

Tuition & Fee Advisory Committee (TFAC)

Student Survey Background Information

WOU has two main revenue components to the Education & General fund budget: tuition & fees, which comprise ~45% of total revenues, and state appropriations, which comprise ~48% of total revenues. Other revenues make up the small remainder and include interest earnings, sales and services, and other miscellaneous revenues. On the expense side, Western's major expense is personnel, which not only includes salaries for faculty and staff, but also benefits such as health insurance, retirement, and payroll taxes. The remainder of the expense side of the budget includes services & supplies and transfers, primarily in the support of athletics.

Western continues to face budgetary challenges based on a multitude of factors. Other than Fall 2023, enrollment has been declining for 10+ years; this has a dramatic impact on tuition revenue collected. As far as state appropriations, the other major revenue source, state funding for public universities in Oregon ranks 37th in the nation (as of FY23). We also continue to see rising expenses. Faculty salaries will go up 6% Fall 2025 based on negotiations. Classified staff have also negotiated several COLAS in addition to the steps they receive, with an expected overall impact of 10% for FY26. Also anticipated is an increase of 10% to health insurance costs, as well as 3% increase to retirement contributions. As an additional point of reference, the Higher Education Price Index (a measure of inflation specific to universities) was 3.4% for FY2024.

Putting numbers to these challenges, the FY25 Adjusted Budget totaled \$73.1M in revenues, and \$76.6M in expenses and transfers, resulting in a net recurring budget deficit of \$3.5M.

So what does all of this mean for us? The Tuition & Fee Advisory Committee is charged with recommending an increase to resident undergraduate tuition to the President. The tuition increases being considered aim to minimize impact to the cost of attendance for students, while also acknowledging Western's need to increase revenues. The university knows it cannot balance the budget by raising tuition alone, that would take an ~24% increase to tuition, and is also currently reviewing expenses and looking to make reductions, again while trying to minimize the impact to students.