



Financial Condition and Priorities at the University of Oregon

Despite what you may have heard, the University of Oregon is in a strong financial condition, but the administration has not chosen to spend this money on the core academic mission of the university.

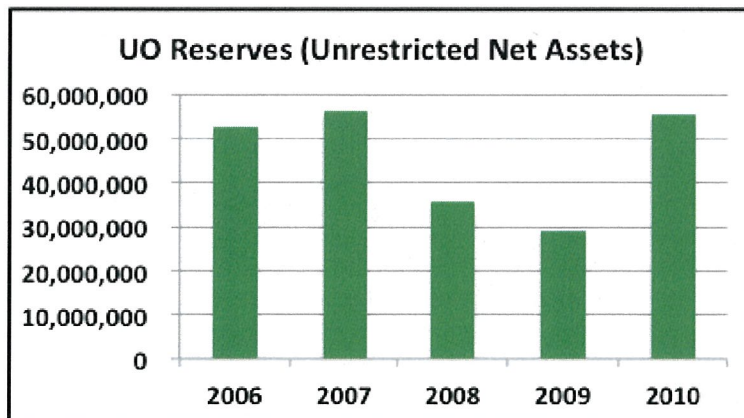
The University of Oregon Has Millions in Reserve and Reserves Are Growing

An analysis of the University of Oregon's audited financial statements reveals that the University of Oregon has:

- Strong reserves
- Revenues greater than expenses
- Positive cash flows

As the chart below demonstrates, UO had over \$50 million of completely unrestricted reserves at the end of fiscal 2010; these reserves increased significantly in 2010.

(Source: OUS Audited Financial Statements, 2006 to 2010)



For each of the last five years, revenues have increased each year; this is in spite of the recent decline in the state appropriation. The excess of revenues over expenses (called the change in net assets) is positive each year, and 2010 was the best year among the last five. Cash flows were strong and positive each year.

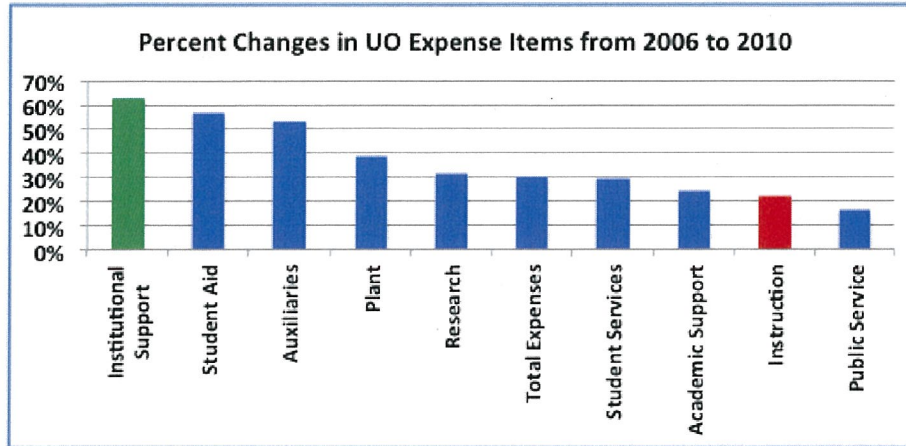
(Source: OUS Audited Financial Statements, 2006 to 2010)

	2006	2007	2008	2009	2010
Total Revenues	503,920,000	554,735,000	554,341,000	612,467,000	752,950,000
Total Expenses	494,915,000	513,743,000	553,694,000	610,933,000	644,718,000
Change in Net Assets	9,005,000	40,992,000	647,000	1,534,000	108,232,000
As % of Total Revenues	1.8%	7.4%	0.1%	0.3%	14.4%
Total Operational Cash Flows	24,192,000	16,191,000	1,270,000	15,408,000	41,116,000

Misplaced Priorities: Administration Grows Much Faster than Instruction

Over the last 5 years, institutional support – upper level administrative cost – has gone up 63% while instructional costs have only increased by 22%. University of Oregon’s leadership is putting a disproportionate amount of resources into administration, rather than focusing on classrooms.

(Source: OUS Audited Financial Statements, 2006 to 2010)



In examining the number of employees, the chart below demonstrates that the number of administrators has increased more than twice as fast as the number of faculty.

(Source: University of Oregon Institutional Research)

	2005	2006	2007	2008	2009	% Change 2005 to 2009
Faculty (includes adjunct, visiting)	1,666	1,641	1,714	1,735	1,786	7.2%
Administration	969	1,025	1,079	1,132	1,161	19.8%
Classified	1,365	1,372	1,435	1,483	1,512	10.8%
Grad Assistants	1,338	1,286	1,267	1,315	1,340	0.1%
Student	2,693	2,466	2,696	2,837	2,922	8.5%
Total	8,031	7,790	8,191	8,502	8,721	8.6%

Finally, the growth in enrollment (Student HC or headcount) has not been met with an increase in faculty. This has led to larger classes and an increase in the student-faculty ratio. (Source University of Oregon Institutional Research)

The UO needs to reorder its priorities away from administration and into the classroom.

	2005	2006	2007	2008	2009	% Change 05 to 09
Student HC	20,394	20,388	20,376	21,507	22,386	10%
Faculty HC	1,248	1,212	1,255	1,224	1,227	-2%
Student/Faculty Ratio	16.34	16.82	16.24	17.57	18.24	