



## Investing in Oregon: Higher Education Budget Priorities

Presentation to the Joint Ways and  
Means Subcommittee on Education

2007 Legislative Session



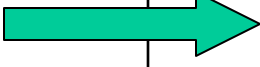

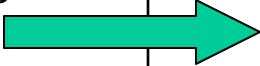
Dr. Jay Kenton, Vice Chancellor  
OUS Finance & Administration



# OUS financial imperatives and the Governor's Recommended Budget

## OUS Financial Imperatives

## Governor's Recommended Budget

<p>Affordability for our students must be preserved</p> 	<ul style="list-style-type: none"> <li>✓ Tuition and fee increases limited to the projected change in Median Family Income (3.4% per year)</li> <li>✓ \$14.6 million for enrollment growth;</li> </ul>
<p>Faculty salaries must be brought to the average of our peers</p> 	<ul style="list-style-type: none"> <li>✓ \$8 million investment in faculty salaries</li> </ul>
<p>Academic quality and competitiveness must be restored</p> 	<ul style="list-style-type: none"> <li>✓ \$6.9 million for reduced student:faculty ratios</li> </ul>
<p>System and campus solvency is a must</p> 	<ul style="list-style-type: none"> <li>✓ \$9 million for regional campuses fiscal sustainability</li> <li>✓ \$2.2 million for utility cost increases</li> </ul>
<p>We must maintain our facilities for future generations of Oregonians</p> 	<ul style="list-style-type: none"> <li>✓ Enhanced capital funding and private funding leverage.</li> </ul>



# Strategic investments in the GRB

## **In the OUS Budget:**

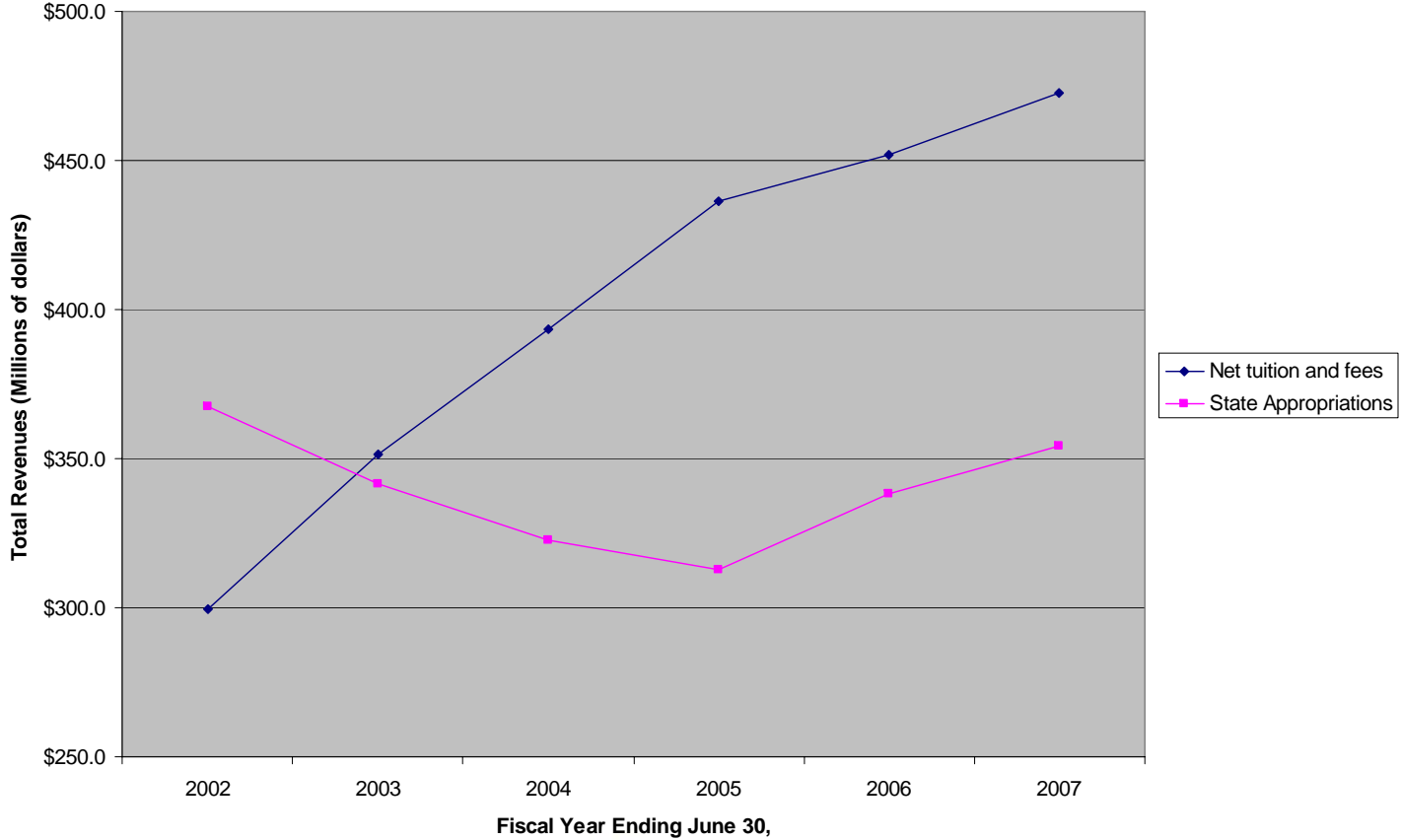
- \$17 million for ETIC;
- \$7.4 million for Healthcare workforce preparation;
- \$1.6 million for rural access initiatives;
- \$250,000 for Natural Resource Institute;
- \$1.5 million for the Oregon Solutions project;
- \$837,000 for continued work on IDTS;

## **In affiliated agency budgets:**

- Investment in the Shared Responsibility model via OSAC
- Investments in signature research via OECDD;
- Investments in collaborative medical and nursing education programs via OHSU

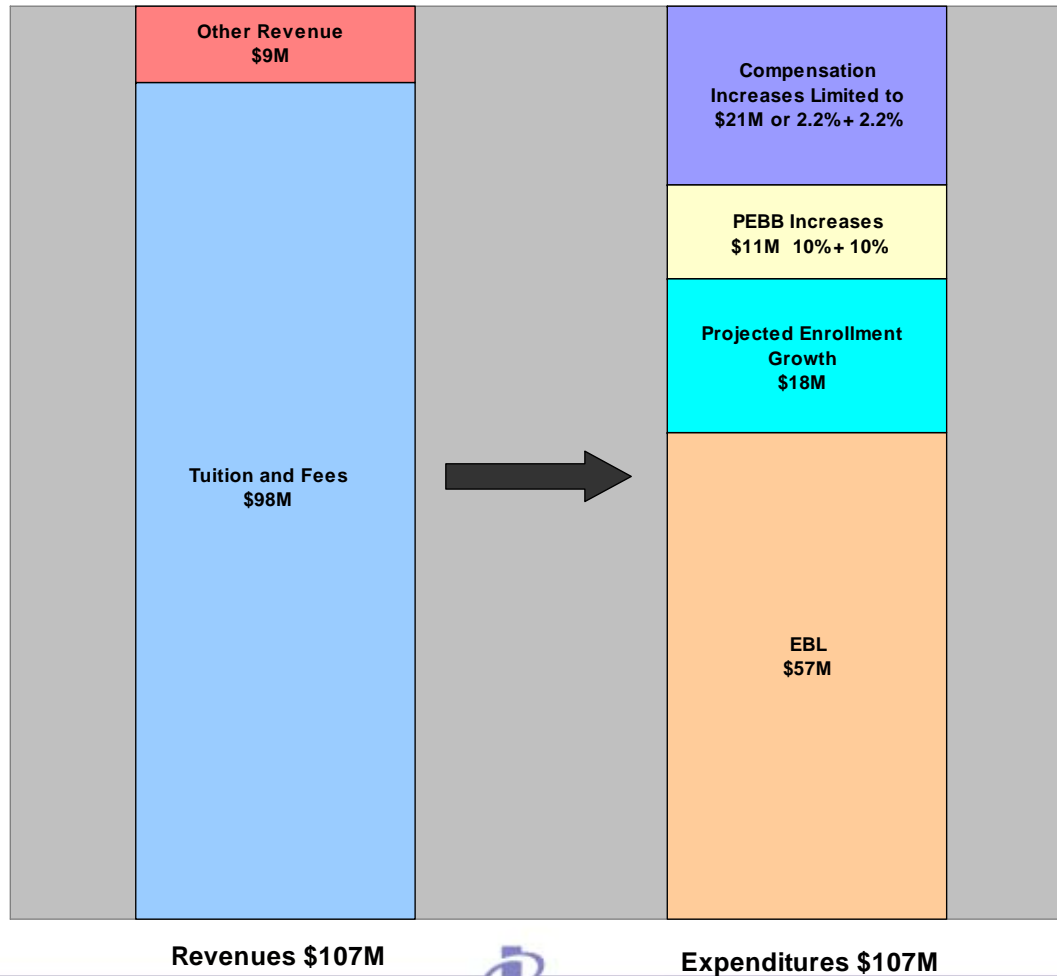
# Tuition compared to state appropriations

OUS Relationship of Net Tuition to State Appropriations Funding  
2001-2007



# Projected uses of Ed & General revenues

**OUS Projected Uses of Incremental E&G OFL Revenues**  
(excludes Statewide Public Services)



# Legislative Concepts included in the GRB

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- ✓ **HB 2198** – Investment Earnings – allows OUS to retain investment earnings on all funds
- ✓ **HB 2199** – Variable Rate Debt – allows OUS to issue variable and synthetic fixed rate debt to lower borrowing costs associated with Article XI-F bonds
- ✓ **SB 152** – Self-Supporting Capital Projects - provides for the Legislature to establish a total expenditure limitation for capital projects financed wholly with Article XI-F and/or other funds and delegates authority to OUS Board to allocate this limitation to specific projects within this overall limitation



# Questions?

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