



Oregon State
University

FY2021 Revised Operating Budget

Finance & Administration Committee
October 14, 2020

Overview

- Operating budget update
- What has changed since May?
- Revised budget projections
- Management strategies
- Principal remaining uncertainties
- Questions?

Budget Context and Challenges

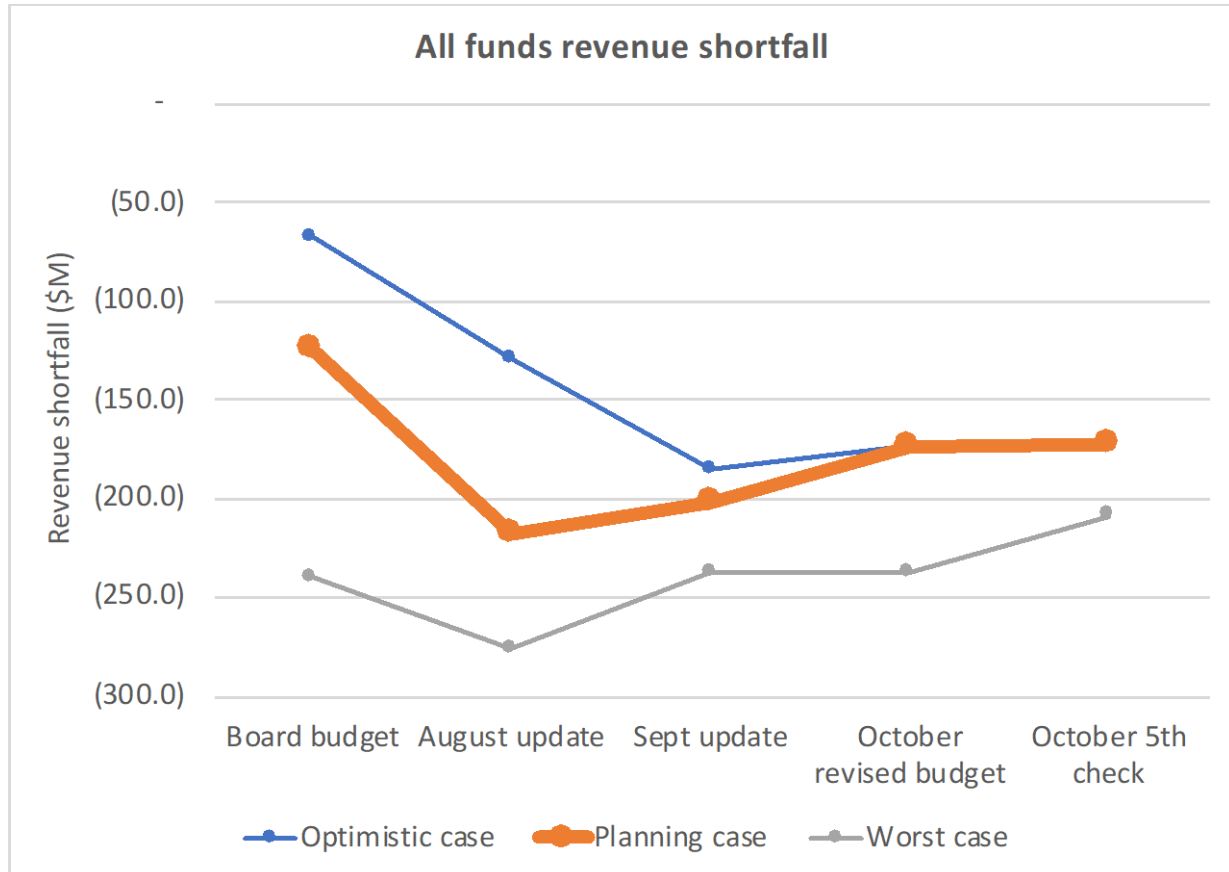
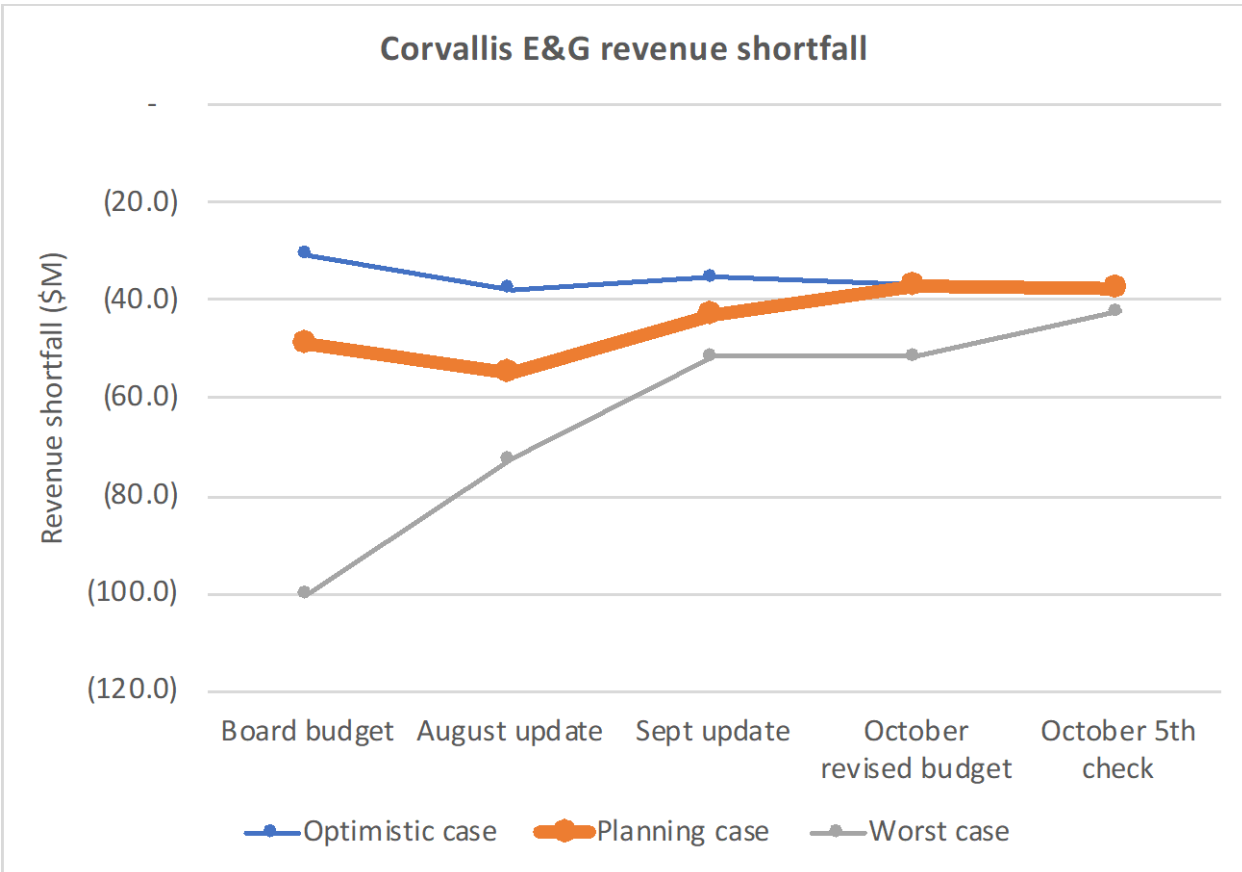
A scenario approach to planning since March:

- All funds estimates
- Major revenue variables
 - State funding
 - Enrollment by major student group
 - Sales, service, other revenues
 - Research revenues and indirect costs
 - Additional financial aid to build enrollment

What has changed since May?

- Credit hour enrollment stronger than expected so far
 - Ecampus up significantly more than projected in May by 27%
 - Graduate and professional down about 2.7%
 - Corvallis undergraduate down more than projected in May, now 6.2%, international undergraduates down over 25%
 - Cascades showing growth over last year, 7% in credit hours
- Enrollment stable from beginning of class to 100% refund drop deadline on Oct. 4
- Athletics planning is solidifying
- University Housing and Dining contract numbers have stabilized
- Salary reduction implemented Sept. 1

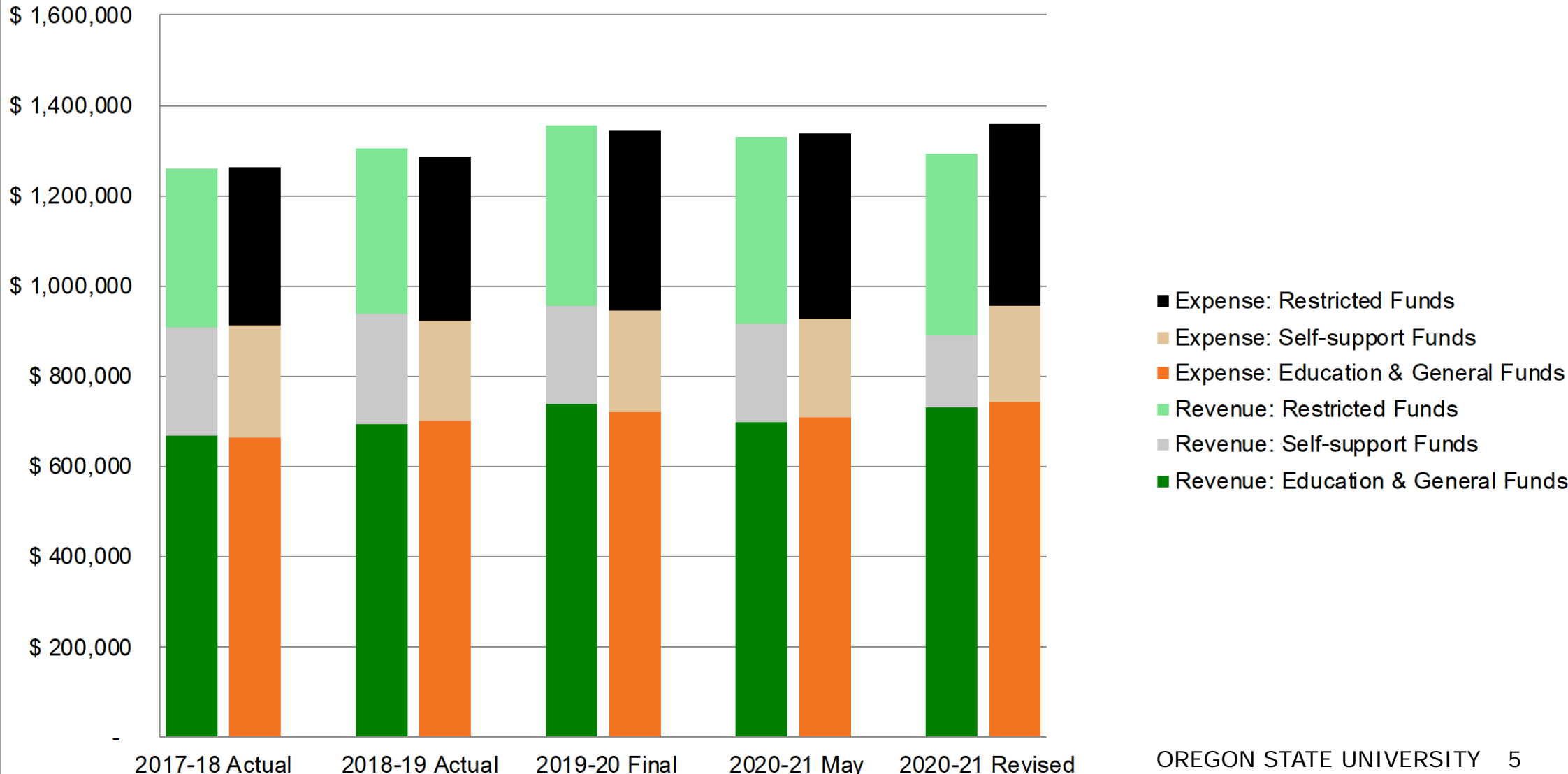
Where are the projections now?



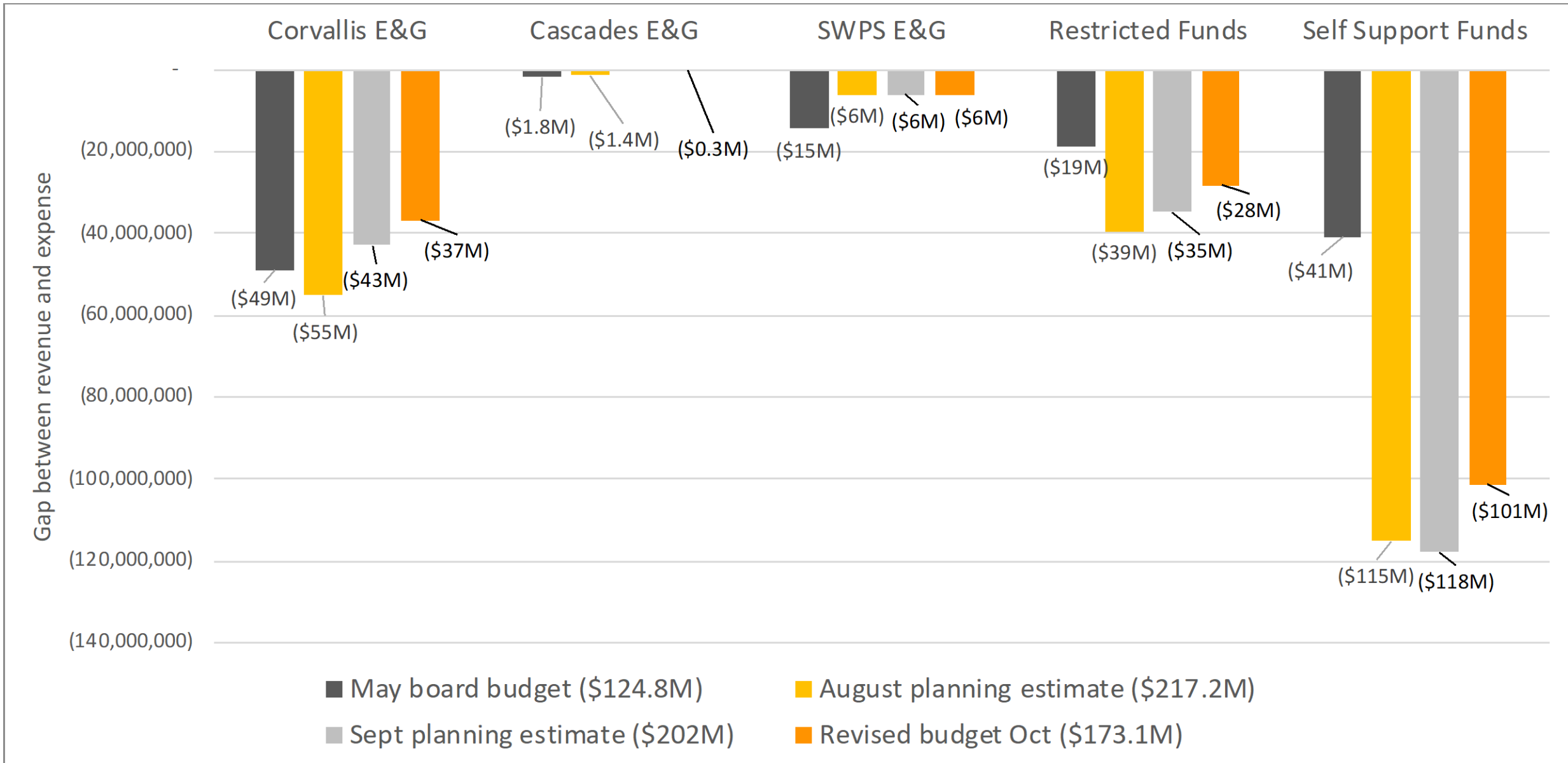
- Cases are converging but uncertainties remain
- A 1% variance in Corvallis E&G projections is about \$6.3M
- A 1% variance in all funds projections is about \$14.7M

Revenue and Expenses

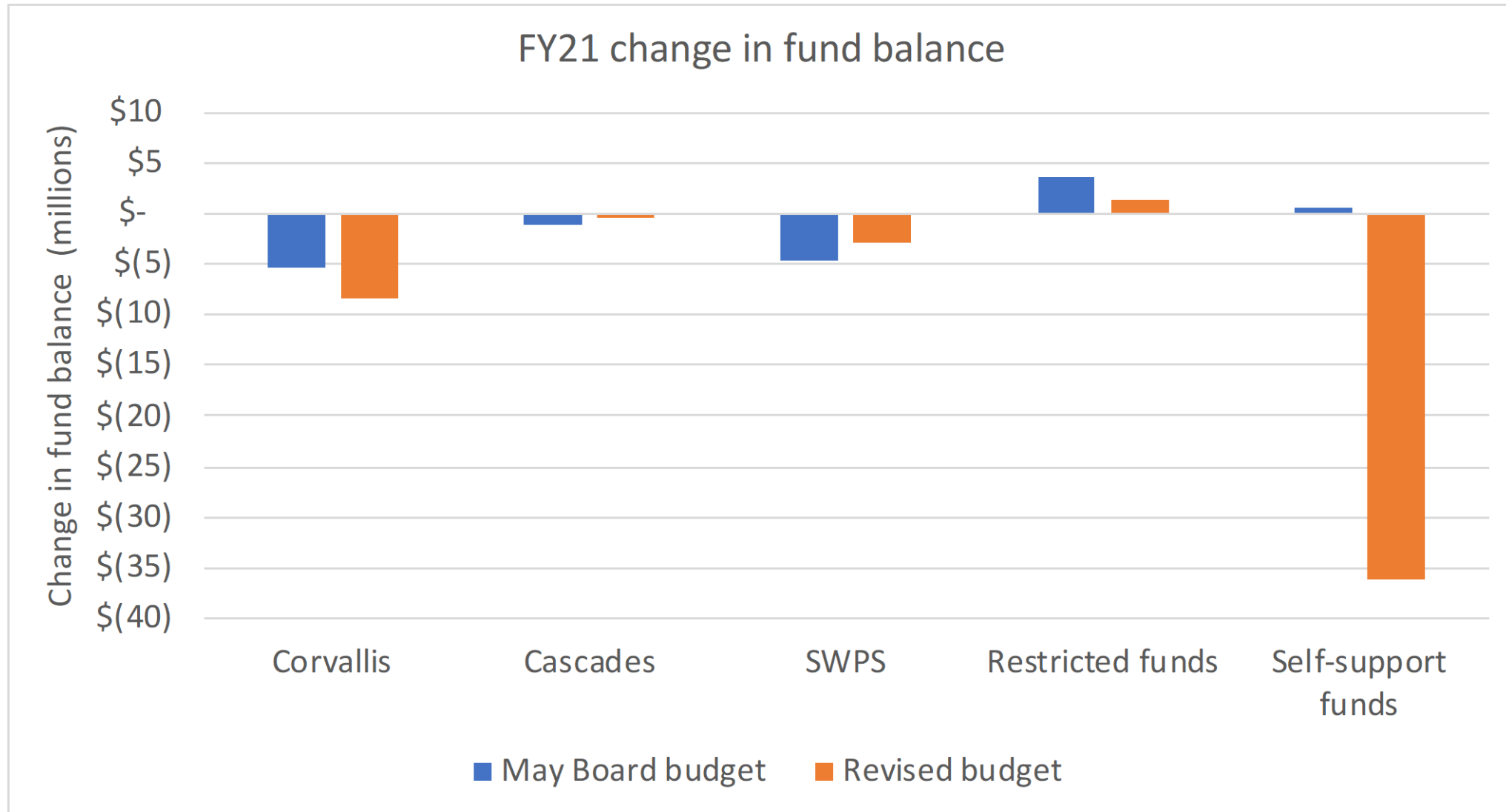
Oregon State University FY2021 Operating Budget All Funds (in \$1,000s)



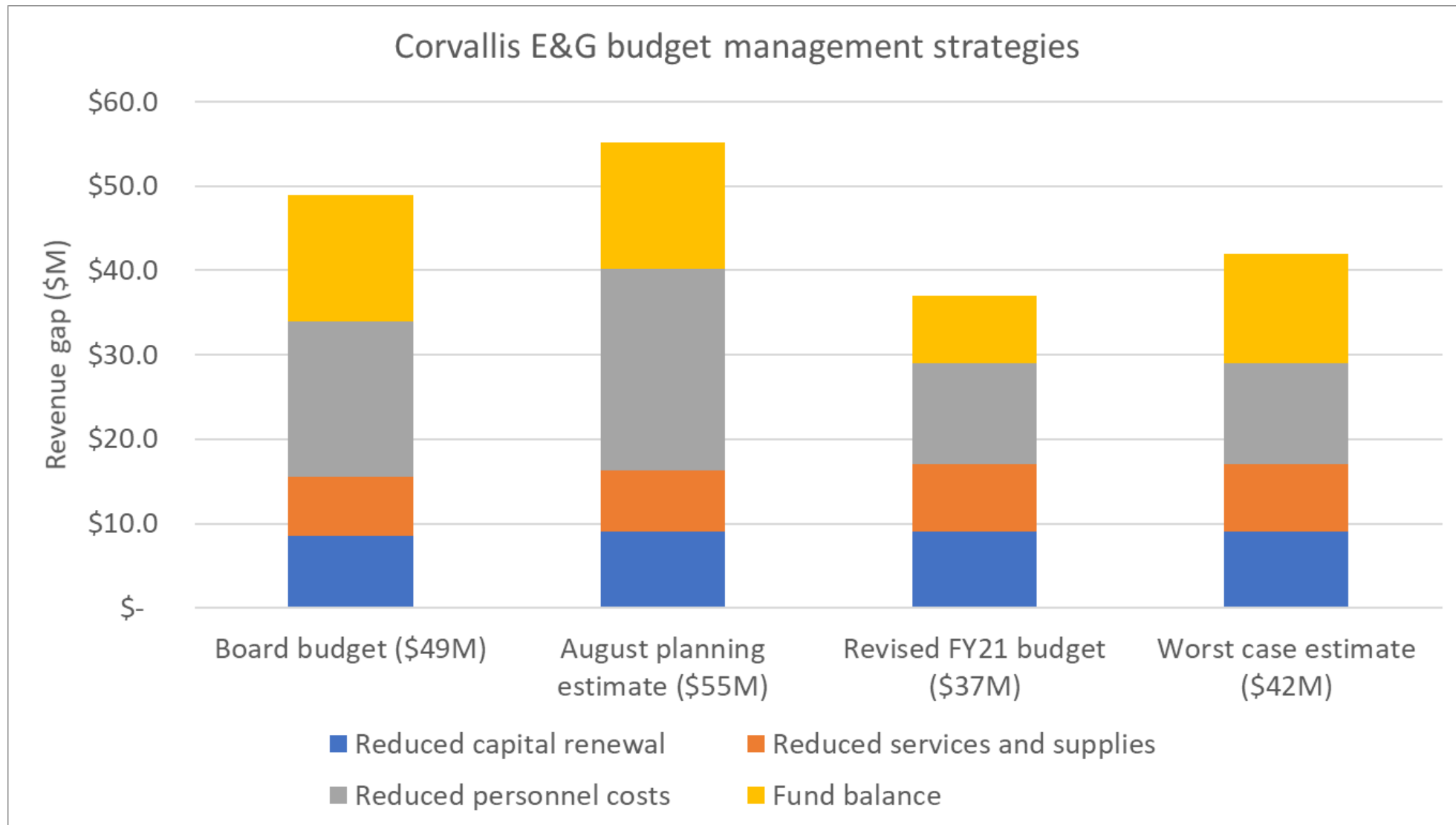
Where are the projections now?



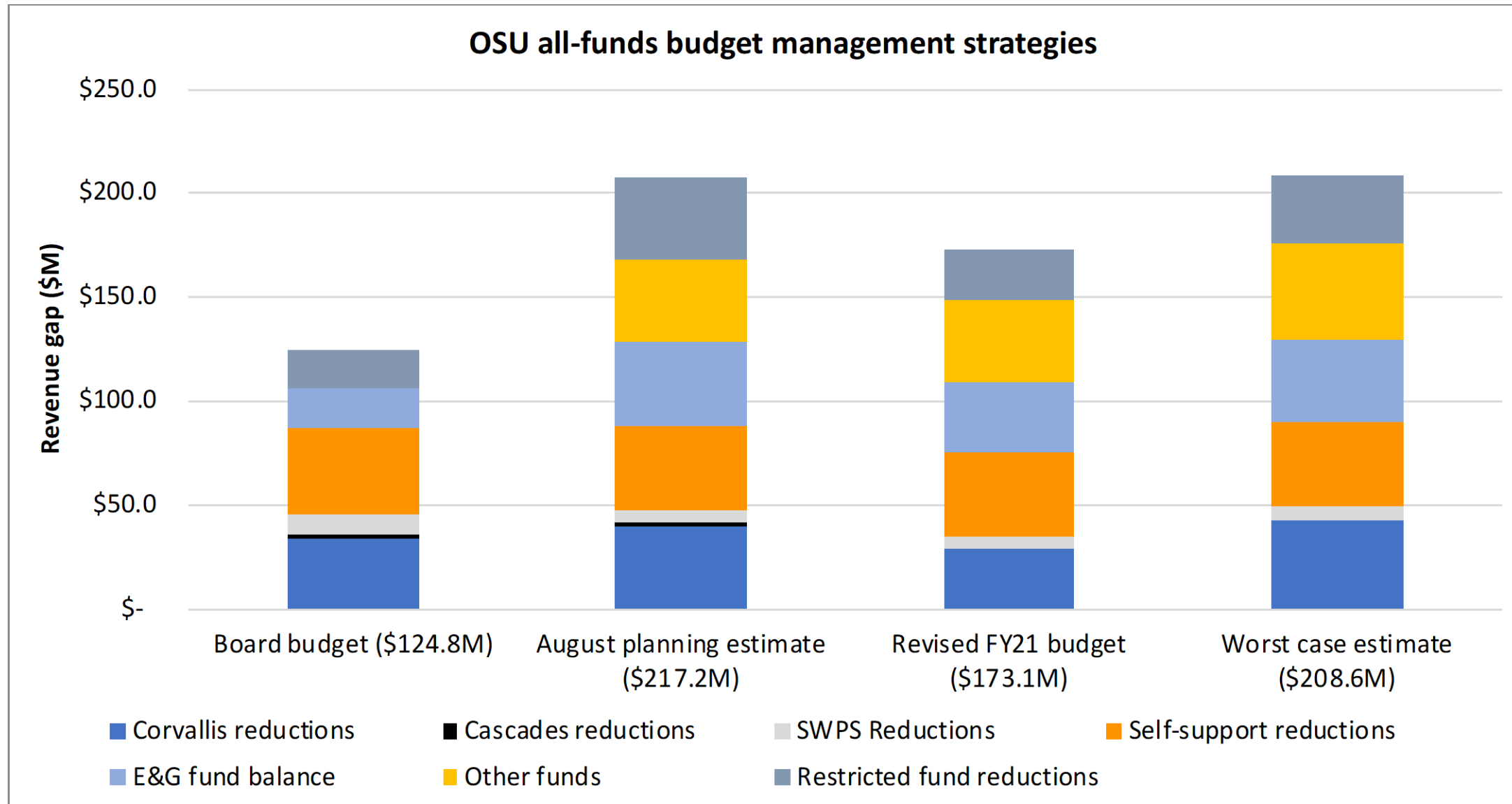
Where are the projections now?



What are the strategies?



What are the strategies?



What are the uncertainties?

- Enrollment is stronger than expected and seems stable, with the final drop deadline on Oct. 18
- Changes in the public health situation could still impact housing and athletics for fall
- Winter term enrollment begins Nov. 18. The student experience in fall will be critical to retention and enrollment for winter
- Additional federal stimulus funding remains a possibility but is unknown

Key dates and next steps

- Oct. 4 Last day for withdrawal with 100% refund
- Oct. 18 Last day for withdrawal with 50% refund
- Nov. 15 Registration for winter term begins
- Ongoing Engagement with federal delegation on higher education and state support
- Ongoing Updating projections and adjustment to salary reduction program as appropriate
- Ongoing Discussions with Pac-12 on Athletics planning and bridge financing support
- Ongoing Planning for cash management strategies for self-support units
- Jan. 4 Winter term classes begin
- Jan. 29 Board of Trustees meeting

Recommendation

The Finance & Administration Committee recommends to the Board that it approve the revised FY2021 operating budget, as presented in Tables 3 through 7.

Questions?