of Oregon as a whole." The Legislature also recognized the value of economies of scale, allowing universities to continue participating in shared service models, which promote efficiency and reduce costs.

It is important to note that under ORS 352.129, public universities were initially required to participate in group health insurance, a select set of retirement plans, and collective bargaining through July 1, 2019. Following this date, universities were no longer mandated to offer the same scope or value for these employee benefits. However, they are still required to maintain participation in shared administrative services for the provision of benefits, as further detailed in the "Shared Administrative Services" section of this report.

Local Conditions and Mission

Portland State University (PSU) is a dynamic public urban university that supports partnerships between the university and the city that create community-based learning experiences for students and teaching and research opportunities for faculty. As Oregon's public urban university, PSU provides educational opportunities to students who are demographically, financially, and academically diverse. In 2023-2024, PSU conducted an in-depth strategic planning process. PSU community members built their strategic plan through 50+ engagement events and team meetings from October 2023 through July 2024. Their process included: A steering committee and collaborative work groups with 46 faculty, staff, students, trustees, subject matter experts, and equity ambassadors; 830 survey submissions defining "The Heart of PSU"; 50 volunteer-facilitated conversations with 400+ students, staff, faculty and community partners; 800+ students and community partners providing input via surveys, focus groups and pop-up table events throughout campus; and 370 new ideas shared to help build a 2030 vision.

The Board of Trustees approved the strategic plan on its September 27, 2024 meeting, followed by HECC approval of PSU's updated mission statement on October 10, 2024.

MISSION:

Portland State University, Oregon's most diverse and only urban public research university, was founded in 1946 to serve veterans returning from World War II. PSU provides access to a top-tier education as a key driver of economic and social mobility and serves as a source of growth for the diverse communities in the region and a catalyst for social progress. And this isn't just what we do — it's who we are. Much has changed in our world since 1946, and our communities face profound challenges. With our Future in Focus, we express our unwavering purpose: to support learners to follow their dreams and achieve their goals for a better life for their families and communities. As we remember our institutional founding with pride, we embrace our future as an urban minority-serving research institution, inspiring each other to create new opportunities for our region and our world.

VISION:

PSU thrives as Oregon's urban research university where every student develops the knowledge and skills they need to successfully engage in careers and the world. We are a national leader for social mobility through higher education, a model for serving minoritized learners and a driving force for Portland's success. PSU is a dynamic workplace that supports the professional development and well-being of all employees. We harness our academic excellence, innovative research, strategic partnerships and community engagement to address local, regional and global challenges.

STRATEGIC PLAN

PSU's *Future In Focus* Strategic Plan identifies four strategic imperatives and a set of guiding commitments.

The Strategic Imperatives include:

- Create clear pathways for our region's learners to achieve their educational goals and provide a strong return on investment
- Lead the Pacific Northwest in serving minoritized students and boosting the college success rate;
- Support and empower our employees and operations;
- Drive Portland's economic, social, and cultural resurgence.
- Our Guiding Commitments are:
 - Welcoming and supporting all learners
 - Co-creating the future of our region
 - Providing equitable access to a quality education
 - Building a community ethos of care and well-being
 - Modeling responsible stewardship

ACCREDITATION

A comprehensive assessment and review of academic and institutional quality is available from the Northwest Commission on Colleges and Universities (NWCCU) that accredits PSU 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 that has 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. Reviews are structured as a cyclical process of continuous improvement. NWCCU accreditation occurs on a seven-year cycle that consists of four parts: Annual Reports each year; Mid-Cycle self-review and peer review in the third year; Policies, Regulations, and Financial Review in the sixth year; and Evaluation of Institutional Effectiveness self-review and peer review in the seventh year. This section draws on relevant parts of NWCCU reports that are identified as of interest to the Legislature and in alignment with the HECC Strategic Plan.

Portland State University was last re-affirmed for accreditation in January 2023. The 2022 Year Seven Self-Assessment Report prepared by PSU may be reviewed at: <https://drive.google.com/file/d/1AxW2BlI1MXINe7zPvt5jpsZ5n2R-xYof/view>

NWCCU issued the following recommendations substantially in compliance but in need of improvement for PSU based on the Year Seven Report, summarized here:

1. Improve planning process to be more inclusive (1.B.3)
2. Provide for the consideration of the views of staff and improve participation of faculty, administrators, and students in decision making (2.A.4)
3. Improve access to meaningful opportunities for participation by stakeholders in financial planning (2.E.2)
4. Improve transparent management of fiscal resources within the context of faculty and administrative governance structures (2.E.3)

PSU was assigned two Ad Hoc reports in response to the recommendations. The first report responded to recommendations 2 & 4 and was submitted in fall of 2024. The second report responded to recommendations 1 & 3 and was submitted in spring of 2025.

The first ad hoc report was accepted by the commission with a request for another Ad Hoc report on recommendation 2 & 4 to be submitted in fall of 2026. PSU has not yet received the commission's letter regarding the second Ad Hoc report on recommendations 1 & 3.

Looking ahead, PSU is scheduled to submit its Mid-Cycle Report to the NWCCU in fall 2025.

Specialized Accredited Programs at PSU are listed here: [https://www.pdx.edu/academic-affairs/accreditation-assessment-academic-program-review#:~:text=Portland%20State%20University%20is%20accredited,Colleges%20and%20Universities%20\(NWCCU\).](https://www.pdx.edu/academic-affairs/accreditation-assessment-academic-program-review#:~:text=Portland%20State%20University%20is%20accredited,Colleges%20and%20Universities%20(NWCCU).)

STUDENT ACCESS AND SUCCESS

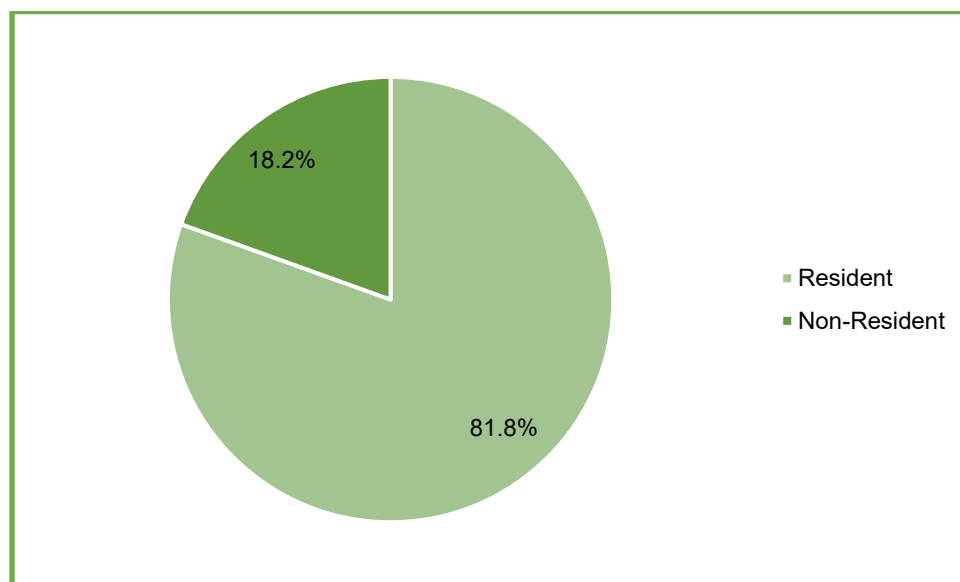
Nationally, undergraduate enrollment increased by 4.7 percent in Fall 2024, marking a rebound above pre-pandemic levels, as reported by the National Student Clearinghouse Research Center. In Oregon, public universities continued their positive trajectory, with overall enrollment rising by 1.7 percent from Fall 2023 to Fall 2024, reflecting growth across the state.

This section of the report is focused on tracking trends in enrollment, completion outcomes, and demographic changes.

As detailed by Figures 3 and 4, during the 2023-24 academic year, most PSU students (81.8 percent) were Oregon residents. Most PSU students (60.7 percent) also attended full-time.

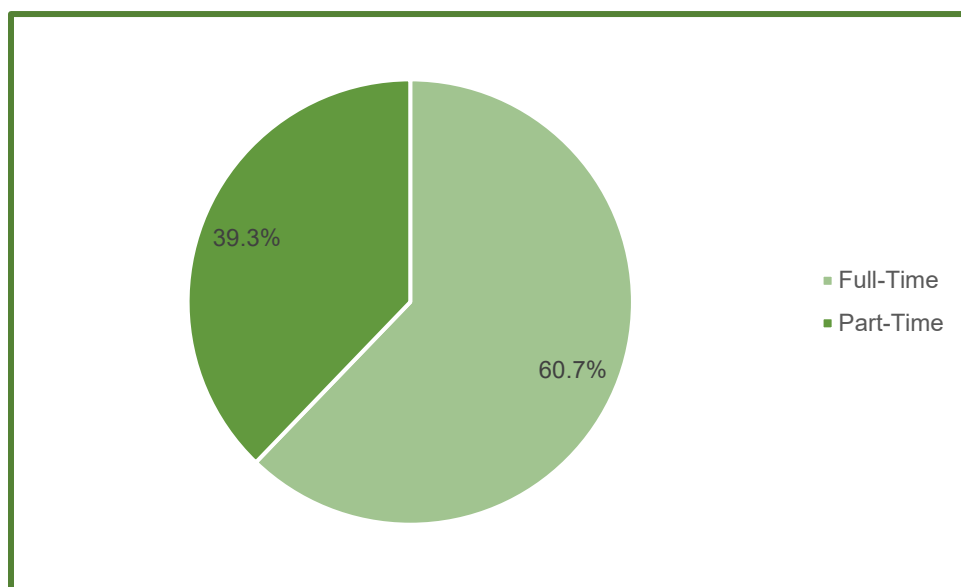
Portland State University (PSU) continues to face enrollment declines, with total enrollment decreasing by 2.7 percent from Fall 2023 to Fall 2024, falling from 21,040 to 20,470 students. Despite these challenges, PSU remains committed to serving a highly diverse student population, with 29.6 percent of students identifying as underrepresented minorities and 40.6 percent receiving Pell Grants in fall 2024. Graduate education continues to be a strength, comprising 22.4 percent of total enrollment. The first-year retention rate for the fall 2023 cohort was 76.8 percent, reflecting ongoing efforts to support student persistence and success.

Figure 1: PSU Student Enrollment by Residency, 2023-2024



Source: HECC (2025)

Figure 2: PSU Student Enrollment by Full-Time/Part-Time Status, fall 2023-24



Source: HECC (2025)

The overall enrollment decline at PSU remains evident among newly admitted undergraduates, with the total number of new admits decreasing by 8.2 percent since fall 2022 (from 3,715 to 3,411). Among these, newly admitted non-resident students declined by 7.2 percent, while resident new admits decreased by 8.4 percent over the same period. In the 2023-24 academic year, 29.6 percent of PSU's student body received a Pell Grant, highlighting the university's ongoing commitment to serving students with high financial need.

While individual year-to-year changes may reflect short-term volatility, these patterns are consistent with PSU's longer-term enrollment trajectory. Over the past two years, resident headcount declined by 5.4 percent (from 17,802 in fall 2022 to 16,839 in fall 2024), while non-resident headcount decreased by 13.8 percent (from 4,212 to 3,631). Both categories have continued to contract across multiple cycles, with total enrollment dropping by nearly 7 percent since the last evaluation. These declines mirror statewide demographic shifts—such as smaller graduating high school classes—and intensifying competition for urban and transfer students. PSU's enrollment trend reflects persistent challenges facing urban public universities regionally and nationally.

Despite these challenges, PSU remains one of Oregon's most diverse universities. In fall 2024, 29.6 percent of PSU students identified as underrepresented minorities, the highest rate in the institution's history and among the highest in the state. Both the number and share of underrepresented minority students at PSU have increased each year since 2020, underscoring the university's continued progress in expanding educational access and opportunity for historically underserved populations.

Table 1: PSU 4th Week Headcount Enrollment by Race/Ethnicity

Race/ Ethnicity	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Change Fall 2023 to Fall 2024
Non-Resident Alien	1,272	1,351	1,287	1,186	-101
American Indian/ Alaska Native	257	285	307	108	-199
Asian	2,178	1,996	1,847	1,850	3
Black Non-Hispanic	898	931	906	1,039	133
Hispanic	3,830	3,862	3,831	3,860	29
Pacific Islander	121	101	119	117	-2
Two or more races, Underrepresented Minorities	802	793	768	930	162
Two or more races, not Underrepresented Minorities	575	562	556	515	-41
White Non-Hispanic	11,997	10,941	10,285	9,819	-466
¹Unknown	1,247	1,192	1,134	1,046	-88

Source: HECC (2025)

¹ Large increase driven by high school dual credit students, with unreliable race/ethnicity data reported.

Between fall 2022 and fall 2024, PSU’s enrollment by race and ethnicity reflected ongoing demographic shifts. The largest numerical decreases were seen among White non-Hispanic students (down by 1,122 or –10.3 percent) and American Indian/Alaska Native students (down by 177 or –62.1 percent). The latter is due to a change in the reporting methodology that shifted the student population for affected students into the two or more races, underrepresented minorities category. Smaller but notable declines occurred among nonresident aliens, Asian students, and those reporting unknown race. In contrast, Black student enrollment increased by 108 (+11.6 percent), and students identifying as two or more underrepresented minority races grew by 137 (+17.3 percent). Hispanic student numbers remained stable, while Pacific Islander and multi-race URM categories saw moderate gains. Overall, the number and share of underrepresented minority students at PSU increased slightly (+1.4 percent) even as total enrollment declined by 7 percent. These changes underscore PSU’s continued diversification, even amid overall enrollment pressures.

PSU has prioritized increasing graduation rates as part of their Students First Initiative. The four and six-year graduation rates for PSU’s First-Year Students who entered in the fall term of 2017 are as follows:

Table 2: Four-Year and Six-Year Graduation Rate, First Time, Full Time Freshmen Entering Fall 2017

	Four- Year Graduation Rate	Six-Year Graduation Rate
All Students	35.6%	55.2%
Underrepresented Minorities	29.9%	50.8%
Pell Grant Recipients	33.9%	55.2%

Source: HECC (2025)

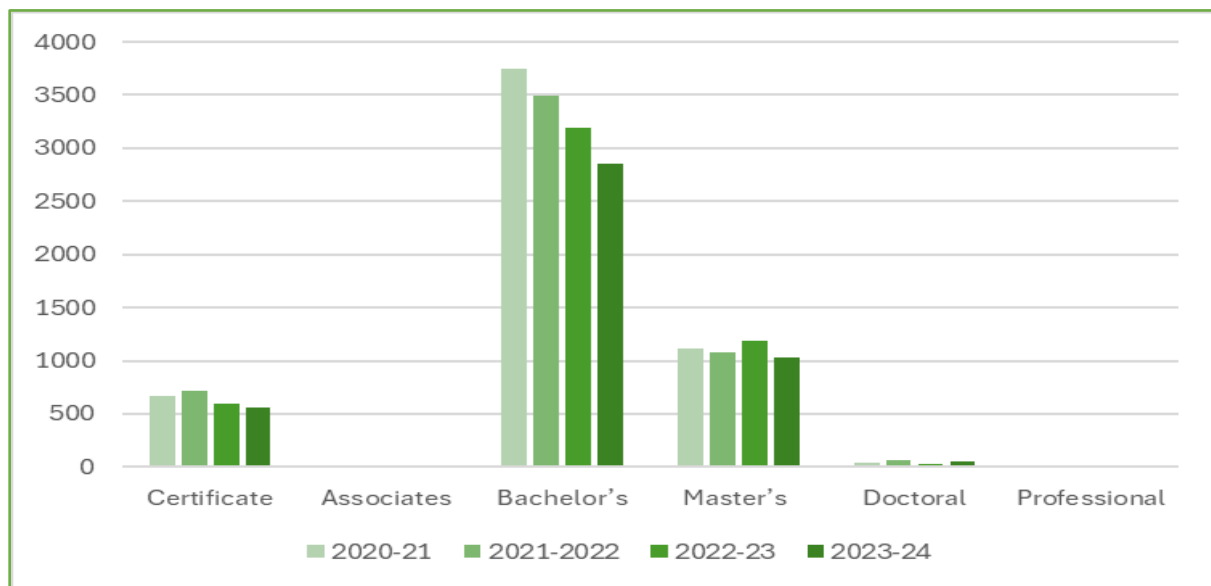
The six-year graduation rate for first-time, full-time freshmen entering PSU in fall 2017 was 55.2 percent, a continued improvement from 51.6 percent in 2020. Underrepresented minority students and Pell Grant recipients posted six-year graduation rates of 50.8 percent and 55.2 percent, respectively—closely mirroring the institutional average for the cohort. The four-year graduation rate for all students rose to 35.6 percent, with underrepresented minorities at 29.9 percent and Pell recipients at 33.9 percent. These results reflect PSU’s ongoing progress in supporting degree attainment across all student groups.

Table 3: PSU Resident Student Completions by Award Type

	2020-21	2021-2022	2022-23	2023-24
Certificate	667	717	598	560
Associates	-	-	-	-
Bachelor's	3743	3491	3,190	2,850
Master's	1118	1073	1,183	1,033
Doctoral	42	60	33	56
Professional	0	0	-	-

Source: HECC (2025)

Figure 3: PSU Resident Student Completions by Award Type



Source: HECC (2025)

In terms of completions, the number of bachelor's degrees awarded to resident students declined from 3,190 in 2022-23 to 2,850 in 2023-24, continuing a downward trend since 2020-21. Master's degrees awarded also decreased to 1,033 in 2023-24, while certificates awarded fell to 560. Doctoral degrees showed some variability, with 56 awarded in 2023-24. Despite the overall decline in total degrees conferred, PSU continues to maintain a strong focus on equitable outcomes, with increases in the proportion of degrees awarded to underrepresented students.

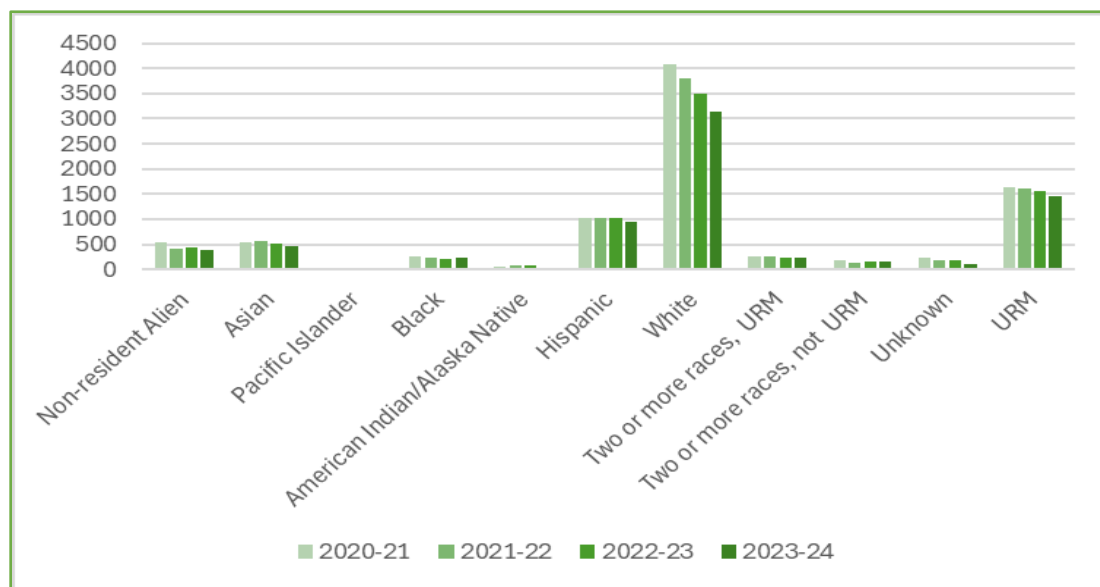
Table 4: PSU Completions by Race/Ethnicity

	2020-21	2021-22	2022-23	2023-24
Non-resident Alien	539	402	434	387
Asian	544	564	514	467
Pacific Islander	39	35	24	18
Black	246	234	216	235
American Indian/Alaska Native	59	73	78	18
Hispanic	1,023	1,014	1,018	957
White	4,090	3,808	3,493	3,133
Two or more races, Underrepresented Minorities	267	260	231	234
Two or more races, not Underrepresented Minorities	173	143	158	146
Unknown	228	194	175	111
²URM	1,634	1,616	1,567	1,462

² URM (Under-Represented Minority Students; including Pacific Islander, Black, American Indian/Alaska Native, Hispanic, and students who identify as two or more under-represented minorities).

Source: HECC (2025)

Figure 4: PSU Completions by Race/Ethnicity



Source: HECC (2025)

To be culturally responsive to its diverse student population, PSU has established resource centers and units where students can seek academic, personal and holistic support and assistance. These centers include the Disability Resource Center, La Casa Latina, Multicultural Center, Native American Student and Community Center, Queer Resource Center, Resource Center for Students with Children, Veterans Resource Center, Women's Resource Center, Pacific Islander Asian American Student Center, the Pan African commons, student legal services and the newer Dreamers and MENASA Centers. PSU also has TRIO student support services, Multicultural Retention Services and cohort based high touch retention and support programs across campus. PSU also has a successful Last Mile initiative that seeks out students who have dropped out within a term or two of graduating primarily for financial reasons and provides them economic resources and scholarships to complete their degrees. To date the program has assisted over 500 students in earning degrees (<http://www.pdx.edu/insidepsu/last-mile>).

AFFORDABILITY

Affordability, more specifically the affordability rate, is a key performance measure used in tracking the factors that contribute to student attainment and equity in alignment with Oregon's higher education goals. As a result, it is a consideration in the university evaluation process. This section includes a discussion of student costs and provides information on the affordability rate over time.

Tuition and fee rates can vary based on several factors including a student's academic year (or cohort), declared major, and residency. The governing boards have authority to set tuition and fee rates; however, they must seek HECC approval for any annual increase of greater than five percent for undergraduate, resident tuition, and mandatory fees. Tuition and fee setting is complex with ORS 352.103 laying out requirements for an annual process at each university, which requires staff and student participation.

Table A shows the trend in undergraduate, resident tuition, and mandatory fees for the past decade unadjusted for inflation. This is for full-time, entering students taking 45 credits over three terms in a given academic year. All incidental fees are included. The information is for the main campus only and for the entering (or freshman) cohort as applicable. Differential tuition and course fees are not included. The average annual increase across all Oregon public universities over this period is 4.5 percent, with an average annual increase of 4.1 percent for PSU, compared to inflation of 3.1 percent.

**Table A: Undergraduate, Resident Tuition and Mandatory Fees
(First-time, full-time enrollment, unadjusted for inflation)**

	Academic Year 2014-15	Academic Year 2023-24	Variance		Annual Growth Rate
PSU	\$7,794	\$11,238	\$3,444	44%	4.1%
Statewide	\$8,391	\$12,433	\$4,041	48%	4.5%

Source: Data is collected from the universities and calculated by HECC staff. Main campus only. Entering cohort only. Incidental mandatory fees are included.

Universities establish a total cost of attendance, or sticker price, which includes tuition and fees, books and supplies, room and board, and personal expenses. During 2022-23, tuition and related fees made up 42% of the total cost of attendance on average. Table B shows the change in the total cost of attendance for full-time students over the past decade unadjusted for inflation. The average annual increase across all Oregon public universities over this period is 3.0%, with an average annual increase of 2.0% for PSU.

**Table B: Total Cost of Attendance
(Full-time, unadjusted for inflation)**

	Academic Year 2013-14	Academic Year 2022-23	Variance		Annual Growth Rate
PSU	\$24,321	\$29,187	\$4,866	20%	2.0%
Statewide	\$23,481	\$30,630	\$7,149	30%	3.0%

Source: Public University Data Dashboard as published by the HECC Office of Research and Data. Noted as estimated cost of attendance for full-time.

For most students, the total cost of attendance may be partially offset by financial aid including institution remissions and waivers. As a result, most students pay less than the sticker price. Table C shows the change in the average net price for full-time students after accounting for public financial aid and institutional aid.

The average annual increase across all Oregon public universities over this period was 2.9%, with a rate of 1.6% for PSU, or less than the rate of inflation.

**Table C: Average Net Price
(Full-time, unadjusted for inflation)**

	Academic Year 2013-14	Academic Year 2022-23	Variance		Annual Growth Rate
PSU	\$13,406	\$15,401	\$1,995	15%	1.6%
Statewide	\$14,360	\$18,565	\$4,205	29%	2.9%

**Source: Public University Data Dashboard as published by the HECC Office of Research and Data.
Noted as estimated cost of attendance after institutional aid.**

This data also suggests the average discount to the total cost of attendance has grown slightly over time for all public universities from 38.8% to 39.4% during 2022-23. The average discount rate for PSU grew from 44.8% in 2013-24 to 47.2% during 2022-23. This is likely due to growth in both public and institutional financial aid, as well as PSU enrolling more students who are eligible for federal and state need-based aid.

The affordability rate is defined as the percentage of students, overall and by race/ethnicity, whose expected costs are greater than their expected resources. A higher number, therefore, indicates *lesser* affordability. It is measured by comparing the cost of attendance at a college or university with the expected financial resources available for each student including financial aid, the family's contribution, and an estimate of the student's earnings while enrolled. The cost of attendance data comes from the universities and includes estimates for the average, full-time student for tuition and fees, housing, books, supplies, transportation, and personal expenses. The cost of attendance does not include expenses that some students will face such as the cost of caring for children or other family members, health issues, and unexpected events.

Table D: Trend in Affordability Rate

	Statewide	PSU
2013-14	64%	69%
2014-15	63%	69%
2015-16	62%	68%
2016-17	61%	66%
2017-18	61%	67%
2018-19	60%	65%
2019-20	57%	65%
2020-21	54%	63%
2021-22	47%	52%
2022-23	50%	57%

Source: Public University Data Dashboard as published by the HECC Office of Research and Data.

Table D includes the trend in the overall affordability rate for all seven public universities and PSU specifically. This data comes from the Public University Data Dashboard available on the HECC's website. Within the dashboard, the affordability rate can be further explored by race/ethnicity, Pell recipient status, geographic origin (urban, rural, mixed), and gender. Over time, the affordability rate has improved in part due to increased public financial aid and increased institutional aid. However, slightly more students faced unaffordable costs in 2022-23 compared to the prior year likely due to the ending of some expanded federal supports during the pandemic.

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.

PSU has clearly defined processes for academic program review and approval (<http://www.pdx.edu/academic-affairs/academic-program-review>). Faculty evaluation and professional development are fundamental to sustaining academic quality. PSU has clearly defined processes for evaluating faculty including for promotion and post tenure review (<http://www.pdx.edu/academic-affairs/promotion-and-tenure-information>).

PSU has made substantial commitments to faculty professional development. The University provides over \$1 million dollars in formally funded faculty development opportunities, in addition to support provided by multiple offices and units.

The Office of Academic Affairs launched a new initiative focusing on supporting new faculty, partnering with Research and Graduate Studies (RGS). The Early Career Faculty Cohort series included pre-tenure and continuous appointment-probationary faculty hired within the last two years. As part of this cohort, workshops were developed to introduce faculty to best and inclusive practices in teaching, connecting to research and mentoring resources, and an overview of the promotion and tenure processes. Each workshop included time to connect with other early career faculty on campus as well as meet and engage with campus leadership. In addition, OAA subscribes to the National Center for Faculty Development and Diversity and provides access to all faculty, staff, and graduate students. This resource provides on demand and live training events meant to support all aspects of faculty development.

Global Diversity and Inclusion partners with schools and colleges to recruit and retain diverse faculty by administering the state funded diversity incentive grants to support the research and professional development of new, minoritized faculty. Additionally, the President's Diversity Mini-Grant (<https://www.pdx.edu/diversity/the-presidents-diversity-mini-grants-program>) is offered through the Office of Global Diversity & Inclusion and the Diversity Action Council (DAC) to promote a positive campus climate for diversity, support the development of diversity curriculum, enhance communications across race, gender, and other boundaries, and assist in the recruitment and retention of a diverse student body, faculty, staff, and administration. The President's Diversity Mini-Grant Program supports diversity activities that address these goals. Support may be requested for curricular development projects, campus events and programs, or diversity-related research, including but not limited to the evaluation of campus diversity programs. GDI also partners with and supports the work of faculty engaged in diversity related efforts, especially in the community.

1. Professional Development, Teaching and Innovation, Travel and Enhancement Awards.
 - Faculty Education Fund provides support for tuition for part-time faculty enrolled in PSU courses (for funding available, see the Collective Bargaining Agreement with the PSUFA).
 - The Professional Development Fund for Part-Time Faculty covers the cost of research, travel, and conference attendance related to responsibilities at the university (for funding available, see the Collective Bargaining Agreement with the PSUFA).

- The Office of Academic Innovation provides leadership and support for campus activities that explore and promote excellence in teaching and learning, innovative curricular technology use, and community-based learning, through consultations, learning groups, and workshops. Resources include a new faculty orientation series, writing workshops, support for online instruction, community engagement, and in-class evaluations (<http://www.pdx.edu/oai/>).
- Individual Professional Development Accounts (IPDA) have been established for faculty to fund travel, professional development, and other job-related expenses. Per the Collective Bargaining Agreement with the AAUP, specific funding amounts for tenured and tenure track faculty, non-tenure track faculty, and academic professionals are placed in IPDA accounts each year. Requests for use of IPDA funds is approved and administered at the college and department level. The implementation of IPDA replaces the previous Faculty Travel Award process.
- Faculty Enhancement Grants are administered by the Faculty Development Committee, which is appointed by the PSU Faculty Senate. The committee supports a broad range of professional development activities.

2. Research Support

- Research and Graduate Studies (formerly Research and Strategic Partnerships) offers several internal funding opportunities to assist with conference travel, new lines of research, and the development of proposals for external funding. In addition to these internal opportunities, departmental research administrators are available to connect faculty with grants and funding sources specific to their field (<http://www.pdx.edu/research/>).

RESEARCH ACTIVITY

Portland State's external funding from research grants and agreements in FY23 totaled \$92.3 million in awards received. The value of grants and agreements decreased to \$83.8 million in FY24 (award values fluctuate concurrent with biennial allotments for state-funded projects). Research expenditures, meanwhile, increased during this time, reaching \$73.7 million in FY24.

Table 5: PSU Sponsored Projects Activity FY21-24

	FY21	FY22	FY23	FY24
Total Awards Amount	\$50.7M	\$65.1M	\$92.3M	\$83.8M
Total Expenditures	\$58.2M	\$612M	\$73.3M	\$73.73M
Federal Expenditures	\$39.5M	\$42.5M	\$46.2M	\$50.7M

	FY21	FY22	FY23	FY24
Proposals Submitted	495	459	413	441

Between FY21 and FY24, technologies and services developed by PSU faculty and students and licensed to external organizations generated \$5.4 million in revenue. Outside entities entered into 59 unique license agreements to deploy or develop university-owned intellectual property, and the university was issued 32 patents.

Table 6: PSU Technology Transfer FY21-24

	FY21	FY22	FY23	FY24
Revenue	\$974K	\$1.5M	\$1.6M	\$1.3M
Licenses Issued	9	25	14	11
Patents Issued	7	13	4	8
Start-up Companies Established	1	0	0	1

COLLABORATION

There are several joint administrative, academic, and governance efforts to maintain collaboration across institutions. 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 these institutions in matters of system wide university concern. In addition, PSU engages in a number of collaborative initiatives with other universities and partners, as indicated below (P indicates Participation, N/P indicates Non-Participation):

Table 7: Portland State University Collaborative Initiatives Participation

Other University Collaborations	University Response (Participant/Non-participant)
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 (<i>note: taking part in State contracts</i>)	N/P
Capital Construction Services	N/P
OWAN	N/P
NERO Network	P
RAIN	N/P
Orbis Cascade Alliance	P
ONAMI	P
OHSU/PSU Strategic Partnership	P

Portland State University pursues excellence through accessibility, innovation, collaboration, engagement, sustainability, and transformation. Three examples of PSU's collaborations are:

OHSU/PSU School of Public Health: Two of Oregon's leading universities have joined forces to train the next generation of public health leaders. The Joint School focuses on community-engaged learning and scholarship that puts the student and researcher out in the world, in real communities. The School of Public Health is committed to educating students of all backgrounds who want to enter the public health field and improve lives in their communities.

The Homelessness Research & Action Collaborative (HRAC) brings together faculty from Portland State University and Oregon Health Science University with expertise in disciplines ranging from psychology and architecture to medicine and linguistics. HRAC believes that it will take all of us working together to address the issues that lead to and perpetuate homelessness. HRAC works alongside community partners,

elected leaders, and those experiencing homelessness to help create solutions with an emphasis on communities of color.

Co-Admission (also known as "dual enrollment" or "degree partnership") is a special admissions process that allows students to be formally admitted to both PSU and partner community colleges. The Undergraduate Admission website has information about the process for applying to PSU with Co-Admission. PSU's community college partners are:

- Chemeketa Community College
- Clackamas Community College
- Clark College, WA
- Clatsop Community College
- Oregon Coast Community College
- Mt. Hood Community College
- Portland Community College

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 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.

This section reflects a statewide assessment of shared services.

Public University Shared Administrative Services

This document provides an evaluation of shared administrative services at the public universities. It does not include information on existing shared academic programs such as transfer agreements, joint degree programs, or other services. Contextual information is provided along with information on work the universities are doing to impact the cost of administrative services in the future.

Key Takeaways

- The universities are moving away from using USSE for finance and administrative services.
- Spending on institution support has increased at a rate more than double that of total spending.
- As part of the TRU + PSU financial sustainability investment, an assessment of current opportunities will occur, focusing on actionable steps to achieve savings and improve service.
- There is ongoing activity at the campus level to address the cost of administrative services.

History of Shared Services

The University Shared Services Enterprise (USSE) was established during the dissolution of OUS to manage shared finance and administrative services that had been performed through the Chancellor's Office. USSE is not a separate legal entity. Rather it is established through a memorandum of understanding (MOU) executed by all seven public universities. For all services except SEIU collective bargaining and legacy debt post-issuance compliance, the universities participate voluntarily and are allowed to select services as needed.

During the past decade, USSE has been shrinking and offering fewer services as the universities elect to perform more administrative functions inhouse. During FY2015, USSE had 32 staff and an operating budget of \$4.8 million with the universities using an average of eleven services each. Table A includes a client service matrix that outlines which services were used by which university during FY2015. SEIU collective bargaining is required in statute. The services USSE provided a decade ago include financial reporting, IT hosting and maintenance, collective bargaining, benefits/payroll support, risk management, and treasury management.

Table A: USSE Client Service Matrix, FY2015							
	EOU	OIT	OSU	PSU	SOU	UO	WOU
Financial Reporting Services	X	X	X		X		X
IT Hosting and Maintenance	X	X			X		X
SEIU Collective Bargaining	X	X	X	X	X	X	X
Benefits payments, tax payments, and reporting	X	X	X	X	X		X
Payroll System Support	X	X	X	X	X		X
PERS Verification	X	X	X	X	X		X
Administration of retirement plan contributions (ORP and 403b)						X	
Risk Management (PURMIT)	X	X	X	X	X	X	X
<i>Treasury Management Services:</i>							
Legacy debt – post issuance tax compliance	X	X	X	X	X	X	X
Legacy Debt – accounting	X	X	X	X	X		X
Non-legacy debt – post issuance tax compliance	X	X	X	X	X		X
Non-legacy debt – accounting	X	X	X	X	X		X
Banking & Investment	X	X	X		X		
Endowment Administration	X	X			X		
Public University Fund (PUF)			X	X			
Number of Services Used	13	13	12	10	13	4	11
Source: USSE staff, February 2025.							

For FY2025, USSE is budgeting for a staff of 5.2 FTE and around \$1.3 million with the universities using an average of six services each. Table B includes a client service matrix that outlines which services are being used by which university during FY2025. USSE will offer labor relations and treasury management services. A few notes by type of service are included below to help explain some of the changes that have occurred in the services offered.

- **Risk Management** – These services were outsourced to a third-party provider during FY2016. Six of the seven universities participate in the Public University Risk Management Insurance Trust and negotiate for their own insurance needs.
- **IT services** – During FY2019, the TRUs outsourced IT hosting to AWS Cloud. USSE services were terminated as a result. This included almost half of the USSE staff at the time. Those positions were transitioned back to the universities or eliminated through natural attrition.

- **Financial reporting** – Four of the five universities are choosing to perform all financial reporting inhouse. This relates to the production and auditing of annual financial statements. Since external auditing is required, each university will interact separately with their chosen external auditor. USSE stopped offering those services as of June 30, 2024.
- **Payroll and benefits reporting** – Four of the six universities are choosing to perform this function inhouse requiring USSE to terminate service as of June 30, 2024. EOU has chosen to outsource this function to ADP.
- **Retirement plan contributions** – UO now manages the administration of retirement plan contributions (i.e., ORP and 403b plans) for all seven universities.
- **Public University Fund (PUF)** – Investment pool administered by OSU on behalf of all Oregon Public Universities pursuant to legislation adopted in 2014. Five of the seven universities participate in the PUF. OSU outsources most of the administrator duties to USSE.

Table B: USSE Client Service Matrix, FY2025							
	EOU	OIT	OSU	PSU	SOU	UO	WOU
SEIU Collective Bargaining	X	X	X	X	X	X	X
Faculty Collective Bargaining	X	X			X		
<i>Treasury Management Services:</i>							
Legacy debt – post issuance tax compliance	X	X	X	X	X	X	X
Legacy Debt – accounting	X	X	X	X	X		X
Non-legacy debt – post issuance tax compliance	X	X	X	X	X		X
Non-legacy debt – accounting	X	X	X	X	X		X
Banking & Investment	X	X	X		X		
Endowment Administration		X	X		X		X
Public University Fund (PUF)			X	X			
Number of Services Used	7	8	8	6	8	2	6
Source: USSE staff, February 2025.							

Cost of Institution Support (all OPUs)

Table C details the growth in spending for institution support and total operating costs. Institution support includes general operations like executive, legal, financial, accounting, space management, procurement, IT, and other general support functions. During the period noted, the annual growth rate in spending for institution support is twice that of the growth rate for total operating expenses and is the reverse of the national experience. Additionally, the relative proportion of spending for institution support increased from 7.1 percent to 9.5 percent of total spending which is also the reverse of the national experience.

For context, using headcount enrollment, this represents a doubling in spending per student on institution support from roughly \$1,300 to \$2,600 during the period noted. Had spending for institution support

during FY2022 been consistent with the national average, Oregon's public universities could have collectively spent \$45 million less on institution support.

**Table C: Growth in Institution Support Spending
(Amounts in \$ thousands, unadjusted for inflation)**

	Institution Support	Total Operating	Proportion	National Comparison
2014	174,782	2,458,599	7.1%	8.7%
2015	191,523	2,437,159	7.9%	8.6%
2016	234,322	2,865,868	8.2%	8.5%
2017	238,543	2,858,161	8.3%	8.4%
2018	251,708	2,988,700	8.4%	8.1%
2019	262,542	3,064,521	8.6%	7.9%
2020	287,959	3,196,110	9.0%	8.0%
2021	310,597	3,133,949	9.9%	8.3%
2022	308,757	3,234,820	9.5%	8.1%
Annual Growth Rate	7.4%	3.5%		
National Comparison	4.1%	5.0%		

Source: Universities audited annual financial reports. Data for national comparison is from U.S. Department of Education, Digest of Education Statistics, Table 334.10, 4-year.

TRU + PSU Financial Sustainability Funding

In the current biennium, the state appropriated \$25 million to address the financial sustainability of the technical/regional universities (EOU, OIT, SOU, WOU) and PSU. The funding is intended to support them in realigning institutional offerings and resources with current and emerging enrollment and economic realities to achieve long-term financial sustainability. The funds will be used for initiatives that seek to reduce ongoing costs, increase revenue, and improve student recruitment and retention.

Of the \$25 million total, \$6.3 million was allocated through the existing funding distribution model. The remaining \$18.7 million was awarded for fifteen projects estimated to generate a net return of \$88 million during the first five years after implementation including both incremental revenues and cost savings. Several of the projects funded relate to reducing operating costs including:

For OIT, two projects that focus on the strategic realignment of financial operations with improved data analytics and course scheduling via improved course demand analysis and faculty workload management. Summed together, an investment of \$2.3 million in these projects is expected to generate an estimated \$3.9 million in net incremental revenue and cost savings within the first five years after implementation.

For PSU, two projects that seek to revitalize academic programs through aligning offerings with current enrollment realities, and a plan focused on operational excellence centralizing administrative

services to reduce costs. Summed together, an investment of \$6.2 million is projected to save \$16 million annually or an estimated \$77 million in the first six years after implementation.

For SOU, a core information systems replacement in alignment with their existing financial sustainability plan called *SOU Forward*. A \$1.1 million investment is projected to save \$700 thousand annually after implementation with a full return on investment expected by year two.

For WOU, a comprehensive initiative to upgrade their current Banner system to enhance functionality to standardize and streamline existing administrative processes across departments. A \$2.3 million investment is projected to save \$750 thousand annually, mostly in personnel costs, with a total net financial impact of \$1.1 million in the first five years after implementation.

Assessment of Current Opportunities

Additionally, a portion of the financial sustainability funding is set aside for collaborative activity. This includes a shared administrative services feasibility study to determine the best approach for the five universities to share similar administrative functions, which could include some of the services previously provided by USSE. The intended result of the assessment is actionable plans for implementation and specific steps for the universities to take to achieve cost savings and improved service.

As part of the request for proposals (RFP) process, the universities have identified the following primary service areas for assessment and recommendation of actionable steps:

- Purchasing and procurement services
- Information technology services (platforms, technologies, and cybersecurity)
- Legal Services
- Compliance and risk management
- Internal audit
- Payroll services
- Human resource management (training/recruitment)

Campus Level Activity

Broader than administrative services, there have also been budget reductions during the current year within E&G funds including:

EOU – A \$4.8 million (or 8.4 percent) reduction with operating units cut anywhere from 3 percent to 10 percent as determined through a shared governance approach. The bulk of the reduction, \$3.0 million, is for compensation.

OIT – Following a budget reduction of 1.3 percent last year, a \$3.4 million (or 3.9 percent) reduction with divisions cut anywhere from 0.2 percent to 6.1 percent.

PSU – An \$18 million (or 5.3 percent) deficit reduction program closed the deficit that was forecasted at the start of FY2025. The proposal, called the *Bridge to the Future*, focuses on four key areas of financial adjustment: operational excellence, program revitalization and curricular stewardship,

retirements, and net revenue growth. Some of the savings were derived from the processes put in place by the sustainability funding.

FINANCIAL HEALTH ASSESSMENT

This section provides an assessment of the university's current financial position, assesses cost efficiency, and summarizes recent forecasting related to financial sustainability. Financial monitoring is conducted annually by HECC staff. The most recent report from which this data and analysis is drawn was published in April 2024.

The financial position of each university is assessed using currently available data. The analysis within the financial conditions report includes both quantitative and qualitative factors to provide appropriate context. The metrics are measured over time to understand emerging trends. Further, the analysis uses a dual perspective approach providing information across the whole enterprise including the foundation and then considers only the education and general (E&G) fund.

The most important predictor of financial instability is enrollment. Specifically, sharp declines in enrollment over a short period of time. PSU's fall term FTE enrollment over the past decade has declined significantly by a total of 27.7 percent, or by an annual average of 3.5 percent. This is a decline of 6.9 percent in just the past two years. As a result, by evaluating the composite financial index (CFI), PSU's finances have been struggling over the recent past when considering the whole enterprise (E&G funds, restricted funds, auxiliary funds, etc.) including the expendable portion of the foundation's net assets.

Table A provides a summary of the five-year trend in the E&G fund. For three of the past five years, PSU has generated a negative operating margin meaning insufficient revenue was collected to cover expenses. This erodes the fund balance over time, especially with the magnitude of the deficit having grown to five percent of revenue. PSU was able to build the fund balance during the pandemic but has experienced a structural gap between revenues and expenses. During the period noted, expenses have grown an average of 2.1 percent annually while revenues have remained flat. Expenses grew less than the average, annual inflation in the same timeframe, which was 5.3 percent using the CPI-U for the western region.

Table A: Trend in E&G Fund

	FY2020	FY2021	FY2022	FY2023	FY2024
Total Revenue	346,355,319	336,683,565	329,984,344	335,781,602	346,963,274
Total Expenses	335,396,874	316,462,669	330,367,704	345,809,264	364,497,954
Operating Margin	10,958,445	20,220,896	(383,360)	(10,027,661)	(17,534,680)
	3.2%	6.0%	(0.1%)	(3.0%)	(5.1%)
% State Revenue	31%	33%	36%	36%	38%
Months Operating Balance	3.6	4.5	4.5	4.1	3.4

Source: Survey data submitted to the HECC annually by the university.

Cost Efficiency

The changing higher education landscape will require efforts by the universities to maximize efficiency, manage spending, and improve student affordability. To assess cost efficiency, several factors are considered including the alignment of staffing levels with enrollment, the use of shared administrative services, and ongoing efforts to control costs.

Table B provides a summary of staffing and the student to faculty ratio. The total number of employees for PSU has declined, but at a slower rate than enrollment leading to a higher student to faculty ratio than other Oregon public universities. There is no accepted standard or best practice measure of the student to faculty ratio; however, when enrollment declines, and the number of employees does not to the same extent, this can create structural budget gaps. Granted, the level of staffing changed significantly during the pandemic with PSU continuing to adjust as appropriate.

Table B: Trend in Staffing							
	2018	2019	2020	2021	2022	Variance	Annual Growth Rate
Student FTE	19,545	18,809	17,428	16,522	15,673	(19.8%)	(5.4%)
Admin, Management	91	84	94	91	92	1.5%	0.4%
Classified, Professional	1,435	1,423	1,347	1,269	1,365	(4.9%)	(1.2%)
Faculty	1,282	1,299	1,143	1,284	1,203	(6.2%)	(1.6%)
Total Employee FTE	2,808	2,806	2,584	2,644	2,660	(5.3%)	(1.3%)
Student to Faculty Ratio (PSU)	15.2	14.5	15.2	12.9	13.0	(14.5%)	(3.8%)
Student to Faculty Ratio (All OPU's)	13.1	12.9	12.2	11.8	12.0	(8.4%)	(2.2%)
Source: ORS 350.360 Higher Education Employees Annual Report, November 2024. The years noted are the data years as used in the report. The variance noted is from 2018 to 2022.							

Another way for the universities to improve cost efficiency would be to manage spending for institution support. This includes administrative functions like communications, legal, financial, accounting, space management, procurement, IT, and similar business services. Over time, PSU has relied less on the University Shared Services Enterprise (USSE) for support. Compared to the ten USSE services PSU consumed during FY2015, during FY2025, they will use six, including statutorily required SEIU collective bargaining and select treasury management services to include accounting and tax compliance services for debt management.

There is current state investment in PSU, and the four technical/regional universities, to improve long-term financial sustainability. During the current biennium, the state invested \$25 million total for the five universities of which PSU will receive \$10.1 million. The funding is intended to support the universities in realigning institutional offerings and resources with current and emerging enrollment and economic realities to achieve long-term financial sustainability. The funds will be used for initiatives that seek to reduce ongoing costs, increase revenue, and improve recruitment and retention in the pursuit of academic success.

The remaining \$18.7 million was awarded to the five universities through a request for applications process to be disbursed on a reimbursement basis. PSU was awarded \$7.0 million for three projects that are projected to generate an estimated net return of \$77 million over the first six years after implementation. This is above the one-time cost of the projects. The projects seek to reduce ongoing costs, increase revenue, and improve student success in alignment with its new strategic and financial sustainability plan. They include:

- **Academic program revitalization** – a plan to engage the campus community to revitalize the academic program portfolio by aligning offerings with current realities including market demand and academic results. A \$3.0 million investment is projected to save \$10.5 million annually or an estimated \$55.8 million in the first six years after implementation.
- **Operational excellence** – a plan to align administrative structures with PSU’s current fiscal reality by building a hybrid model for service delivery, which includes a more robust centralized approach. A \$3.6 million investment is projected to save \$5.5 million annually or an estimated \$21.2 million in the first six years after implementation.
- **Data analytics to improve student success** – a project to transform student success initiatives by applying the Georgia State model of data analytics to improve student retention. A \$363 thousand investment is projected to provide additional net incremental tuition/fee revenue of \$468 thousand annually after implementation resulting from improved student retention.

Financial Forecast

In November 2024, PSU held a special board of trustees meeting to address existing fiscal challenges and to discuss an emerging financial sustainability plan. The board materials note that since 2022, PSU has operated with an E&G deficit, including a projected \$18 million deficit in FY2025. Staff estimate that continuing to spend \$17 million to \$18 million annually in reserves will exhaust the E&G fund balance in less than four years. Additional details, as shared with the board in a financial profile, are included in Table C.

With that in mind, the Board charged PSU staff with creating a plan to address both the structural deficit in the short-term and support long-term sustainability in alignment with the university’s 2030 strategic vision. The proposal, called the Bridge to the Future, focuses on four key areas of financial adjustment: operational excellence, academic program revitalization and curricular stewardship, retirements, and net revenue growth. The plan notes that, “long-term financial sustainability requires that we embrace a culture and practice of data-informed and values-aligned continuous improvement.”

Table C: Trend in Key Data Points					
	FY2002	FY2024	Variance		Annual Growth Rate
Total Student FTE	15,972	15,268	(704)	(4%)	(0.2%)
Total E&G Revenue (000's)	\$140,432	\$346,963	\$206,531	147%	4.2%
Total E&G Expenses (000's)	\$138,669	\$364,498	\$225,829	163%	4.5%
Total Employee FTE	1,929.7	2,580.2	650.5	34%	1.3%
Student to Employee Ratio	8.3	5.9	(2.4)	(29%)	(1.5%)
Source: PSU Finance & Admin University Financial Profile, November 2024.					

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 allowing non-board members to weigh in early on in the meetings rather than having to sit through the whole meeting.

Governing Board Focus Area	Evaluation Question	Supporting Narrative (documentation may include links to materials on board website)	Data Source
Transparency (ORS 352.025(1)(a))	Board meets at least quarterly. ORS 352.076(6).	<p>During the 2023-24 fiscal year (FY23), the Board of Trustees of Portland State University met six times, one of which was an Emergency meeting in April.</p> <p>Meeting dates of the full board can be accessed here: https://www.pdx.edu/board/board-meetings</p>	Board of Trustees
	Board provides public notice of agenda and meetings. ORS 352.025(1)(a).	<p>Agendas, meeting materials, and meeting locations are available on the Board's website in advance of each meeting. See: https://www.pdx.edu/board/board-meetings</p> <p>Public meeting notices are sent to any members of the public who have</p>	Board of Trustees

		<p>requested to receive notices by email.</p> <p>In addition to the in-person option to view meetings, members of the public can view and participate in the meeting (presenting or by providing public testimony) via Zoom.</p>	
	The Board operates in a transparent manner and in compliance with Public Meetings and Public Records laws. ORS 352.025(1)(a).	<p>In compliance with public meetings and public records laws:</p> <ul style="list-style-type: none"> • Board meetings are noticed, publicized and open to the public except when meetings or portions of meetings are held in statutorily authorized executive sessions. • Meeting notices, agendas, and supporting materials, including meeting recordings, are posted on the Board website. • Public records requests are coordinated and responded to in a timely manner through the Office of Public Records. 	Board of Trustees
	The Board has adopted bylaws. ORS 352.076(5).	The Board adopted Bylaws on January 30, 2014. Subsequent amendments were adopted on	Board of Trustees

		<p>March 31, 2016, April 20, 2021, and April 5, 2024.</p> <p>Bylaws are published on the Board's website: https://www.pdx.edu/board/bylaws-board</p>	
Accountability (ORS 352.025(1)(a))	The Board demonstrates its accountability on behalf of the university and awareness of its mission and fiduciary duties.	<p>Since the inception of the Board, it has established governance documents outlining the roles and responsibilities of trustees as fiduciaries for Portland State University.</p> <p>The governance documents can be found here: https://www.pdx.edu/board/governance and are listed below:</p> <ul style="list-style-type: none"> • Bylaws • Portland State University Mission Statement • Portland State University Strategic Plan • Academic and Student Affairs Committee Charter • Executive and Audit Committee Charter • Finance and Administration Committee Charter • Governance Committee Charter 	Board of Trustees

		<ul style="list-style-type: none"> • Responsibilities of Individual Trustees • Board Officers • Conduct of Board Meetings • Board Calendar • Trustee Code of Ethics • Trustee Conflict of Interest and Recusal • Reimbursement of Trustee Expenses and Attendance at University Events • Relationship with Portland State University Foundation • Tuition, Fees & Fines Policy • Debt Management Policy • Internal Audit Charter • Evaluation of the President • Reserves Management Policy • The Role of the Board, President and Faculty, Shared Governance and Academic Freedom • Presidential Searches and Appointments 	
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		<ul style="list-style-type: none"> • Assessment of Board Performance • Recommending Candidates for At-Large Board Positions • Resolution Regarding Relationship with Portland State University Foundation • Resolution Concerning Authority for Academic Program Approval <p>The Board or the designated committee(s) also received annual internal and external auditor reports.</p> <p>The Board, through the Academic and Student Affairs Committee, reviews and approves major changes to programs, including the creation, merger, and closure of degree programs. Major new academic programs have been forwarded to the HECC for approval.</p> <p>Quarterly financial reports, enrollment and revenue forecasts</p>	
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		<p>are presented to the Board and/or the designated committee.</p> <p>Annually, the Board approves the university's operating budget, tuition rates and fees, and issuance of bonds if needed.</p> <p>Meeting agendas, materials and meeting recordings are available online that further detail the discussions and activities of the Board.</p>	
	<p>The Board has established a process for determining tuition and mandatory enrollment fees that provides for participation of enrolled students and the recognized student government of the university. ORS 352.102(2)</p>	<p>On December 11, 2014, the Board reviewed and adopted a policy outlining the process for determining tuition and fees. This policy was amended on June 6, 2018 and June 23, 2022.</p> <p>See: https://drive.google.com/open?id=1Udh5FAYqeIfW24XalZ1_AmsogYW7WV3o</p> <p>As the policy outlines, student involvement is done through the Tuition Review Advisory Committee (TRAC) and the Associated Students of Portland State University</p>	Board of Trustees

		(ASPSU). Tuition rates, mandatory fees, and student incidental fees were approved at the Board's April meeting.	
	Board selects and regularly assess the university president. ORS 352.096.	The Board appointed Ann Cudd as the 11th President of Portland State University in March 2023 and began her tenure as President in August 2023. As outlined in the presidential evaluation policy, mutually agreed upon goals for FY24 were established and approved at the October 5, 2023 Board meeting. An evaluation process took at the end of FY24, and results were shared at the fall meeting in FY25.	Board of Trustees
Engagement in the University's Mission (ORS 352.025(1)(b))	The Board adopts the mission statement. ORS 352.089(2).	<p>The Board directed the President to begin a comprehensive strategic planning process on October 2023. The resolution also directed the President to reaffirm the university's mission statement.</p> <p>The Strategic Plan and University Mission Statement were adopted by the Board on September 27, 2024.</p>	Board of Trustees
Coordination across the State of Oregon (ORS 352.025(1)(e))	The Board forwards the university's mission statement to the HECC. ORS 352.089(1).	The University Mission Statement was forwarded to the HECC and approved on October 10, 2024.	Board of Trustees

	<p>The Board forwards any significant change in the university's academic programs to HECC. ORS 352.089(1).</p>	<p>The Board forwarded significant changes in the university's academic programs to HECC following Board approval. Programs forwarded to HECC in 2021, 2022, 2023, and 2024 included:</p> <ul style="list-style-type: none"> • BAS in Management and Leadership • BA/BS in Human Services • MA/MS Applied Economics and Data Analytics • B.A./B.S. in Business Economics • B.A./B.S. in Chicano/Latino Studies • P.S.M. in Applied Geoscience • MS in Geographic Information Science 	Board of Trustees
Real Property Holdings (ORS 352.025 (2)(c))	<p>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.</p>	<p>330 SW Lincoln purchased on 12-29-2023. The purchase includes .43 acres of land and a 4,658 sq. ft. building.</p>	Board of Trustees and/or Vice President for Finance & Administration

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. This report relies heavily on regularly conducted academic accreditation reports and the self-assessments prepared for these accreditation reviews, as well as on 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.

Portland State University continues to maintain its focus on student access, success, and community engagement. Despite the challenges posed by enrollment declines over recent years, PSU has demonstrated a strong commitment to increasing opportunities for underrepresented minority students, with 27.1 percent of students identifying as underrepresented minorities in fall 2022, rising to 29.6 percent in fall 2024—the highest rate in the university's history. This growth reflects PSU's ongoing efforts to provide educational access to diverse populations and to support a dynamic, inclusive campus community.

In terms of student success, PSU has maintained solid retention and graduation rates, particularly for Pell Grant recipients and underrepresented minority students. The university's first-year retention rate was 76.6 percent for the fall 2022 cohort, and recent data show continued improvement in graduation and degree completion for diverse student groups. PSU's strong focus on graduate education is evident in the substantial number of graduate students enrolled in 2023-24, representing 21.9 percent of the total student body.

The affordability of higher education at PSU remains a critical issue, with the university facing similar challenges as other institutions in Oregon regarding rising tuition and living expenses. Over the past decade, PSU's undergraduate, resident tuition and fees have increased by 44 percent, and the total cost of attendance has grown by 20 percent. While PSU has expanded its financial aid offerings, including institutional remissions and discounts, the university continues to work toward mitigating the financial strain on its students, as evidenced by the increase in the affordability rate from 52 percent in 2021-22 to 57 percent in 2022-23. Efforts such as the "Last Mile" initiative aim to alleviate the financial barriers faced by students close to graduation, reinforcing PSU's commitment to ensuring that financial challenges do not prevent degree completion.

With research expenditures reaching \$73.7 million in 2023-24, PSU continues to contribute significantly to Oregon's economic development, particularly through sustainability-focused research and community engagement initiatives. The university's emphasis on urban engagement, through partnerships with local government and industry, enhances its role in addressing the needs of the Portland metropolitan area and beyond.

Collaboration remains a cornerstone of PSU's mission, with a strong portfolio of partnerships with local organizations, community colleges, and other universities in Oregon. Notable initiatives like the Future Principals Program and the Clean Industry Initiative highlight PSU's leadership in workforce development and sustainable practices. PSU's involvement in statewide collaborations such as the Oregon Regional Computing Accelerator and its efforts to increase access for Latinx students through the Latino Network Partnership further reinforce its commitment to expanding educational opportunities across Oregon.

In conclusion, Portland State University has demonstrated resilience in the face of challenges, while continuing to advance its mission of providing accessible, high-quality education that meets the needs of Oregon's diverse student population. PSU remains a vital institution in Oregon's public higher education system. However, continued efforts will be required to address enrollment declines and the financial pressures faced by students, ensuring PSU's long-term sustainability and impact.

