

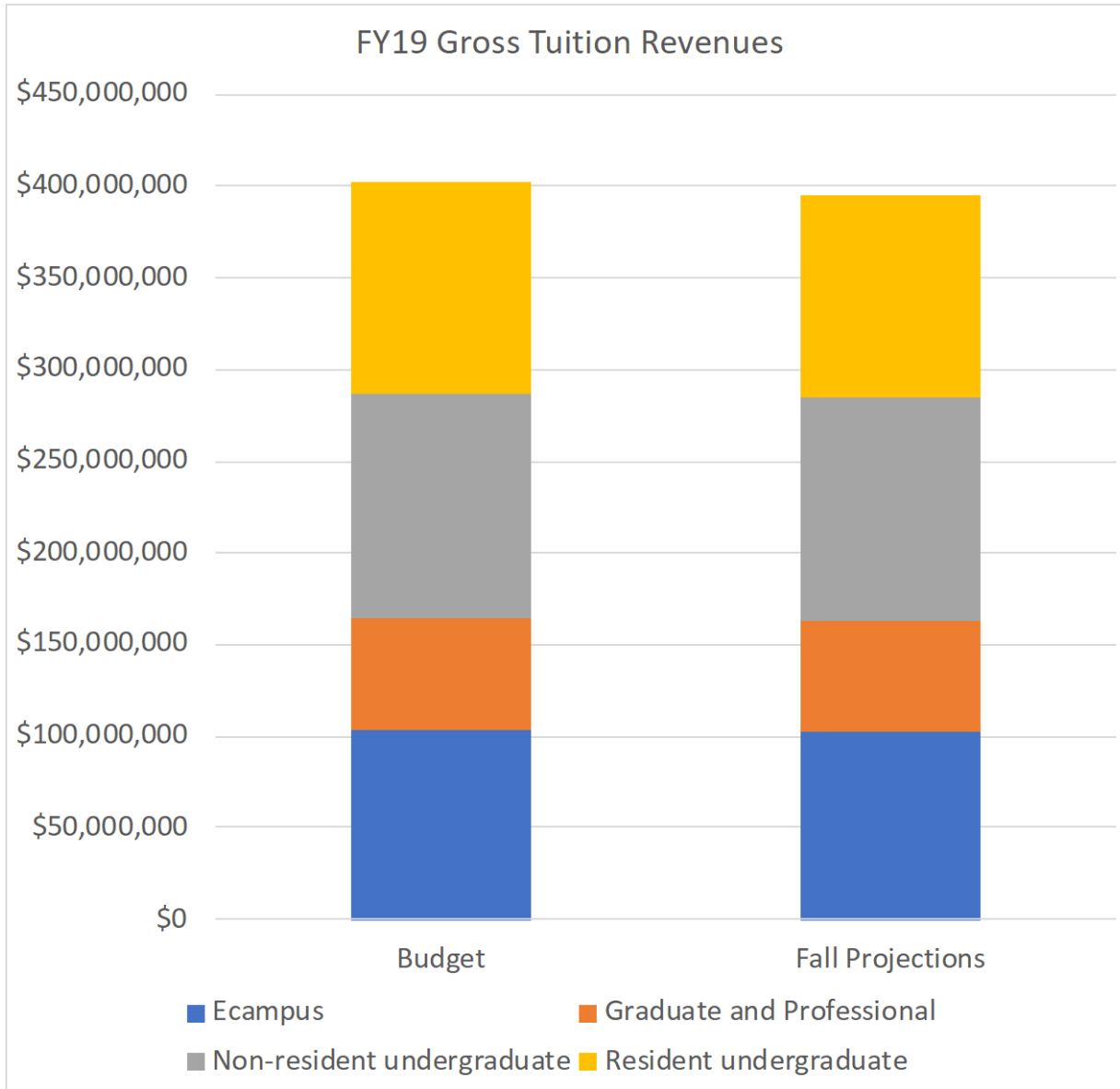
Education and General Budget Planning and Preliminary FY2020 Tuition Outlook



Principal issues for discussion:

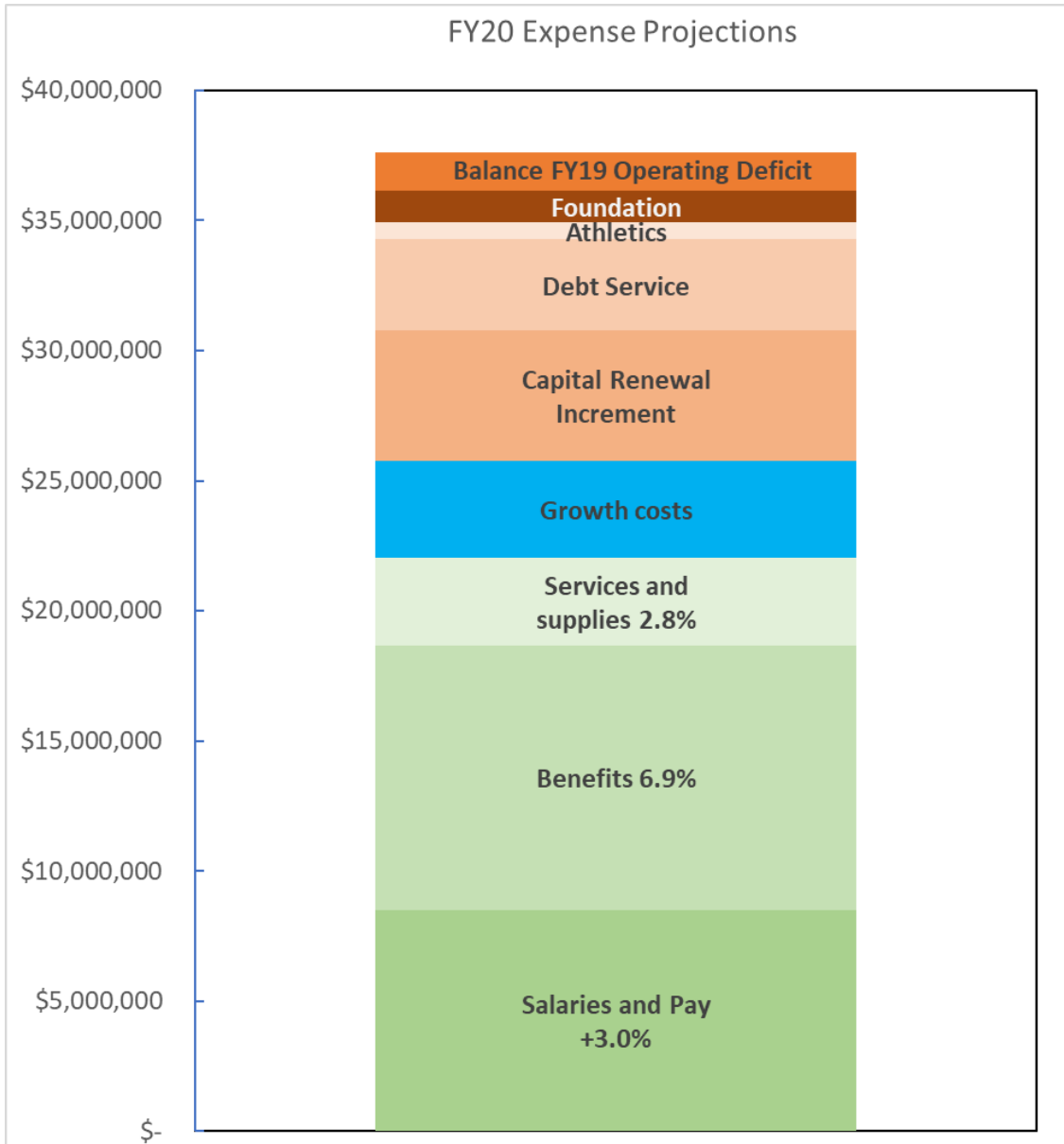
- Current year budget adjustment
- FY2020 E&G budget outlook
 - Cost increases
 - State funding uncertainty
 - Enrollment forecasts and tuition rates
 - Planning for expense reductions

Current year budget adjustments



FY2019 actual tuition revenues \$7.2M short of budget

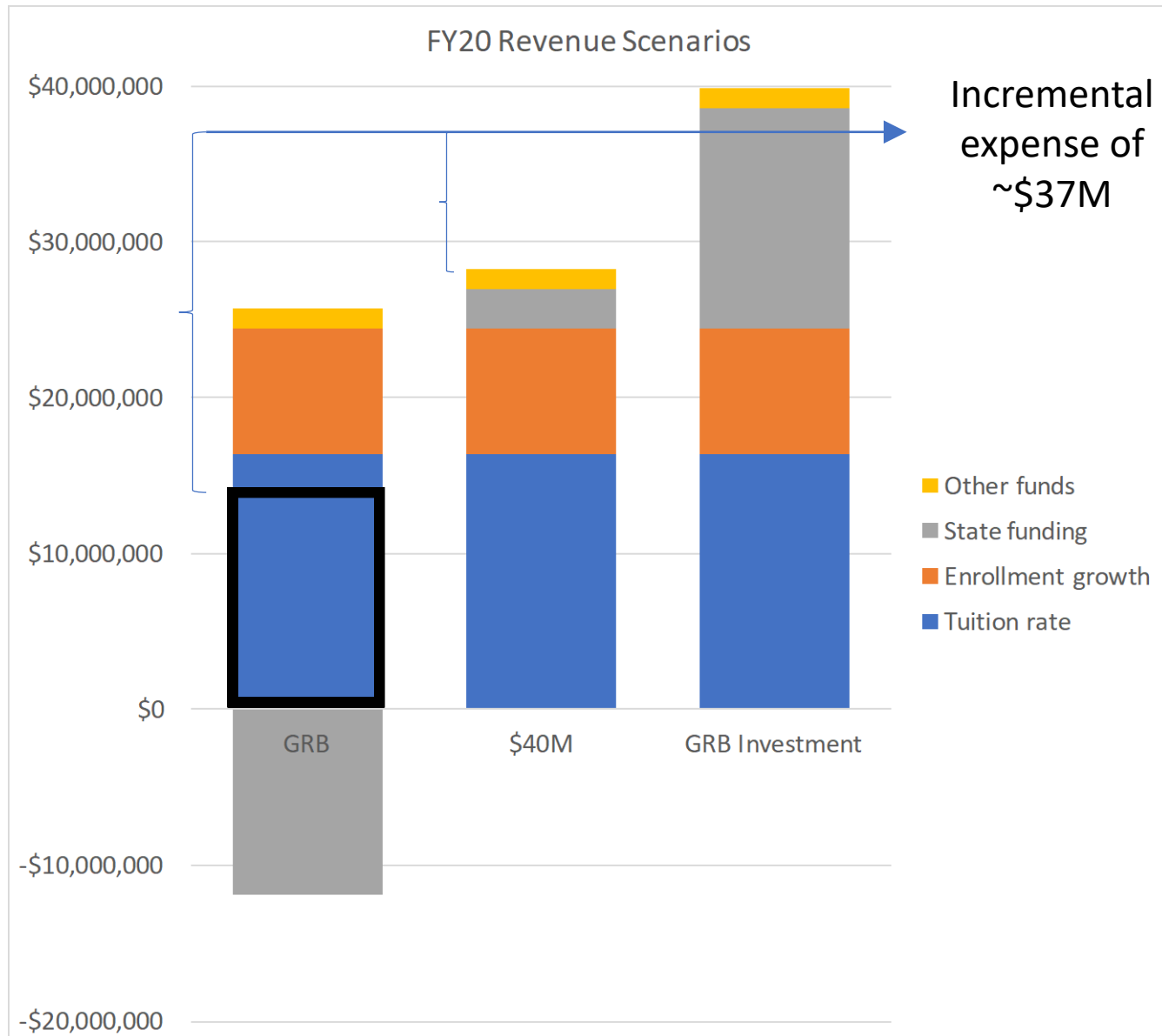
FY2020 Budget Outlook: Incremental cost increases



About \$37M in cost increases for inflation, growth, and commitments to address longer-term issues

Greens are inflationary increases, blue costs of growth, and browns new commitments for long-term needs

FY2020 Budget Outlook: Incremental revenue changes

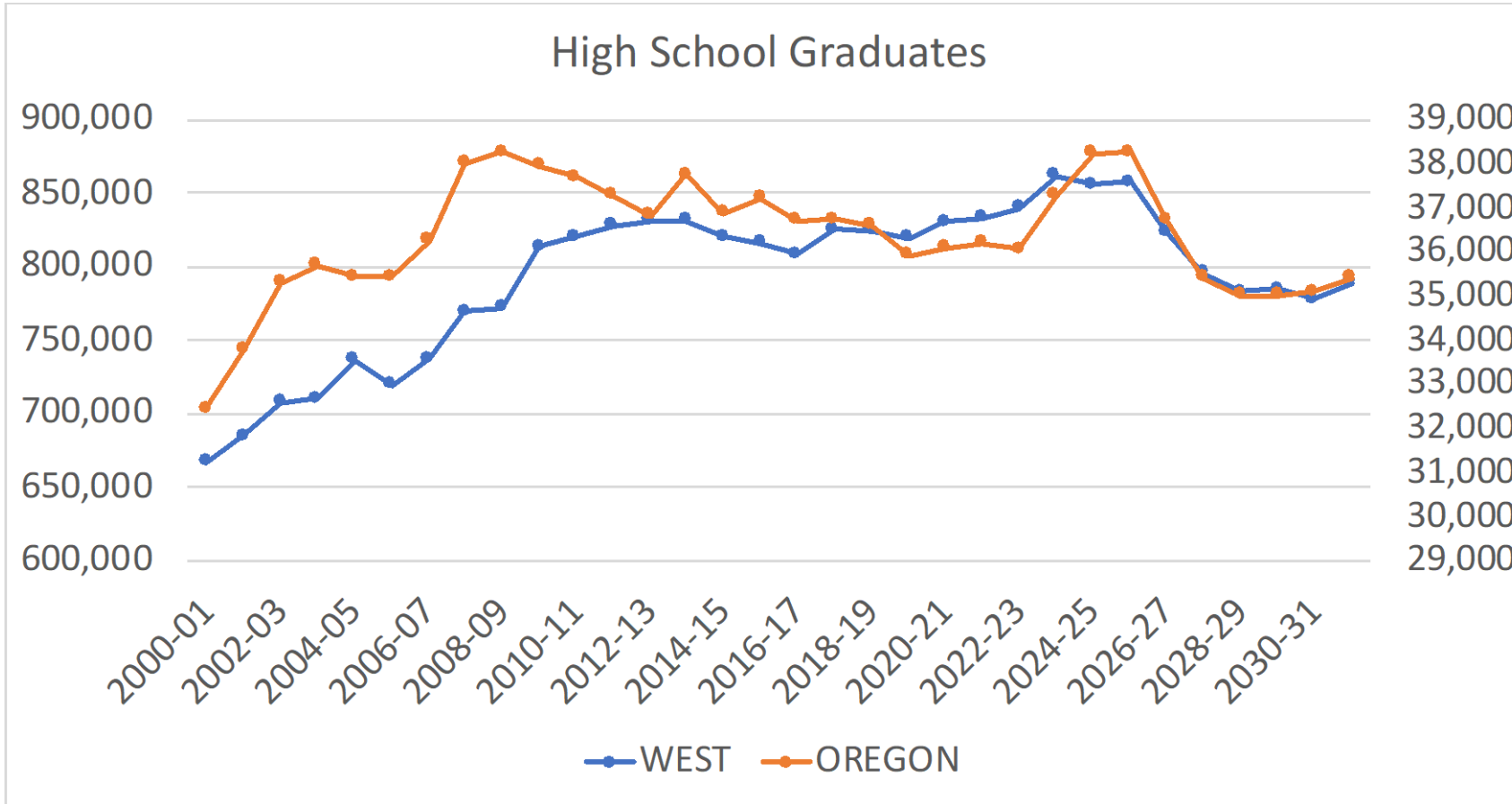


State funding is the greatest unknown in FY2020 planning.

The change for Corvallis between the Governor’s Recommended Budget and the Investment Budget is about \$27M.

Brackets show gap between expense growth and net revenue growth

FY2020 Budget Outlook: Enrollment and tuition



Long-term decline in traditional students with increased sensitivity to price and tuition rate increases

FY2020 Budget Outlook: Tuition scenarios

| | Scenario A | Scenario C |
|--|--|---|
| State +\$40M PUSF +\$2.0M FY2020 to OSU | Resident undergraduate: 2% Non-res undergraduate: 2% Financial aid increase \$0.9M Surplus / (deficit): \$(14.2M) \$189 annual increase residents \$567 annual increase non-residents | Resident undergraduate: 5% Non-res undergraduate: 3.5% Financial aid increase \$1.5M Surplus / (deficit): \$(9.7M) \$472 annual increase residents \$993 annual increase non-residents |

FY2020 Budget Outlook: Next steps

- Implementation of current year reductions
- University Budget Committee continues tuition discussions with goal of a report to the President at the end of February
- Open campus forums, meetings with Student Budget Advisory Council, meetings with student organizations
- Preliminary FY2020 budgets distributed to units and budget meetings in February and March to identify priorities and targets for expense reductions