



1. Non-resident tuition has become a critical funding source for the University of Oregon.

- Protecting this revenue stream is essential to maintain the excellent quality of our programs.
- Current UO non-resident pricing is at market. We must be careful not to price ourselves out of this market.

See 10-Year Non-Resident Tuition History

2. It is critical that the UO have access to capital to fund necessary capital investments.

- We have grown the campus by thousands of students over the last six years and we need to make the necessary infrastructure investments to support these new students and faculty.

See 10-Year Analysis of Capital Project Requests

3. Fluctuations in state support have had sudden and dramatic impacts on tuition costs.

- To improve accessibility, the UO needs more stable and predictable tuition pricing.

See 30-Year Analysis of State Support and Tuition Prices

4. Background summary of revenue and expenditures.

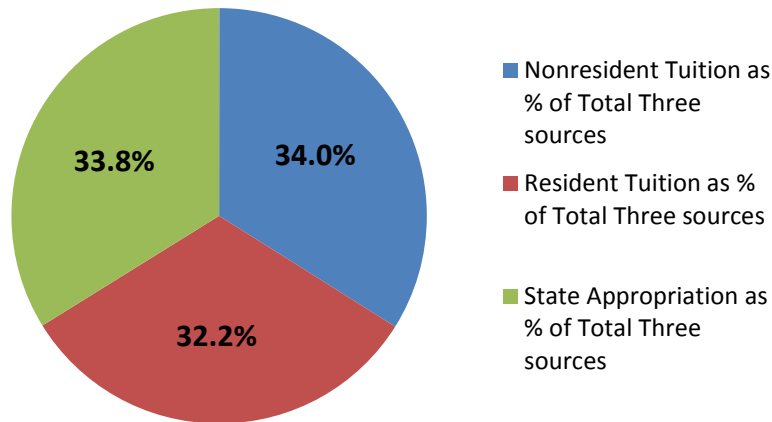
See FY2012 UO Financial Statements

University of Oregon Non-Resident Tuition Analysis

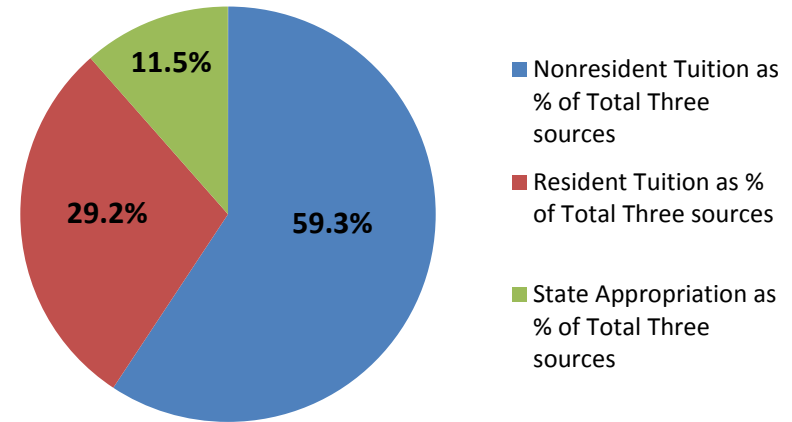
FY2004 - FY2013 (\$ in thousands)

Fiscal Year	Nonresident Tuition	Resident Tuition	State Appropriation	Total Non-Resident, Resident & State Appropriation	Nonresident Tuition as % of Total Three sources	Resident Tuition as % of Total Three sources	State Appropriation as % of Total Three sources
2004	62,453	59,237	62,265	183,955	34.0%	32.2%	33.8%
2005	67,964	68,325	60,982	197,271	34.5%	34.6%	30.9%
2006	71,400	70,534	64,927	206,861	34.5%	34.1%	31.4%
2007	81,547	74,368	69,466	225,381	36.2%	33.0%	30.8%
2008	90,109	73,601	80,127	243,837	37.0%	30.2%	32.9%
2009	111,483	81,928	73,121	266,532	41.8%	30.7%	27.4%
2010	145,236	97,131	66,794	309,162	47.0%	31.4%	21.6%
2011	186,308	108,284	66,528	361,120	51.6%	30.0%	18.4%
2012	220,965	116,493	44,810	382,268	57.8%	30.5%	11.7%
2013	241,828	119,122	46,885	407,836	59.3%	29.2%	11.5%

FY2004 - Revenue Breakdown



FY2013 - Revenue Breakdown



**Summary of Capital Projects Funded
By Payment Obligation**

	State Funded	UO Funded	Total Funded	% State Funded	% UO Funded
FY2003 - FY2005	\$9,500,000	\$41,370,000	\$50,870,000	19%	81%
FY2005 - FY2007	\$27,050,000	\$90,529,002	\$117,579,002	23%	77%
FY2007 - FY2009	\$32,500,000	\$383,992,001	\$416,492,001	8%	92%
FY2009 - FY2011	\$26,002,000	\$148,557,000	\$174,559,000	15%	85%
FY2011 - FY2013	\$0	\$21,750,000	\$21,750,000	0%	100%
FY2013 - FY2015	\$20,365,000	\$238,675,000	\$259,040,000	8%	92%

**Summary of Capital Projects Funded
By Type of Funding**

	TOTAL	General Funds	G-Bonds	Lottery Funds	Energy Loans/SELP	F-Bonds	COPs/Q Bonds	Other (Gifts/Grants)
FY2003 - FY2005 Total Project Requests	122,370,000	2,000,000	10,250,000	4,750,000		58,500,000		46,870,000
FY2003 - FY2005 Total Projects Funded	109,370,000	0	4,750,000	4,750,000		58,500,000		41,370,000
Percent of Requests Funded	89.4%	0.0%	46.3%	100.0%		100.0%		88.3%
FY2005 - FY2007 Total Project Requests	182,699,002		59,210,000		400,000	17,605,001		105,484,001
FY2005 - FY2007 Total Projects Funded	117,579,002		26,650,000		400,000	17,605,001		72,924,001
Percent of Requests Funded	64%		45%		100%	100%		69%
FY2007 - FY2009 Total Project Requests	428,492,001		36,500,000			244,323,001	5,000,000	142,669,000
FY2007 - FY2009 Total Projects Funded	416,492,001		32,500,000			240,323,001	5,000,000	138,669,000
Percent of Requests Funded	97.2%		89.0%			98.4%	100.0%	97.2%
FY2009- FY2011 Total Project Requests	243,059,000		41,750,000	5,000,000	13,502,000	119,309,000	3,663,000	59,835,000
FY2009 - FY2011 Total Projects Funded	174,559,000		7,500,000	5,000,000	13,502,000	119,309,000	3,663,000	25,585,000
Percent of Requests Funded	71.8%		18.0%	100.0%	100.0%	100.0%	100.0%	42.8%
FY2011- FY2013 Total Project Requests	357,691,001		109,000,001	1,273,000	2,065,000	113,000,000		132,353,000
FY2011 - FY2013 Total Projects Funded	21,750,000		0	0	0	0		21,750,000
Percent of Requests Funded	6.1%		0.0%	0.0%	0.0%	0.0%		16.4%
FY2013 - FY2015 Total Project Requests	377,290,000		74,625,000			219,300,000	990,000	82,375,000
FY2013 - FY2015 Total Projects Funded	259,040,000		19,375,000			219,300,000	990,000	19,375,000
Percent of Requests Funded	68.7%		26.0%			100.0%	100.0%	23.5%

Deferred Maintenance Projects Considered via a Separate Process

Deferred Maintenance Tier 1, Heating/Power Plant	13,223,000			174,000	13,049,000			
E&G Fenton Hall Deferred Maint/Seismic Tier I	5,591,500		2,480,500		3,111,000			
E&G Straub Hall Deferred Maintenance	13,319,000				8,998,000		4,321,000	
E&G Straub Hall - Deferred Maintenance (not funded)	9,472,320		4,736,160	4,736,160				
E&G Condon Hall - Deferred Maintenance (not funded)	13,437,840			2,067,520	3,608,800			7,761,520

Capital Projects Requests, 2013-2015: Authorized and Not Authorized

Projects	TOTAL	General Funds	G-Bonds	Lottery Funds	Energy Loans/SELP	F-Bonds	COPs/Q Bonds	Other (Gifts/Grants)
PROJECTS REQUESTED AND AUTHORIZED¹								
SBF Erb Memorial Union Expansion and Renovation	84,300,000					84,300,000		
SBF Student Recreation Center Expansion and Renovation	50,250,000					50,250,000		
E&G Straub and Earl Halls Classrooms Expansion	22,000,000		11,000,000					11,000,000
AUX University Housing Expansion	84,750,000					84,750,000		
E&G Science Library Expansion and Remodel	16,750,000		8,375,000					8,375,000
E&G Museum of Natural & Cultural History Library Shelving Project ²	990,000						990,000	

Authorized 2013-2015, Total State Cost: **20,365,000**
 Authorized 2013-2015, Total UO Cost: **238,675,000**
259,040,000

PROJECTS REQUESTED; NOT AUTHORIZED

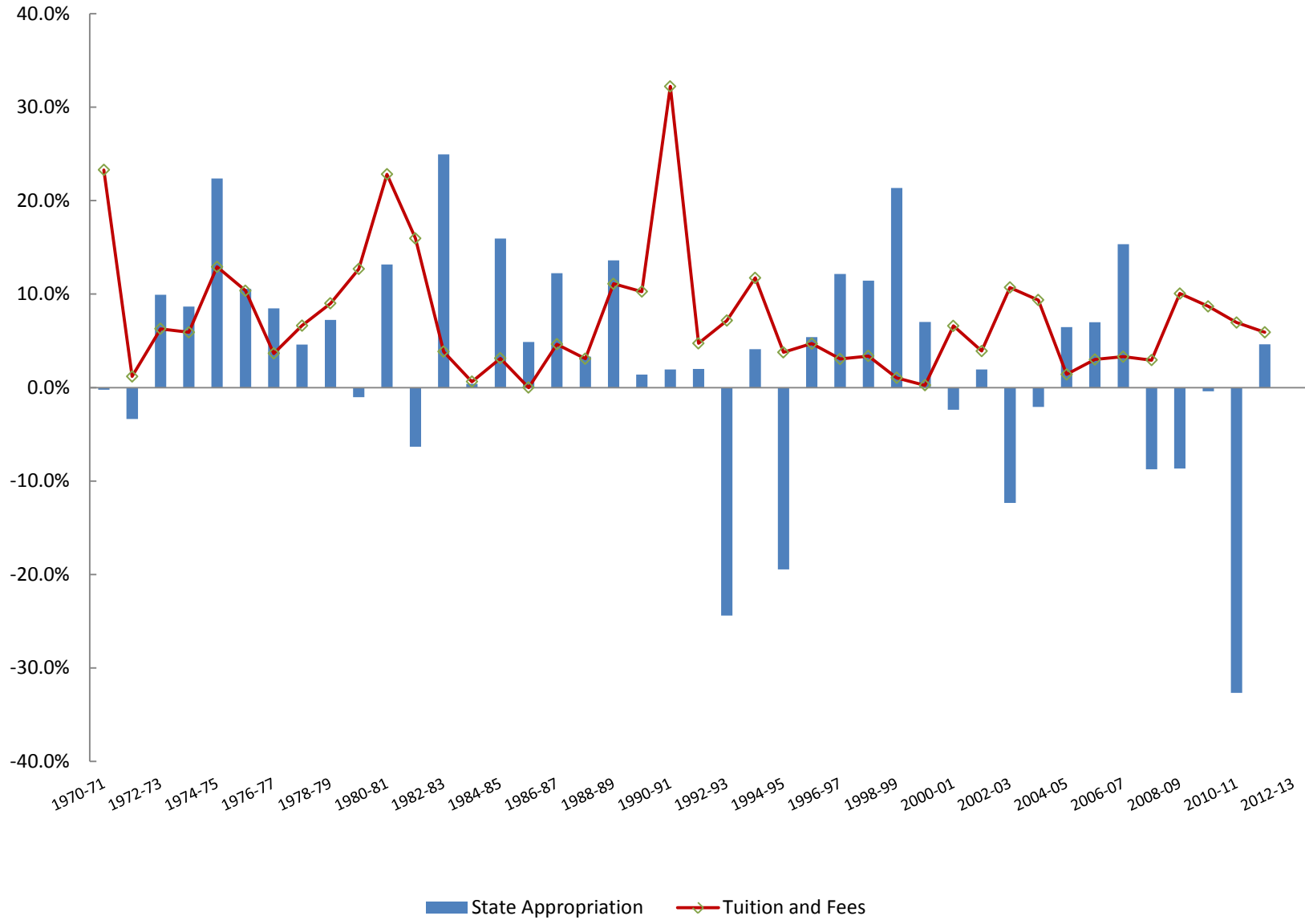
E&G Chapman Hall Renovation, Seismic Upgrade & Deferred Maint.	10,250,000		2,875,000				4,500,000	2,875,000
E&G Global Studies Building	18,250,000		9,125,000					9,125,000
E&G Architecture & Allied Arts, phase 1	58,000,000		29,000,000					29,000,000
E&G Condon Hall Seismic Upgrade and Deferred Maintenance	16,500,000		8,250,000					8,250,000
E&G Huestis Hall Second Floor Renovation	8,000,000		4,000,000					4,000,000
E&G Museum of Natural and Cultural History, phase 3	7,250,000		2,000,000					5,250,000

Not Authorized 2013-2015, State Cost: **55,250,000**
 Not Authorized 2013-2015, UO Cost: **58,500,000**
113,750,000

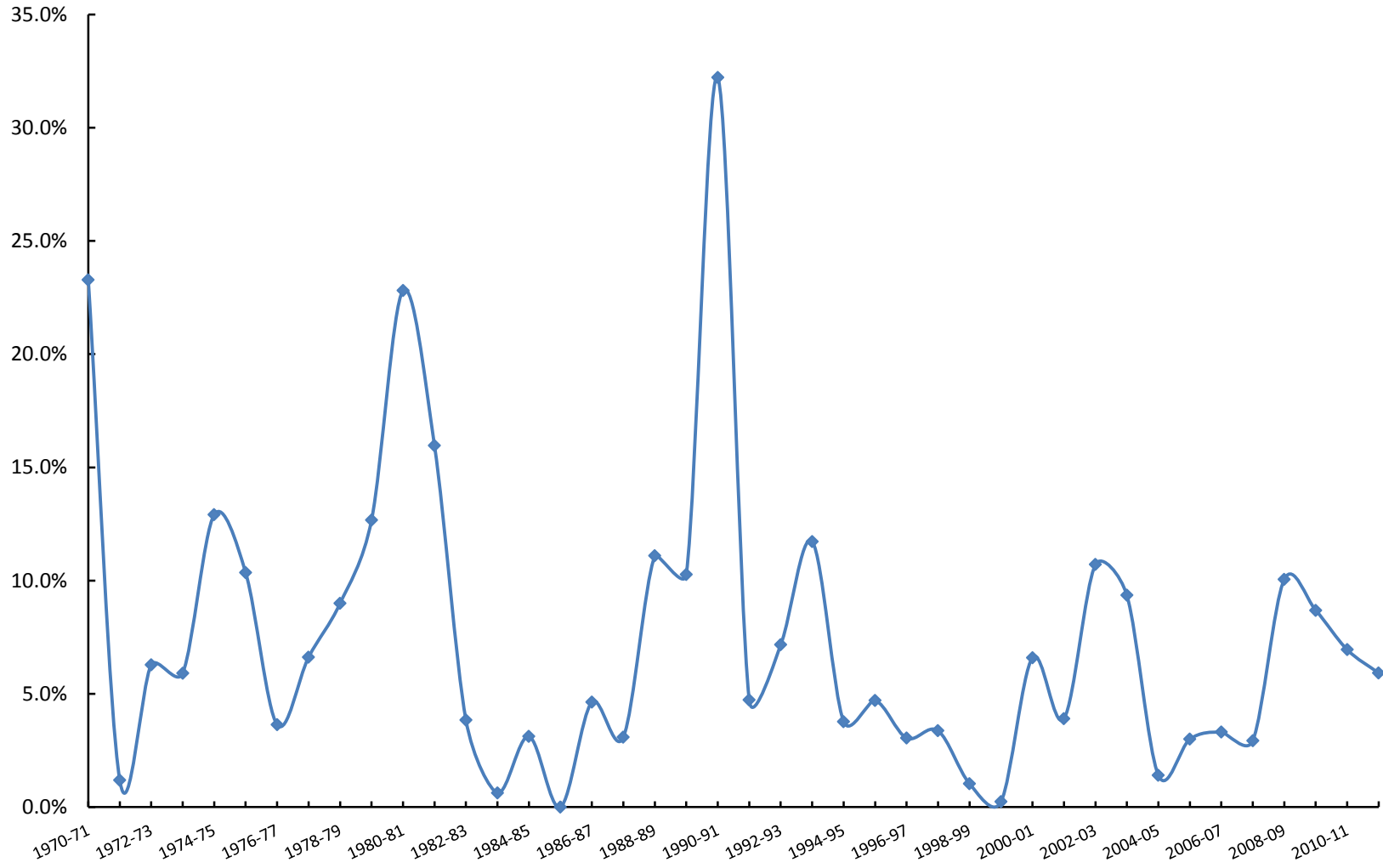
¹ Regular Legislative Session 2013 SB 5506 except for MNCH

² The \$990,000 shown is from Q Bonds.

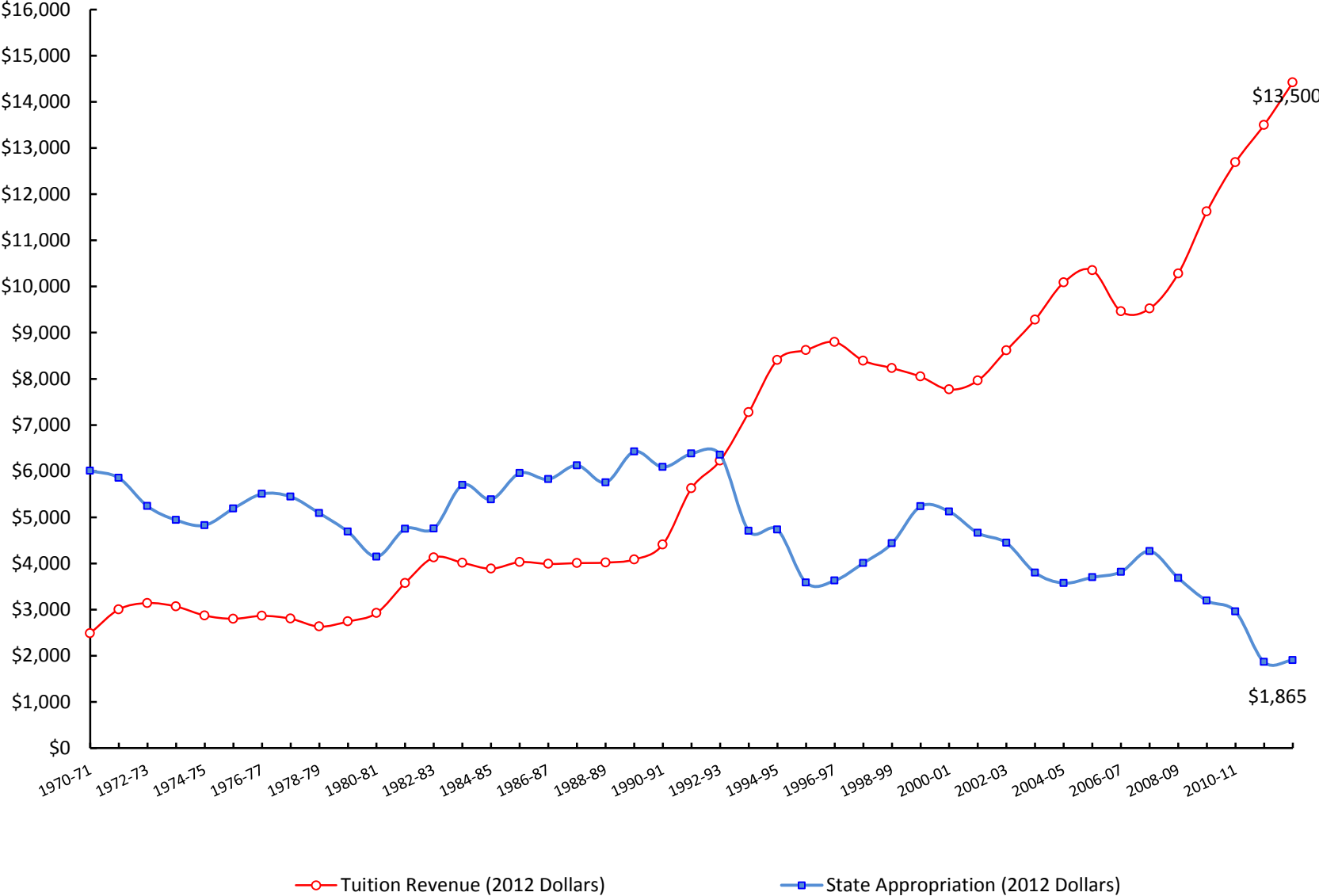
Year-to-Year Comparison of the Percentage Change in State Appropriation and Tuition and Fees, 1970-71 through 2012-13



Year-to-Year Comparison of the Percentage Change in Tuition and Fees 1970-71 through 2011-12



Comparison of State and Tuition Revenue per Student Inflation-Adjusted Dollars — 1970-71 through 2011-12



Income Statement, FY2009 - FY2012 (\$ in thousands)

	FY2009	FY2010	FY2011	FY2012
Revenue				
Student Tuition and Fees, net	\$ 203,974	\$ 243,054	\$ 285,187	\$ 324,442
Grants and Contracts	\$ 149,328	\$ 149,940	\$ 169,402	\$ 165,740
Auxillary Enterprises	\$ 100,911	\$ 114,371	\$ 126,616	\$ 132,949
Government Appropriation	\$ 73,121	\$ 66,794	\$ 66,528	\$ 44,810
Investment Activity	\$ 3,149	\$ 5,597	\$ 9,744	\$ 13,119
Other Operating Revenue	\$ 6,421	\$ 4,816	\$ 8,249	\$ 10,964
Other Nonoperating Items	\$ 40,731	\$ 63,316	\$ 61,439	\$ 55,374
Capital and Debt Service Appropriations	\$ 7,639	\$ 6,422	\$ 8,069	\$ 9,932
Capital Grants and Gifts	\$ 19,902	\$ 89,873	\$ 33,174	\$ 9,928
Loss on Sale of Assets	\$ 2,760	\$ (100)	\$ (186)	\$ (122)
Transfers within OUS	\$ 4,531	\$ 8,867	\$ 58	\$ 1,650
Total Revenue	\$ 612,467	\$ 752,950	\$ 768,280	\$ 768,786
Expenses				
Instruction	\$ 179,363	\$ 183,121	\$ 205,185	\$ 227,624
Research	\$ 76,231	\$ 78,679	\$ 82,767	\$ 78,408
Public Service	\$ 32,125	\$ 33,502	\$ 37,713	\$ 38,986
Academic Support	\$ 39,290	\$ 38,390	\$ 40,556	\$ 43,510
Student Services	\$ 24,787	\$ 25,483	\$ 27,856	\$ 31,486
Auxiliary Programs	\$ 119,759	\$ 141,991	\$ 132,956	\$ 149,627
Institutional Support	\$ 51,353	\$ 54,218	\$ 59,169	\$ 61,999
Operation and Maintenance of Plant	\$ 22,268	\$ 26,298	\$ 29,696	\$ 32,327
Student Aid	\$ 15,315	\$ 17,122	\$ 15,749	\$ 14,490
Other Operating Expenses	\$ 23,862	\$ 23,077	\$ 24,019	\$ 27,209
Interest Expense	\$ 26,580	\$ 22,837	\$ 21,173	\$ 29,980
Total Expenses	\$ 610,933	\$ 644,718	\$ 676,839	\$ 735,646
Increase in Net Assets	\$ 1,534	\$ 108,232	\$ 91,441	\$ 33,140
Net Assets				
Beginning Net Assets	\$ 423,893	\$ 425,427	\$ 533,659	\$ 625,100
Ending Net Assets	\$ 425,427	\$ 533,659	\$ 625,100	\$ 658,240

Balance Sheet as of June 30, FY2009 - FY2012 (\$ in thousands)

	FY2009	FY2010	FY2011	FY2012
ASSETS				
<i>Current Assets</i>				
Cash and Cash Equivalents	\$ 92,886	\$ 126,214	\$ 178,439	\$ 191,241
Accounts Receivable, net	\$ 42,410	\$ 43,852	\$ 42,491	\$ 47,875
Accounts Receivable from Component Units	\$ 4,355	\$ 9,873	\$ 11,084	\$ 7,959
Notes Receivable, net	\$ 3,416	\$ 3,906	\$ 3,564	\$ 5,488
Inventories	\$ 2,062	\$ 2,078	\$ 2,420	\$ 2,968
Prepaid Assets	\$ 2,713	\$ 3,317	\$ 4,743	\$ 5,987
Total Current Assets	\$ 147,842	\$ 189,240	\$ 242,741	\$ 261,518
<i>Non Current Assets</i>				
Cash and Cash Equivalents	\$ 227,505	\$ 224,141	\$ 151,083	\$ 52,950
Investments	\$ 23,193	\$ 23,420	\$ 27,279	\$ 26,295
Notes Receivable, net	\$ 20,761	\$ 18,707	\$ 17,281	\$ 14,052
Capital Assets, net of accumulated	\$ 611,045	\$ 813,358	\$ 1,004,074	\$ 1,097,933
Total Non-Current Assets	\$ 882,504	\$ 1,079,626	\$ 1,199,717	\$ 1,191,230
TOTAL ASSETS	\$ 1,030,346	\$ 1,268,866	\$ 1,442,458	\$ 1,452,748
LIABILITIES				
<i>Current Liabilities</i>				
Accounts Payable & Accrued Liabilities	\$ 41,705	\$ 34,542	\$ 52,795	\$ 43,615
Deposits	\$ 5,067	\$ 5,198	\$ 6,198	\$ 3,733
Current Portion of Long Term Liabilities	\$ 14,013	\$ 16,630	\$ 18,133	\$ 18,603
Deferred Revenue	\$ 32,551	\$ 40,431	\$ 50,161	\$ 54,651
Total Current Liabilities	\$ 93,336	\$ 96,801	\$ 127,287	\$ 120,602
Long Term Liabilities	\$ 511,533	\$ 201,033	\$ 417,244	\$ 410,206
Due to Other OUS Funds and Entities	\$ 50	\$ 437,373	\$ 272,827	\$ 263,700
Total Long Term Liabilities	\$ 511,583	\$ 638,406	\$ 690,071	\$ 673,906
TOTAL ALL LIABILITIES	\$ 604,919	\$ 735,207	\$ 817,358	\$ 794,508
NET ASSETS	\$ 425,427	\$ 533,659	\$ 625,100	\$ 658,240
Invested in Capital Assets	\$ 314,099	\$ 367,214	\$ 422,615	\$ 457,007
Restricted for Nonexpendable Endowments	\$ 7,388	\$ 7,391	\$ 7,391	\$ 7,409
Expendable - Gifts, Grants, and Contracts	\$ 43,515	\$ 29,447	\$ 32,307	\$ 30,987
Expendable - Student Loans	\$ 26,286	\$ 26,447	\$ 26,293	\$ 25,135
Expendable - Capital Projects	\$ 4,931	\$ 47,848	\$ 47,499	\$ 35,852
Expendable - Debt Service	\$ 11	\$ 22	\$ 14	\$ 35
Unrestricted Net Assets	\$ 29,197	\$ 55,290	\$ 88,981	\$ 101,815

Cash Flow Statement, FY2009 - FY2012 (\$ in thousands)

	FY2009	FY2010	FY2011	FY2012
<i>Cash Flows from Operating Activities</i>				
Tuition and Fees	\$ 203,413	\$ 237,680	\$ 287,948	\$ 322,851
Grants and Contracts	\$ 127,852	\$ 132,075	\$ 121,054	\$ 130,546
Educational Department Sales and Services	\$ 21,941	\$ 24,490	\$ 22,118	\$ 14,072
Auxiliary Enterprise Operations	\$ 104,456	\$ 115,209	\$ 132,961	\$ 134,215
Student Loan Collections	\$ 4,813	\$ 3,763	\$ 4,101	\$ 4,038
Payments to Employees - Comp & Benefits	\$ (386,302)	\$ (397,521)	\$ (432,312)	\$ (462,427)
Payments to Suppliers	\$ (121,080)	\$ (151,572)	\$ (129,194)	\$ (169,518)
Student Financial Aid	\$ (30,288)	\$ (33,682)	\$ (33,913)	\$ (34,233)
Student Loan Issuance and Costs	\$ (2,965)	\$ (1,613)	\$ (2,246)	\$ (3,159)
Other Operating Receipts	\$ 2,212	\$ 9,787	\$ (1,467)	\$ 1,991
<i>Net Cash Used by Operating Activities</i>	\$ (75,948)	\$ (61,384)	\$ (30,950)	\$ (61,624)
<i>Cash Flows from Non-Capital Financing Activities</i>				
Government Appropriations	\$ 73,121	\$ 66,794	\$ 66,507	\$ 44,810
Grants			\$ 29,061	\$ 32,608
Other Gifts and Private Contracts	\$ 43,723	\$ 53,365	\$ 56,914	\$ 53,324
Net Agency Fund Receipts (Payments)	\$ (582)	\$ 502	\$ 837	\$ (2,678)
Net Transfers from (to) Other Funds and OUS	\$ 2,239	\$ 11,427	\$ (60)	\$ (9,386)
<i>Net Cash Provided by Noncapital Financing Activities</i>	\$ 118,501	\$ 132,088	\$ 153,259	\$ 118,678
<i>Cash Flows from Capital and Related Financing Activities</i>				
Capital Appropriations	\$ 1,583	\$ 18	\$ 21	\$ -
Debt Service Appropriations	\$ 6,056	\$ 6,404	\$ 8,069	\$ 9,932
Capital Grants and Gifts	\$ 19,172	\$ 43,377	\$ 33,437	\$ 9,561
Bond Proceeds from Capital Debt	\$ 57,442	\$ 115,819	\$ 68,744	\$ 2,000
Sales of Capital Assets	\$ 11,525	\$ 7,370	\$ 2,586	\$ 866
Purchases of Capital Assets	\$ (124,364)	\$ (179,712)	\$ (229,042)	\$ (133,587)
Interest Payments on Capital Debt	\$ (27,145)	\$ (29,558)	\$ (21,173)	\$ (28,721)
Principal Payments on Capital Debt	\$ (12,305)	\$ (9,619)	\$ (12,033)	\$ (16,271)
<i>Net Cash used by Capital and Related Financing Activities</i>	\$ (68,036)	\$ (45,901)	\$ (149,391)	\$ (156,220)
<i>Cash Flows from Investing Activities</i>				
Net Sales (Purchases) of Investments	\$ (2)	\$ 2,125	\$ -	\$ 177
Interest on Investments and Cash Balances	\$ 5,230	\$ 3,036	\$ 6,249	\$ 13,658
Interest Income from Securities Lending	\$ -	\$ -	\$ -	\$ -
Interest Expense from Securities Lending	\$ -	\$ -	\$ -	\$ -
<i>Net Cash Provided by Investing Activities</i>	\$ 5,228	\$ 5,161	\$ 6,249	\$ 13,835
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (20,255)	\$ 29,964	\$ (20,833)	\$ (85,331)
Beginning Bal. - Cash & Cash Equivalents	\$ 340,646	\$ 320,391	\$ 350,355	\$ 329,522
Ending Bal. - Cash & Cash Equivalents	\$ 320,391	\$ 350,355	\$ 329,522	\$ 244,191