

## Preliminary FY2027 Tuition and Fees Scenarios and Education and General Budget Planning

### EXECUTIVE SUMMARY

Each spring, the Oregon State University Board of Trustees makes decisions regarding tuition and fee rates for the following fiscal year. This agenda item is intended to examine potential scenarios for tuition and fee rate changes, while also providing context for budget planning for fiscal year (FY) 2027. The tuition rate change scenarios included are for increases of 2.8%, 3.5% and 4%. Additionally, this agenda item will highlight changes to university mandatory fees that will also be part of the board's spring decision items.

Key takeaways in this briefing:

- 1) Tuition rates and mandatory enrollment fees are established by the board annually using its [Tuition and Fee Process](#). The board's action is partially limited by Oregon statute ORS 350.075, which gives the Oregon Higher Education Coordinating Commission (HECC) authority to approve or disapprove tuition rate increases greater than 5% for resident Oregon undergraduates. The University Budget Committee makes recommendations to the university president, who then proposes tuition rates to the board for approval. OSU's board has historically increased tuition rates by 2 to 5% each year.
- 2) There are important changes under consideration for how OSU mandatory fees may be structured in FY27, as well as the potential for new fees.
- 3) Substantial headwinds exist for the FY27 budget for the university's Education and General Fund.

### BACKGROUND

The Board of Trustees will make tuition and fee rate decisions at its March 2026 meeting based on a recommendation from the president and advice from the University Budget Committee (UBC). The UBC, explained in more detail on page 9 in the Tuition Scenario Planning section, is OSU's statutorily-required tuition advisory body. The budget committee has begun conversations to develop tuition and fee recommendations for the 2027 academic (and fiscal) year.

Oregon State's tuition and fee structure is complex. Like most large public universities, there are distinct rates charged for Oregon resident students, non-residents, undergraduates, graduate students, and professional programs. A number of colleges at OSU have differential tuition over and above base tuition rates. Beyond this, Ecampus tuition charges are different from other tuition rates, and Ecampus charges make no distinction between resident and nonresident students. Mandatory fees are also an important resource for some core activities of the university.

Table 1 shows the various tuition and fee distinctions for OSU students currently in place for FY26:

Tuition Rates	Fees
Continuing resident UG, Corvallis & Cascades	Matriculation
Continuing nonresident UG, Corvallis & Cascades	Building Loan/Debt – Corvallis
New resident UG, Corvallis & Cascades	Building Loan/Debt – Cascades
New non-resident UG, Corvallis & Cascades	Student Health Services – Corvallis
Resident graduate	Student Health Services – Cascades
Non-resident graduate	Counseling & Psych Services - Corvallis
Continuing and new Ecampus UG	
Continuing and new Ecampus Graduate	
Professional tuition (VetMed, Pharm, DPT)	
Differential tuition UG	
Differential tuition graduate	
Summer	

Despite these complexities, the recent history of tuition and fee rate changes at OSU have generally made increases across these categories at similar levels. For example, for FY26, both resident and non-resident undergraduate tuition increased by 4.8% for returning students.

OSU has a cohort tuition structure, which means that rates of tuition charged have varied for each year’s entering class of undergraduate students. Rates have not differed significantly, but the incoming cohort rate has generally been priced slightly higher than the charge for returning students. In FY25, OSU added a sixth and final tuition cohort.

In recent years, OSU has had a set of consistent practices in tuition rate setting:

- Tuition increases are expected to be largely in line with inflation (2-5%)
- Tuition rates for newly matriculating students would be slightly higher than rates for returning students
- Differential tuition charges would increase at continuing student rates, with some collegiate discretion
- Tuition rates are monitored to ensure competitiveness and affordability
- Graduate and professional tuition rates can vary on a program-by-program basis
- Ecampus rates are set with a national online market perspective
- Summer tuition rates are set at the same level for resident and non-resident students

While the Board of Trustees votes to approve increases to tuition and fee rates for the university, there is a partial limitation imposed by statute in the State of Oregon. Under ORS 350.075, the Oregon Higher Education Coordinating Commission (HECC) has statutory authority to approve or disapprove tuition rate increases greater than 5% for resident Oregon undergraduates at any public university in the state. OSU’s practices have generally adjusted tuition at the same rate across the various types of students noted in the prior table, but the HECC 5% threshold only applies to resident undergraduates. It is also important to note that

some mandatory fees “count” toward that limit, so the university needs to take those into account when considering increases that might be near or above the 5% threshold.

It should also be noted that in recent years, Oregon State has taken steps to improve access and affordability for Oregon resident students. Since 2019, the university has intentionally increased enrollment of non-resident undergraduate students. The incremental increase in revenue from these higher-paying students has allowed OSU to increase grant aid in order to reduce the net cost for the lowest income Oregon resident students. OSU’s “Bridge for Success” program can cover full tuition and fees through a combination of federal, state, and institutional grant aid. In 2019, the university ranked 9<sup>th</sup> for the highest price among R1 institutions for students whose families earned less than \$30,000 per year. By 2022, that ranking had fallen to 31<sup>st</sup> place due to these enhanced efforts at increasing access and affordability. Over that same time period, for students whose family income was in the \$30,000 - \$48,000 range, OSU’s net price moved from 7<sup>th</sup> to 33<sup>rd</sup> place.

### **FEE CHANGES FOR FISCAL YEAR 2027**

The university is considering a number of important changes to mandatory fees for FY27. Rate changes on existing fees have been a regular part of the tuition and fee setting process. However, there are a pair of new fees under consideration by the University Budget Committee, as well as a significant redefining of some existing fees from “incidental” to “mandatory.”

Much like many other public universities, fees at OSU take a variety of forms. The fees noted in this docket item are generally considered mandatory enrollment fees, meaning every student in a defined category pays the fee as part of their enrollment at OSU. Other fees are charged very specifically, such as for an individual course that may have unusual or special expenses. A third large category has been referred to as “Mandatory Incidental Fees,” and recommendations for these fees fall under the initial purview of the respective campus student governments (Associated Students of Oregon State University and the Associated Students of the Cascade Campus).

What constitutes a Mandatory Incidental Fee is not defined in statute. In efforts to improve transparency and consistency in OSU’s fee setting practices, the Vice President for Student Affairs charged a task force consisting of student leaders from ASOSU and ASCC, as well as stakeholder administrators, to develop a shared definition for what an “incidental” fee, and then recommend what existing incidental fees do not meet that new definition. Fees that support debt payments on facilities and operating costs for long term investments were determined to not meet the definition of “incidental” consistent with other fees that currently fall within the Mandatory Enrollment Fee setting process, such as the Student Health Fee, the Matriculation fee, and Student Building/Debt Fee.

The recommended definition was accepted and adopted, resulting in several fees formally categorized as Mandatory Student Incidental Fee, moving under the purview of Mandatory Enrollment Fees, in which under ORS 352.102(1) “the governing board may authorize, establish, eliminate, collect, manage, use in any manner and expend all revenue derived from tuition and mandatory enrollment fees.”

The following will move from incidental to mandatory fee elements in the docket that will come forward for the board's FY27 decision, in part or whole:

OSU Corvallis:

- Memorial Union
- Recreational Sports (except club sports)
- Family Resource Center
- Student Experiences and Engagement (blended)

OSU-Cascades

- Campus Recreation Facilities/Cascades Adventures
- Student Health and Recreation Center
- Student Success Center

Collectively, this set of activities will be charged under a consolidated "Student Services Fee." For the current year (FY26), these activities account for approximately \$25.6M in revenue (\$379.27/term, Fall/Winter/Spring) on the Corvallis campus, and \$680,000 (\$181.09/term, Fall/Winter/Spring) on the OSU-Cascades campus.

Beyond this transition of existing fees from incidental to mandatory, there are two other new fees that are under consideration for possible recommendation by the UBC. These could be part of the tuition and fee recommendations the board considers for action in March:

*Athletics Excellence Fee:* Intercollegiate Athletics has developed a proposal for a new fee to help mitigate the substantial revenue loss related to conference realignment. Such mandatory student fees are a common means of support at Group of Five athletic conferences, of which the revamped Pac 12 will be starting next year.

*Distance Education Fee:* The Division of Educational Ventures has developed a proposal to reinstitute a per credit charge for Ecampus courses, which is standard for many peer online programs. The envisioned purpose of this fee would be to help Division of Educational Ventures and the colleges grow online enrollment in line with the goals of *Prosperity Widely Shared*.

## COMPARATIVE INFORMATION

Tuition rates can be difficult to compare across different institutions, since the composition of funding, the types of students, and the academic profile vary widely among universities. That said, in a competitive higher education landscape, it can still be important to understand where OSU situates relative to peers, aspirational peers, and other Oregon public universities as it competes for students.

Tables 2 through 5 below provide comparative tuition rate information. Tables 2 and 3 show undergraduate and graduate tuition for OSU and a set of comparator institutions.

**Table 2: Undergraduate Tuition Rates**

Comparison of OSU Undergraduate Tuition and Fees to Strategic Peers and Other Major Land Grant Universities							
Rates are reported for 2025-26, some campuses may be subject to change							
All calculated at 15-credit hour load							
		Annual Tuition		Annual Tuition and Fees		Per term fees*	
		Resident	Non-resident	Resident	Non-resident		
<b>Strategic Plan Peers</b>							
	<b>Oregon State</b>	<b>12,675</b>	<b>37,860</b>	<b>Q</b>	<b>15,252</b>	<b>40,437</b>	<b>859</b>
Strategic Plan Peers Tier 1	Ohio State University	12,545	41,327	S	13,641	42,423	548
	Penn State University	20,468	42,860	S	21,084	43,476	308
	Purdue University	9,718	28,520	S	10,502	29,304	392
	UC at Davis	13,602	51,204	Q	17,346	54,948	1,248
	University of Florida	4,477	28,982	S	6,381	30,886	952
	University of Illinois	12,992	33,344	S	19,716	40,068	3,362
	University of Wisconsin	10,506	42,531	S	12,166	44,191	830
Strategic Plan Peers, Tier 2	Colorado State University	10,520	25,791	S	12,910	28,181	1,195
	Iowa State University	9,530	28,578	S	11,091	30,139	780
	NC State University	6,535	31,500	S	9,028	33,993	1,246
	UC at Riverside	13,602	51,204	Q	16,113	53,715	837
	University of Tennessee	11,560	18,198	S	13,876	20,514	1,158
	Washington State University	12,298	29,404	S	13,886	30,992	794

**\*Table 3: Graduate Tuition Rates**

**\*This table was corrected after publication.**

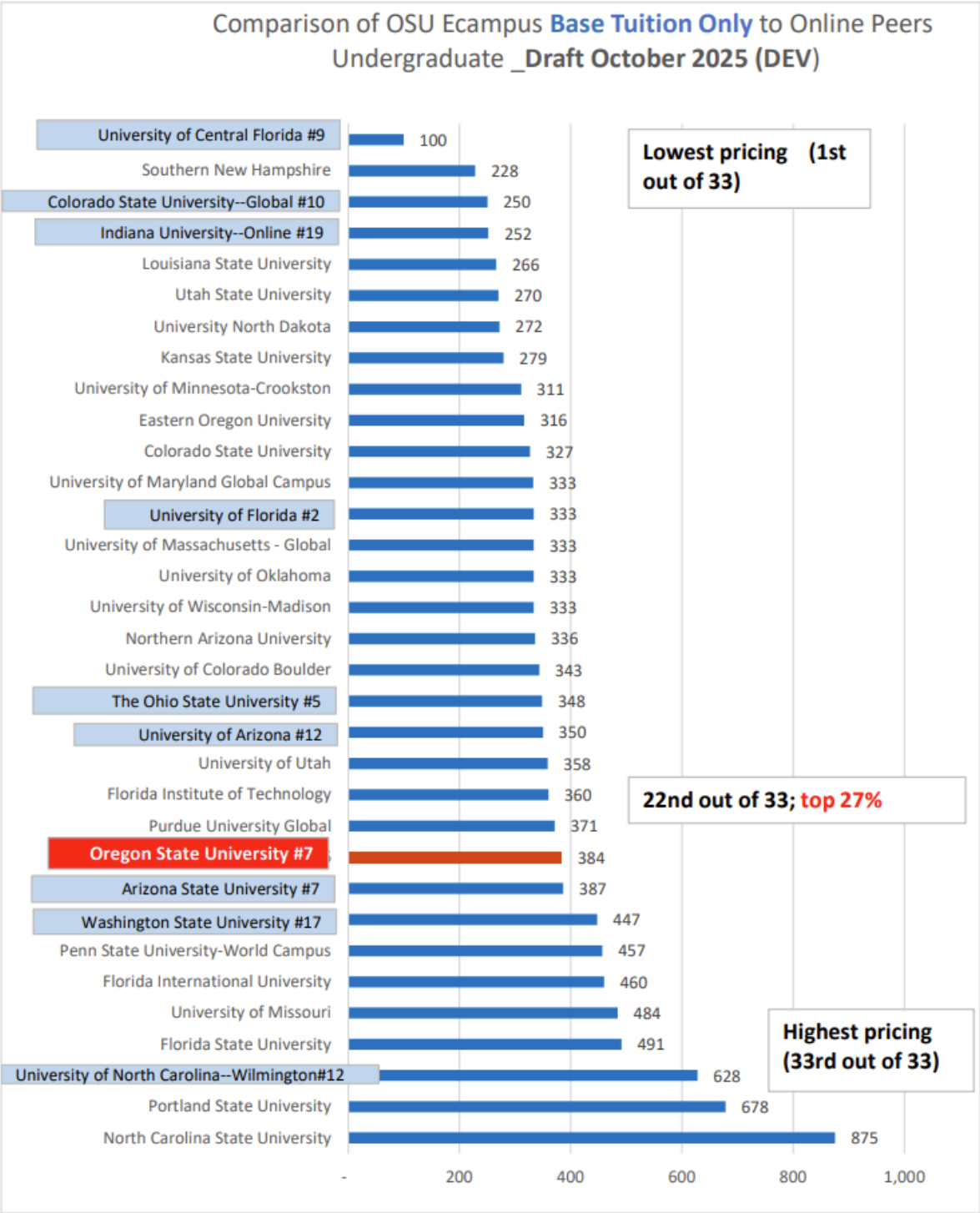
Comparison of OSU Graduate Tuition and Fees to Strategic Peers and Other Major Land Grant Universities							
Rates are reported for 2025-26, some campuses may be subject to change							
All calculated at 12-credit hour load							
		Annual Tuition		Annual Tuition and Fees		Per term fees	
		Resident	Non-resident	Resident	Non-resident		
<b>Strategic Plan Peers</b>							
	<b>Oregon State</b>	<b>13,986</b>	<b>32,508</b>	<b>Q</b>	<b>16,563</b>	<b>35,085</b>	<b>859</b>
Strategic Plan Peers Tier 1	Ohio State University	13,947	43,939	S	15,043	45,035	548
	Penn State University	25,966	46,796	S	26,582	47,412	308
	Purdue University	9,718	28,520	S	10,502	29,304	392
	UC at Davis	13,140	28,242	Q	16,884	31,986	1,248
	University of Florida	12,740	31,872	S	14,644	33,776	952
	University of Illinois	14,052	30,356	S	20,776	37,080	3,362
	University of Wisconsin	12,388	25,714	S	14,047	27,374	830
Strategic Plan Peers, Tier 2	Colorado State University	11,839	25,791	S	14,229	28,181	1,195
	Iowa State University	9,530	29,028	S	11,091	30,589	780
	NC State University	10,230	31,528	S	12,723	34,021	1,246
	UC at Riverside	13,140	28,242	Q	15,651	30,753	837
	University of Tennessee	11,468	18,188	S	14,730	21,450	1,631
	Washington State University	13,084	28,586	S	14,668	30,170	792

Table 4: Oregon Public Universities - Undergraduate Tuition

<b>Comparison of OSU Undergraduate Tuition and Fees to other Oregon Universities</b>			
<b>Rates are reported for 2025-26, some campuses may be subject to change</b>			
Calculated at 15-credit hour load for undergraduate tuition			
	<b>Annual Tuiton Undergraduate</b>		<b>Per term fees*</b>
	<b>Resident</b>	<b>Non-resident</b>	
<b>Oregon State University</b>	<b>12,675</b>	<b>37,860</b>	<b>859</b>
University of Oregon	13,906	43,226	950
Portland State University	10,260	24,408	685
Oregon Institute of Technology	11,403	36,296	786
Southern Oregon University	10,719	30,735	860
Western Oregon University	9,900	30,600	729
Eastern Oregon University	9,360	23,445	749

Note: all tuition rates are for entering students; University of Oregon tuition for entering cohort remains static for five years.

Table 5: Ecampus Tuition – Undergraduate



## BUDGET PLANNING CONTEXT

The budget outlook that serves as the context for 2026-27 tuition rate-setting anticipates substantial headwinds and budget pressures for the university. Among the anticipated challenges as we begin to frame the context and develop the budget process for next year include the following:

- Flattening of Ecampus enrollment in the current year that lowers the revenue base for future growth;
- Structural budget pressures affecting a number of OSU colleges and administrative divisions;
- Probable reduction in state support due to recently projected state budget deficit;
- Uncertain enrollment impacts among international students as well as from federal policy changes related to financial aid; and
- Cost escalation related to compensation, utilities, enterprise software, and debt service.

The imbalance of anticipated revenue and the university's expense base will be the focus of budget planning within the institution in the months ahead.

## TUITION SCENARIO PLANNING

The University Budget Committee (UBC) constitutes the tuition advisory committee required of public universities by Oregon statute. The UBC includes academic faculty, professional faculty, students from student government, and students at large. The group has been meeting since October 2025 to consider tuition rate recommendations and other budget-related recommendations for FY27.

The UBC typically considers a range of potential tuition rate changes as well as fee increases. The UBC's current set of guidance is for OSU to four different tuition rate and fee increases, ranging from low to high. In each, UBC is being mindful of the HECC constraint on the rate increase limit for Oregon resident undergraduates, so the committee has been evaluating options with an awareness of how both tuition and fee changes are affecting the "HECC math" of the combined impact. Calculations noted below are preliminary estimates.

- Roughly 3% scenario: tuition rate increase of 2.8% (approximating Personal Consumption Expenditures inflation<sup>1</sup>), and fee increases of no more than 3%; (HECC impact of 3.3%)
- Roughly 4% scenario: tuition rate increase of 3.5%, with fee levels frozen except for the Building fee and the new Athletics Excellence fee (HECC impact of 4.07%); and
- Roughly 5% scenario: tuition rate increase of 4.0%, fee increases as proposed across all categories (HECC impact of 4.92%).

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<sup>1</sup> A key U.S. inflation gauge from the Bureau of Economic Analysis that measures the price changes for goods and services consumers buy, reflecting shifts in spending habits, making it broader and often smoother than CPI, and is the FED's preferred measure for setting monetary policy.  
<https://www.bea.gov/data/personal-consumption-expenditures-price-index>

The Office of Budget and Resource Planning has worked through a set of preliminary estimates for the potential revenue impact of these respective tuition increase scenarios. The table below shows the projected FY27 additional net tuition and fee revenue for the four scenarios. “Net” tuition is shown after the effect of any tuition waivers provided by the university as financial support for students.

Scenario (HECC impact)	3%	4%	5%
What’s included	2.8% tuition; fees ~3%	3.5% tuition; fee levels frozen except building and athletics	4.0% tuition; fees as proposed by units
Estimated marginal tuition and fee revenue	\$19.6M	\$22.5M	\$26.0M

**STUDENT MARGINAL IMPACTS**

The table above estimates the amounts of additional revenue the university might generate across the entire budget with a range of potential tuition rate increases. Table 6 below shows the marginal cost to individual undergraduate students of the same scenarios. These tables show the cost on a per credit basis, though that is not the full cost of attendance for students. Additionally, these tables show base tuition charges and do not include the effect of changes in differential tuition for the colleges and programs where that is applicable. Fee changes are also not accounted for in this display.

Table 6: Marginal Cost to Individual Undergraduate Students

<u>Per Credit Cost</u>	<u>Current</u>	<u>2.8%</u>	<u>3.5%</u>	<u>4.0%</u>
Oregon Resident	\$ 268	\$ 276	\$ 285	\$ 297
Non-Resident	\$ 800	\$ 822	\$ 851	\$ 885
Ecampus	\$ 384	\$ 395	\$ 409	\$ 425
<b><u>Marginal Difference</u></b>		<b><u>2.8%</u></b>	<b><u>3.5%</u></b>	<b><u>4.0%</u></b>
Oregon Resident	\$	8	\$ 10	\$ 11
Non-Resident	\$	22	\$ 29	\$ 34
Ecampus	\$	11	\$ 14	\$ 16
<b><u>Full-Year Impact</u></b>		<b><u>2.8%</u></b>	<b><u>3.5%</u></b>	<b><u>4.0%</u></b>
Oregon Resident (45 Credits)	\$	338	\$ 434	\$ 513
Non-Resident (45 Credits)	\$	1,008	\$ 1,295	\$ 1,532
Ecampus (24 Credits)	\$	258	\$ 332	\$ 392

## **NEXT STEPS**

The University Budget Committee will continue to evaluate options for tuition as well as mandatory fees to inform recommendations that they will submit to the president. Beyond the work of the committee, the Office of Budget and Resource Planning will hold tuition forums for students in January. The UBC will make a recommendation to President Murthy in late January or early February.

The Board of Trustees will receive President Murthy's recommendation for FY27 tuition and fee rates at the March 2026 Finance & Administration Committee meeting, with action expected at the March Board of Trustees meeting.