Our mission is to serve the people of the State of Oregon, and we have a presence in every part of the State. That fact influences our financial planning, structures, and practices.
An International University: In Scope, Students, and Impact

To best serve the people of Oregon, Oregon State University is committed to be among the Top 10 land grant institutions in the United States.

This means working around the world and bringing people from around the world to Corvallis.

(Current research by CEOAS faculty, for example)
Major Financial Units at OSU and Associated Partners

Orange boxes show major budget types or units at Oregon State.

Grey boxes show independent organizations with which we have major financial and/or strategic partnerships.
How large is the institution?

OSU FY04 Budgeted Operations: $543.2M Total

- Education and General Funds: 39%
- Statewide Public Services: 13%
- Auxiliary Enterprises: 12%
- Other Operations: 5%
- Research Funds: 24%
- Gift Funds: 6%
- Cascades Campus: 1%

OSU FY14 Budgeted Operations: $951.8M Total

- Education and General Funds: 44%
- Statewide Public Services: 7%
- Auxiliary Enterprises: 15%
- Other Operations: 5%
- Research Funds: 21%
- Gift Funds: 7%
- Cascades Campus: 1%

Fiscal Year 2014 (in thousands)

<table>
<thead>
<tr>
<th>Category</th>
<th>Budgeted Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and General Funds</td>
<td>418,193</td>
</tr>
<tr>
<td>Statewide Public Services</td>
<td>72,899</td>
</tr>
<tr>
<td>Auxiliary Enterprises</td>
<td>141,435</td>
</tr>
<tr>
<td>Other Operations</td>
<td>46,299</td>
</tr>
<tr>
<td>Research Funds</td>
<td>198,237</td>
</tr>
<tr>
<td>Gift Funds</td>
<td>65,034</td>
</tr>
<tr>
<td>Cascades Campus</td>
<td>9,656</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>951,753</strong></td>
</tr>
</tbody>
</table>
Revenue Sources for the Corvallis Education & General (E&G) Budget

FY04, $211.5M

(net after $10.5M in tuition waiver aid)

- Resident Undergrad Tuition: 17%
- Non-resident Undergrad Tuition: 11%
- Ecampus and Summer Tuition: 4%
- Graduate and Professional Tuition: 11%
- Other Tuition and Fees: 9%
- State General Funding: 30%
- State Targeted Funding: 7%
- F&A Recovery (from grants): 8%
- Other Funds: 3%

FY14, $418.2M

- Resident Undergrad Tuition: 21%
- Non-resident Undergrad Tuition: 11%
- Ecampus and Summer Tuition: 13%
- Graduate and Professional Tuition: 11%
- Other Tuition and Fees: 3%
- State General Funding: 16%
- State Targeted Funding: 7%
- F&A Recovery (from grants): 8%
- Other Funds: 3%

(Net after $32.7M in tuition waiver aid)
Where are E&G funds spent?

**FY04 E&G Expenses**

- **Corvallis**
  - Student Aid: 150,000,000
  - Capital Outlay: 20,000,000
  - Services & Supplies: 800,000,000
  - Salaries & OPE: 200,000,000

- **Cascades**
  - Student Aid: 50,000,000
  - Capital Outlay: 5,000,000

**FY13 E&G Expenses**

- **Corvallis**
  - Student Aid: 300,000,000
  - Capital Outlay: 150,000,000
  - Services & Supplies: 150,000,000
  - Salaries & OPE: 350,000,000

- **Cascades**
  - Student Aid: 10,000,000
  - Capital Outlay: 10,000,000
  - Services & Supplies: 5,000,000
  - Salaries & OPE: 15,000,000
What is the relative contribution of the State?

FY14 State Funding of Various OSU Operations ($ in thousands):

<table>
<thead>
<tr>
<th>Operation</th>
<th>Budgeted Operations:</th>
<th>Estimated State or State Agency Funding:</th>
<th>% of Category:</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;G Corvallis:</td>
<td>418,193</td>
<td>84,226</td>
<td>20.1%</td>
</tr>
<tr>
<td>E&amp;G Cascades Campus:</td>
<td>9,656</td>
<td>3,881</td>
<td>40.2%</td>
</tr>
<tr>
<td>Statewide Public Services:</td>
<td>72,899</td>
<td>49,567</td>
<td>68.0%</td>
</tr>
<tr>
<td>Athletics:</td>
<td>45,269</td>
<td>440</td>
<td>1.0%</td>
</tr>
<tr>
<td>Grants, contracts*:</td>
<td>198,237</td>
<td>7,000</td>
<td>3.5%</td>
</tr>
<tr>
<td>Other:</td>
<td>207,499</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>951,753</td>
<td>145,114</td>
<td>15.2%</td>
</tr>
</tbody>
</table>

*estimated from FY13 research and sponsored activity awards from the State

The State of Oregon remains an important partner to OSU, but the relative contribution of the State varies significantly across the university.

<table>
<thead>
<tr>
<th>Total Annual Debt Service Paid by State:</th>
<th>% of Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service:</td>
<td>40,998</td>
</tr>
<tr>
<td>11,831</td>
<td></td>
</tr>
<tr>
<td>28.9%</td>
<td></td>
</tr>
</tbody>
</table>
The role of tuition in funding the institution has shifted dramatically.

Tuition recommendations come from the University Budget Committee, including representatives of the student government, ASOSU. This is part of our long-standing commitment to shared governance and inclusive decision making.
## Significant Capital Projects Underway

**FY14 Major Capital Projects ($ in thousands):**

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austin Hall</td>
<td>56,000</td>
</tr>
<tr>
<td>Classroom Building</td>
<td>65,000</td>
</tr>
<tr>
<td>Student Experience Center</td>
<td>43,600</td>
</tr>
<tr>
<td>Johnson Hall (construction 2015)</td>
<td>40,000</td>
</tr>
<tr>
<td>Cultural Centers*</td>
<td></td>
</tr>
<tr>
<td>Asian and Pacific Cultural Center</td>
<td>2,400</td>
</tr>
<tr>
<td>Lonnie B. Harris Black Cultural Center</td>
<td>2,400</td>
</tr>
<tr>
<td>Centro Cultural César Chávez</td>
<td>2,400</td>
</tr>
<tr>
<td>Memorial Union Renovation</td>
<td>9,178</td>
</tr>
<tr>
<td>New Student Residence</td>
<td>29,000</td>
</tr>
<tr>
<td>Strand Hall Renovation</td>
<td>24,870</td>
</tr>
<tr>
<td>Cascades Campus Expansion</td>
<td>24,000</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td>298,848</td>
</tr>
</tbody>
</table>

*the new Native American Cultural Center is completed and open

*(since the beginning of the Campaign for OSU: over $900M in projects)*
Key Projects on OSU-Corvallis Campus
Key Projects on OSU-Cascades Campus
Key Facilities at OSU-Hatfield Marine Science Center
Debt Service as % of Adjusted Expenditure Base

Debt Ratio Projection for Current Projects to 2025

Current debt service (including projects approved and in design) is at levels below the current State Board of Higher Education debt service limit of 7%.
Key Issues in Financial Management and Planning

- Enrollment management, tuition planning, cost of educational programs
- Tracking indices of financial health and status
- Capital planning, renewal, and debt management
- Space planning and management
- Integrated financial planning (E&G, auxiliaries, service centers, all operations)
- Appropriate financial controls and oversight
Questions?