THE COST OF ADMINISTRATIVE BLOAT

How Administrative Excess Deepens Financial Instability in Oregon's Public Universities

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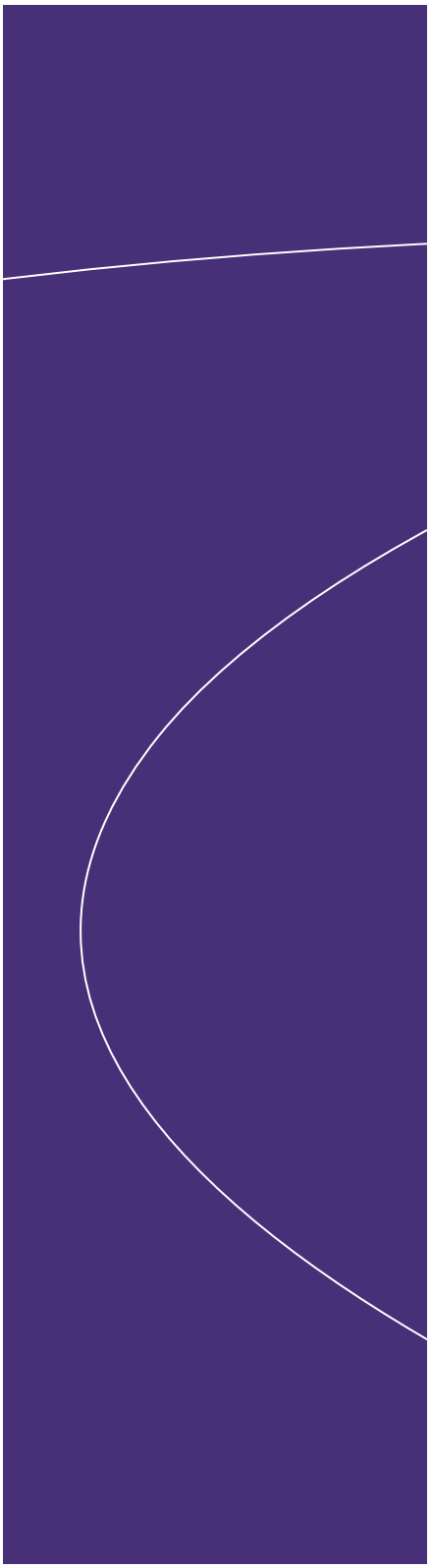
I. EXECUTIVE SUMMARY



Oregon public universities face genuine revenue pressures, including years of state underinvestment, changing demographics, and uncertainty in federal funding. However, these factors alone do not explain the economic challenges confronting our higher education system. This white paper finds that Oregon's public university leaders protected or expanded administrative spending, staffing, and compensation, exacerbating the structural and demographic forces faced by the higher education sector. As a result, they unnecessarily worsened their financial troubles, accelerating the decline of Oregon's regional universities, concentrating enrollment at the state's largest institutions, and shifting the costs of poor planning onto essential workers and students.

Since the dissolution of the Oregon University System, inflation-adjusted administrative spending has multiplied dramatically across every public university. Executive compensation has continued to rise even as workers face wages falling behind the costs of living, heavier workloads, and intensifying economic insecurity. Oregon can and should invest more in public higher education, but additional funding must be paired with stronger public oversight, greater accountability for university leadership, and renewed investment in the universities' core educational mission and essential services. This paper examines university spending patterns and concludes with recommendations to strengthen governance, curb top-heavy administrative spending, and ensure public resources are focused on students, workers, and the long-term health of Oregon's public universities.

II. A HISTORY OF POOR CHOICES

Dissolving the Oregon University System

Until 2015, Oregon's seven public universities operated within the Oregon University System (OUS), a state agency overseen by the State Board of Higher Education. OUS provided shared governance and administrative services, and a degree of coordinated oversight across all seven campuses.

OUS delivered a wide range of shared services across student support, academic programs, and administration.[i] Student support covered admissions coordination, financial aid policy, residency determinations, tribal and veterans liaison work, and shared advising and transcript systems. Academic program support included degree and mission approval, employer and K-12 partnerships, and system-wide innovation initiatives in outcomes assessment and credit transfer.

The largest share of OUS services was in finance and administration: budget preparation and state reporting, financial statement preparation and accounting policy, payroll and benefits administration (PERS, PEBB, and related plans), debt issuance and management, an internal cash-pooling bank, and negotiation of federal indirect cost rates. OUS also ran legal services, risk management and insurance, internal audit, statewide labor relations and collective bargaining, legislative advocacy, media relations, and centralized purchasing and contracting. Together, these functions spanned many of the back-office functions a university needs, standardized across all seven campuses and funded in large part through shared system infrastructure rather than duplicated at each institution.

Senate Bill 270 (2013) began the shift away from that model, creating independent governing boards for the University of Oregon and Portland State University, with an option for Oregon State to follow, which it soon did.[ii,iii] By 2015, OUS had dissolved entirely, and each university operated under its own board with less public oversight of its governance decisions.

Consequently, functions that OUS once provided centrally became in-housed by universities or contracted out to third-party vendors: financial reporting, IT hosting and maintenance, payroll and benefits verification, and risk management.[iv] In several cases, this has been financially disastrous for smaller universities. Southern Oregon contracted with Workday to upgrade its IT systems, anticipating annual savings of $700,000. As of today, no cost savings have materialized, and the university now faces $1.6 million in new debt service payments per year and roughly $3 million in cost overruns.[v] Furthermore, Southern Oregon will owe $21.5 million to nine vendors next year because university leadership failed to negotiate payment flexibility and relief provisions which are standard in vendor contracts.[vi]

These costs were not inevitable; they were the direct consequence of the governance changes that dismantled Oregon's shared university system.

[i] Oregon University System, "Shared Services for Oregon Education," April 2013, accessed August 5, 2026, https://olis.oregonlegislature.gov/liz/2013R1/Downloads/CommitteeMeetingDocument/21468.

[ii] Senate Bill 270 (2013), accessed August 5, 2026, https://olis.oregonlegislature.gov/liz/2013R1/Measures/Overview/SB270.

[iii] Higher Education Coordinating Commission, "Spending and Efficiency in Oregon Public Universities," January 2026, accessed August 5, 2026, https://www.oregon.gov/highered/strategy-research/Documents/Reports/Report-Spending-and-Efficiency-in-Oregon-Public-Universities.pdf.

[iv] Ibid.

[v] Higher Education Coordinating Commission, "SOU – Financial Update and Related Notes," February 11, 2026.

[vi] Ibid.

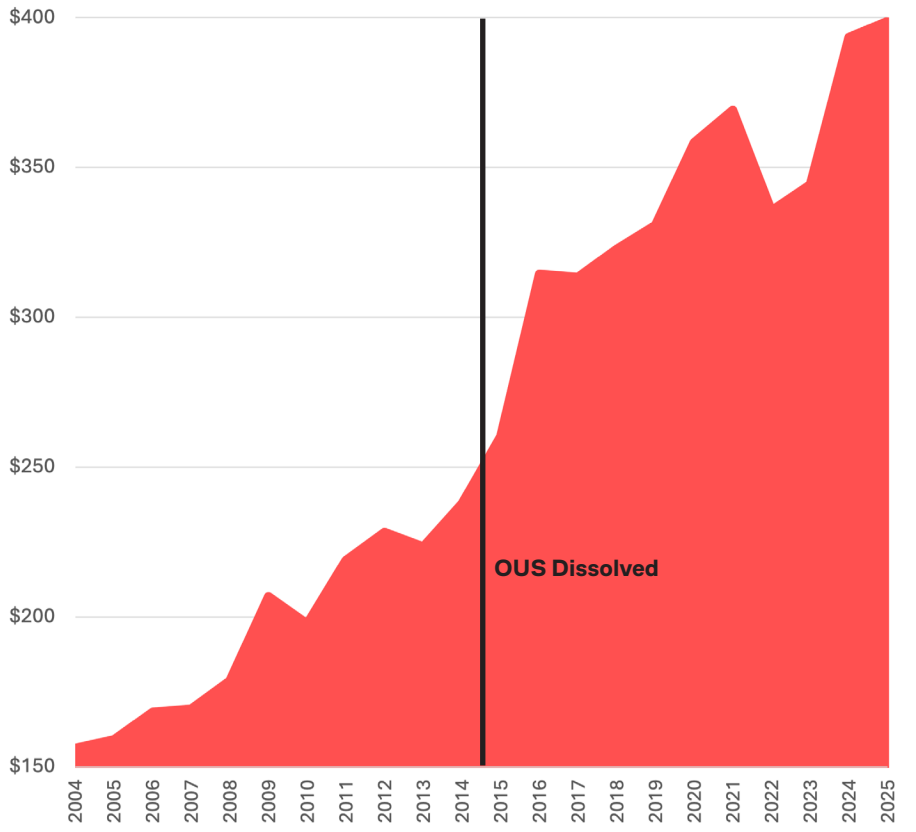
Supporters and opponents disagreed about what independence would mean. Former UO President Michael Gottfredson testified that independent governance would let the university move faster and operate more efficiently, telling legislators it would help "reduce redundant bureaucracy."[vii] SEIU opposed the bill, raising concerns about the loss of democratic and accountable board representation, the cost of in-housing previously shared functions, the loss of checks on tuition increases, the prospect of campus property leaving public ownership, and the risk of administrative bloat.[viii]

Administrative Spending Skyrockets Post-OUS

A decade of data makes clear whose prediction held up. Administrative spending across Oregon's seven public universities, adjusted for inflation, grew from $156 million to $238 million from 2004 to 2014. It grew again by $161 million from 2014 to 2025, reaching $398 million in new administrative spending over two decades—a total increase of 155%.[ix] Every one of the seven universities spent more on institutional support in the decade since independence than it did in the decade before.[x]

Administrative spending increased 155% in real dollars since 2004

Institutional Support Spending, All Universities in 2025 Dollars (Millions)



[vii] UO President Michael Gottfredson, testimony on Senate Bill 270, April 11, 2013, accessed July 31, 2026, https://olis.oregonlegislature.gov/liz/2013R1/Downloads/CommitteeMeetingDocument/17440.

[viii] SEIU Local 503, testimony on Senate Bill 270, February 28, 2013, accessed July 31, 2026, https://olis.oregonlegislature.gov/liz/2013R1/Downloads/CommitteeMeetingDocument/5219.

[ix] SEIU Local 503 Research Team, compilation and analysis of Oregon University System and individual Oregon public university financial audits, 2004–2025.

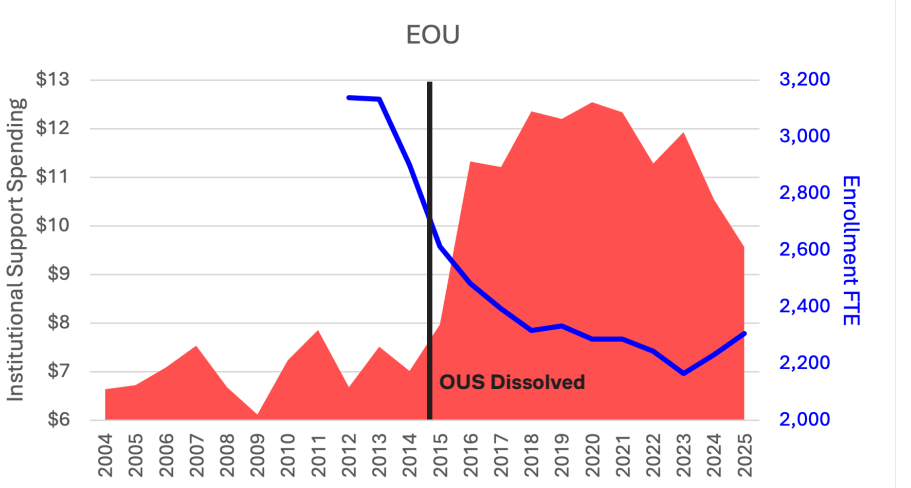
[x] "Institutional support" is a reporting category that includes "administrative functions like executive, communications, legal, financial, accounting, space management, procurement, IT, and similar business services." Higher Education Coordinating Commission, "Spending and Efficiency in Oregon Public Universities," January 2026, accessed August 5, 2026, https://www.oregon.gov/highered/strategy-research/Documents/Reports/Report-Spending-and-Efficiency-in-Oregon-Public-Universities.pdf.

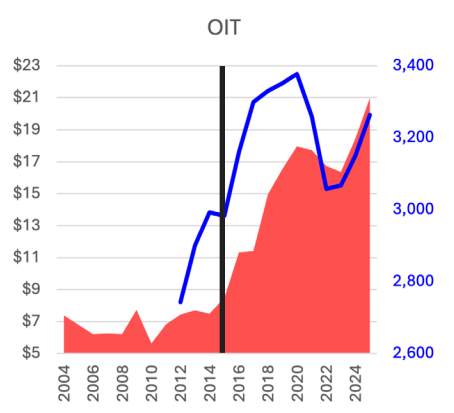
Under OUS, Southern Oregon, Western Oregon, and Oregon Tech had kept their administrative spending mostly level in real terms. After independence, Oregon's smallest universities lost their ability to control these costs: institutional support spending surged 93% at Southern Oregon, 82% at Western Oregon, and 148% at Oregon Tech.[xi] Eastern Oregon's administrative spending had been growing modestly under OUS but accelerated after independence, from 6% growth in the decade prior to 20%.[xii]

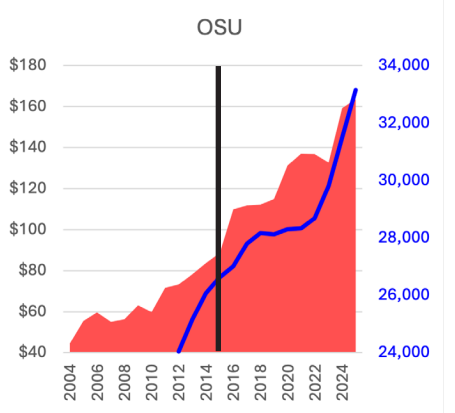
Smaller universities saw huge admin spending increases after OUS, regardless of enrollment

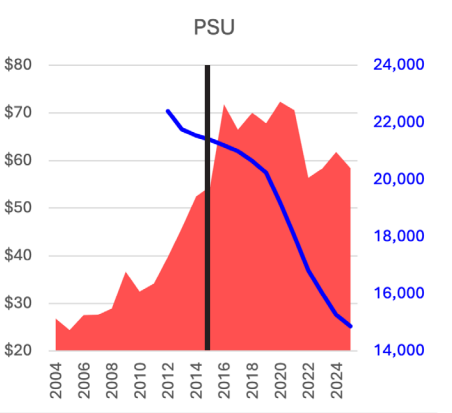
Institutional Support Spending by University in 2025 Dollars (Millions)

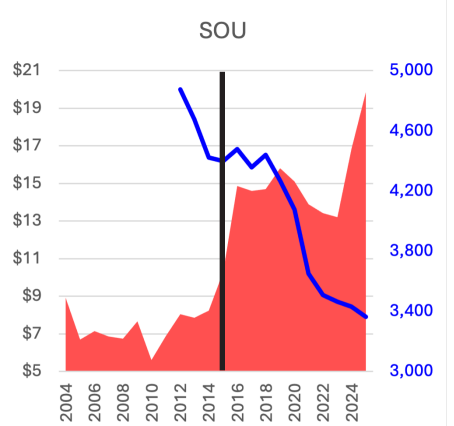
Statewide Enrollment FTE, All Residences and Student Types

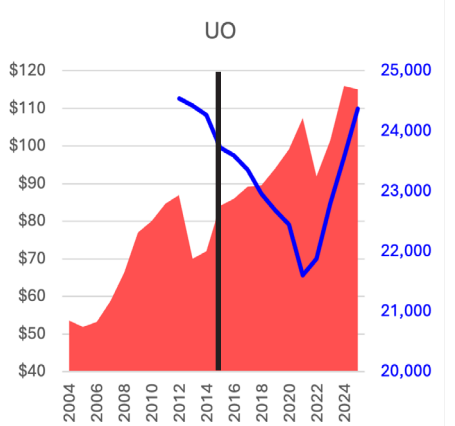


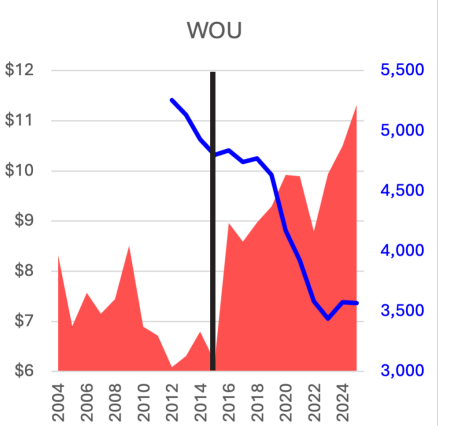












[xi] SEIU Local 503 Research Team, compilation and analysis of Oregon University System and individual Oregon public university financial audits, 2004–2025.

[xii] Ibid.

The University of Oregon led the push for independence, and Portland State and Oregon State followed their lead. The other regional universities felt obligated to follow despite concerns from SEIU and others about how independence would affect them. A 2022 governance review found that individuals within the universities viewed the new boards as a positive change, but no comprehensive analysis has examined the impact on spending, student graduation rates, or the outcomes Oregon should expect from its universities.[xiii] Our initial analysis suggests this deserves further study given the extent that new administrative costs have strained the smaller universities' already precarious budgets.

Oregon's three largest universities, which pushed first and hardest for independence, were already increasing administrative spending before the dissolution of OUS.[xiv] Since gaining independence, administrative spending has continued to far outpace enrollment growth.[xv] Oregon State is the only one of the three to increase enrollment substantially, but administrative spending rose even faster. Four universities—Eastern Oregon, Portland State, Southern Oregon, and Western Oregon—experienced sustained enrollment declines while administrative spending increased. More broadly, across our public universities, administrative spending generally continued to rise even where enrollment stagnated or fell. The pattern suggests administrative spending is significantly disconnected from changes in student enrollment.

In short, we suggest that board independence removed the coordination of infrastructure that had kept the four smaller universities' spending in check without addressing the administrative costs that were already out of line at the larger institutions. Administrative growth can't otherwise be explained by shifting student demand or general inflation.

The Burden of Administrative Payroll

Institutional support expenditures provide one measure of administrative growth. We can also directly examine administrative staffing and compensation using university payroll data. To estimate administrative employment and its costs across institutions, we used primary job types from the University of Oregon's salary reports to identify characteristics of employees classified under the "Administrator" primary activity (such as job title and home organization), then applied this label to unclassified employee payroll files from each university using publicly available salary reports or payroll data obtained through requests for information issued under the Public Employee Collective Bargaining Act law (PECBA).[xvi] This methodology allows us to estimate trends in administrative full-time equivalent (FTE) positions, total administrative salary expenditures, and how administrators' total salary expenditures compared to the same for instructors, researchers, and classified workers.[xvii]

[xiii] AGB Consulting, "Governance Review of Oregon's Public Universities," January 28, 2022, accessed July 31, 2026, https://leadership.oregonstate.edu/sites/leadership.oregonstate.edu/files/2023-01/2022-01-28-agb-report.pdf.

[xiv] SEIU Local 503 Research Team, compilation and analysis of Oregon University System and individual Oregon public university financial audits, 2004–2025.

[xv] Higher Education Coordinating Commission, Office of Research and Data, "Public University Data Dashboard," accessed July 31, 2026, https://tinyurl.com/5en4vycz.

[xvi] Examples of administrator job classifications include executive and associate directors, deans, vice presidents and provosts, and managers. Examples of instructional/research job classifications include professors, instructors, lecturers, research associates, assistants, and specialists, and postdoctoral scholars.

Administrators take the largest or second-largest share of total salary spending for each of the five universities we have comparable data on, and at all seven universities, administrator payrolls dwarfed classified staff by wide margins. System-wide, last year administrative employees alone accounted for at least $510 million in total salary spending across the seven universities. Classified staff, the workers who keep campuses clean, safe, and running, receive an estimated $292 million. For every dollar spent on classified staff pay, universities spend $1.75 on administrators.

Among the universities whose salary reports are publicly available—the University of Oregon, Oregon State, Portland State, and Western Oregon—we can compare growth in FTE and annual salary costs over time.[xviii,xix,xx,xxi]

Table 1.
Changes in FTE and Salary Expenditures by Employee Group, 2015-26

University	FTE Growth between 2015-26			Increase in Annual Salary Spending from 2015-26		
	Admin	Instructional/ Research	Classified	Admin	Instructional/ Research	Classified
UO*	289.7 (21%)	60.1 (3%)	193.1 (10%)	+$92 million	+$60 million	+$55 million
OSU	655.9 (56%)	41.8 (2%)	-25.4 (-2%)	+$100 million	+$68 million	+$34 million
PSU	10.8 (2%)	-109.7 (-11%)	-82.3 (-12%)	+$19 million	+$20 million	+$10 million
WOU	81.8 (89%)	41.3 (24%)	-30.1 (-15%)	+$9.2 million	+$3.7 million	+$2.2 million

* Most recently available UO salary report data is from November 2025.

[xvii] Salary reports were unavailable for Eastern Oregon, Oregon Tech, and Southern Oregon. We determined workforce data published in the annual SB 1520 reports were ultimately not suitable because they are inconsistent with both publicly available salary reports and records obtained through our information requests. The University of Oregon illustrates the magnitude of these discrepancies. In its 2025 SB 1520 Report, the university reported 178 FTE in the "administrators/management" category in 2020. By contrast, the university's salary report for the same year of data identifies 1,504.3 FTE in positions whose primary activity is administrative, including 553.5 FTE classified as executive administrators, first- or mid-level administrators, and senior administrators. Similar inconsistencies appear in other workforce categories: the University of Oregon reported 2,687.2 FTE of "classified/professional, non-teaching" employees in its SB 1520 report, while the salary report identifies only 1,942.2 FTE. In addition to the two-year lag of the SB 1520 reports—i.e., the 2025 report uses 2023 data from the universities—these discrepancies make HECC workforce data difficult to reconcile with other publicly available sources. Greater transparency and standardized reporting would improve public understanding of university staffing patterns and strengthen oversight of Oregon's public higher education system.

[xviii] The University of Oregon, "Salary Reports," accessed August 5, 2026, https://ir.uoregon.edu/employees/salary-reports.

[xix] Oregon State University, "Salary Reports," accessed August 5, 2026, https://hr.oregonstate.edu/employees/administrators-supervisors/classification-compensation/salary-reports.

[xx] Portland State University, "Employee Lists," accessed August 5, 2026, https://content.library.pdx.edu/files/resources/PSU_Employee_Lists/.

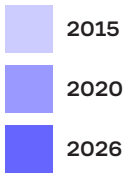
[xxi] Western Oregon University, "Personnel Lists," accessed August 5, 2026, https://research.wou.edu/digitaldocs/WOU-Personnel.

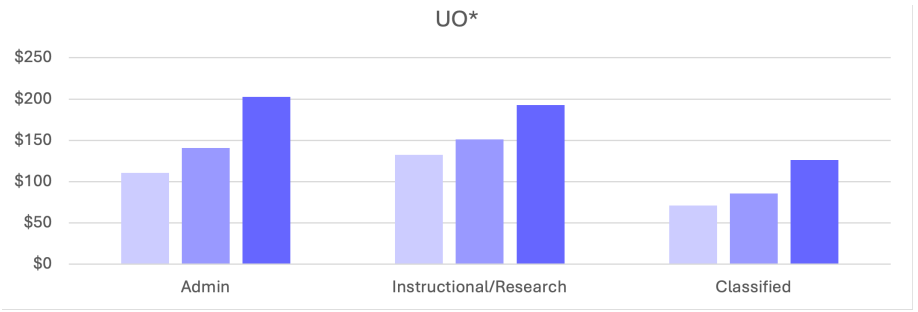
Staffing and payroll trends at these universities consistently show administrative growth outpacing other employee groups, with the exception of instructional/research salary costs for Portland State. At both the University of Oregon and Oregon State, administrative salary expenditures increased by substantially more than spending on instructional/research or classified employees, workforces whose growth has been modest or negative. Western Oregon experienced the most dramatic relative expansion in administrative staffing, with administrator FTE increasing nearly four times faster than instructional and research positions while classified staffing declined.

Together, these patterns suggest that payroll growth has been concentrated in administrative positions, reflecting institutional spending priorities rather than broad-based workforce expansion or contraction.

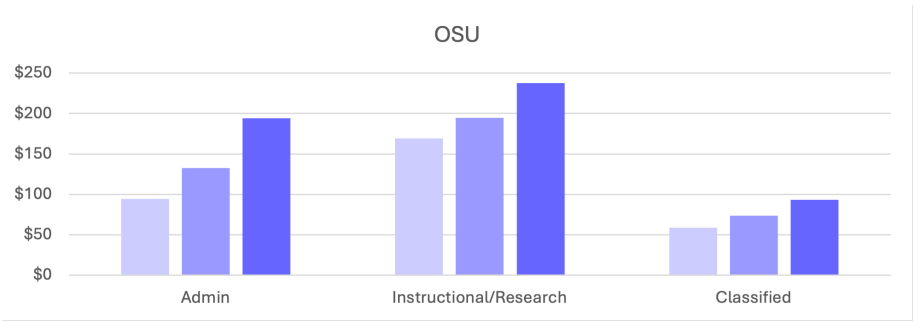
Administrators are the largest or second-largest share of salary spending at all universities

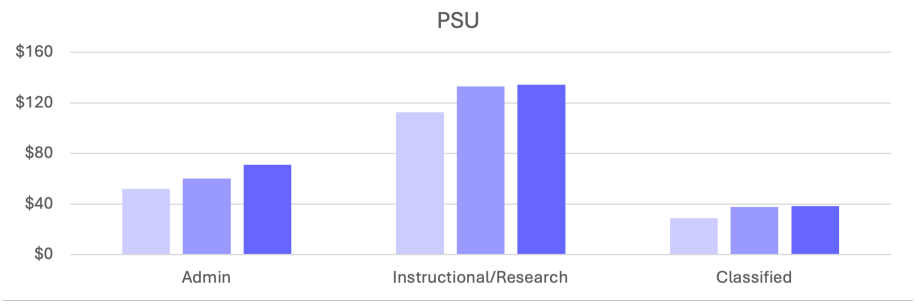
Annual Spending on Salaries by Employee Group (Dollars in Millions)





* Most recently available UO salary report data is from November 2025.



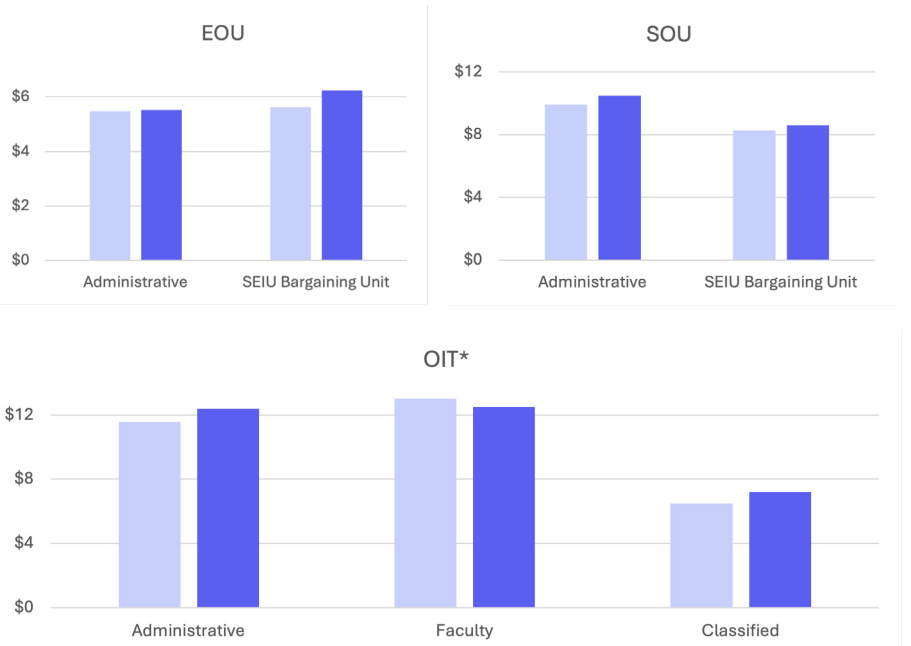


Due to the unavailability of salary report data for Eastern Oregon, Oregon Tech, and Southern Oregon, we can only compare 2023 and 2025 unclassified payroll data and bargaining unit data procured from previous information requests. We have no equivalent data on instructional/research staff for Eastern Oregon and Southern Oregon, though Oregon Tech provided us data on both faculty and classified staff.

These regional universities show a similar pattern of prioritizing administrative payroll, though to varying degrees. At Southern Oregon, administrative salary spending grew faster than classified spending between 2023 and 2025 (6% versus 4%), even as administrative staffing increased 3% and classified staffing declined 5%. By 2025, the university was spending $1.9 million more on administrators than on classified workers.

SOU and OIT spent more on administrator salaries than SEIU salaries in 2023 and 2025

Annual Spending on Salaries by Employee Group (Dollars in Millions)



*OIT included instructional staff in their response to our request for information.

Oregon Tech likewise increased administrative salary spending by more than $800,000 (7%) while reducing faculty salary expenditures by 6%, nearly offsetting the entire increase in administrative payroll. Eastern Oregon stands apart as the only university where administrative salary spending remained essentially flat (1%) while classified salary spending grew 11%. Even there, however, classified staffing declined twice as fast as administrative staffing (10% versus 4%), suggesting that workforce reductions continued to fall more heavily on essential staff than on administrators.

In addition, the public universities consistently cite rising Public Employees Retirement System (PERS) contribution requirements as a source of financial strain. Yet PERS obligations are driven in part by payroll decisions, including the size of the administrative workforce. The University of Oregon is estimated to have paid $44.5 million in PERS contributions on behalf of administrative employees last year, while Oregon State is estimated to have paid $41.5 million in PERS contributions for the same employee group.[xxii] At those institutions, administrators account for nearly $400 million in combined payroll, meaning a much more substantial share of their PERS costs is due to their outsized administrative compensation than classified pay. The largest growth in university payroll has accrued to the executive suite, not instruction or essential support services. These are choices university leadership has made, year after year, and can unmake.

III. WHO GETS PAID?

Presidents Live Large

After previously offering bargaining unit members no guaranteed raises, universities have made only a minimal adjustment, proposing cost-of-living adjustments of 1% in 2027 and 0.5% in 2028. This stands in stark contrast to the lavish compensation packages of university presidents.

Summary of University President Compensation

(Most Recently Available Data)

Year	Name	University	Base Salary	Monthly Vehicle Stipend	Monthly Housing Stipend	Annual Supplemental Retirement Contribution	Total
2025	Kelly Ryan	EOU	$305,325	$1,000	$2,500		$347,325
2026	Nagi Naganathan	OIT	$379,758	$1,333	$4,500	$56,964	$552,896*
2026	Jayathi Murthy	OSU	$771,000	$1,000	Housing Provided	$165,000	$948,000
2025	Ann Cudd	PSU	$610,000	$1,000	$8,000		$718,000
2025	Richard Bailey	SOU	$244,000	$1,000	Housing Provided		$256,000
2025	John Karl Scholz	UO	$875,000	$1,200	Housing Provided	$150,000	$889,400
2025	Jesse Peters	WOU	$367,000	$1,000	$3,500		$421,000

*Naganathan also receives a "multi-campus" travel stipend worth 12% of his base salary ($45,571), a foundation-funded supplement worth another 12% of his base salary, and he is eligible for a one-time retention bonus worth 15% of his base salary ($56,964).

The University of Oregon President John Karl Scholz's five-year contract sets his base salary on a fixed schedule: $725,000 in year one, rising every year to $816,000 by 2027-28, a guaranteed 12.6% increase over the contract term regardless of the university's financial condition.[xxiii] On top of base salary, Scholz receives an annual $150,000 supplemental retirement contribution, vesting each December, for total guaranteed annual compensation starting above $875,000.[xxiv] He's also eligible for two $100,000 retention bonuses if he stays through key milestone dates, a $1,200 monthly vehicle stipend, a university-owned official residence with utilities, groundskeeping, and household staff covered.[xxv]

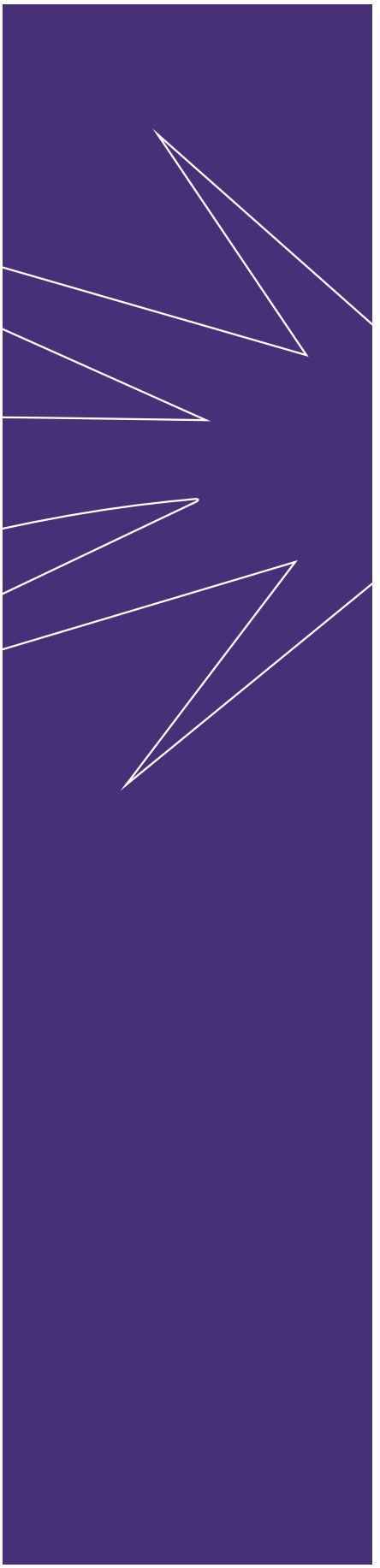
Oregon State University President Jayathi Murthy's current contract sets an annual base salary of $771,000, supplemented by the OSU Foundation.[xxvi] She will receive 17% in guaranteed raises over her contract term which extends through June 30, 2030, when she will earn a base salary of $901,961. Murthy also receives roughly $165,000 a year in supplemental retirement contributions, a $1,000 monthly vehicle stipend, and a university-provided President's House with utilities and maintenance covered.[xxvii] In addition, she is eligible for two $62,500 retention bonuses if she remains through 2028 and 2030.[xxviii]

[xxii] We assume the current state agency PERS OPSRP rate of 21.94%. The rates for the University of Oregon and Oregon State differ due to the latter's Side Account Offset Rate. For Oregon State, we assume the 2025 Side Account Offset Rate of -0.57% listed in their most recent annual financial report. Oregon Public Employees Retirement System, "Contribution Rates, All Employers," December 31, 2023, accessed August 5, 2026, https://www.oregon.gov/pers/emp/Documents/Contribution-Rates/ContributionRates_AllEmployers_12312023.pdf; Oregon State University, "2025 Annual Financial Report," accessed August 5, 2026, https://finance.oregonstate.edu/sites/finance.oregonstate.edu/files/2025-11/OSU_FY2025_%20Annual_Financial_Report.pdf.

[xxiii] University of Oregon, Presidential Employment Agreement (John Karl Scholz), § 5.1, March 13, 2023.

[xxiv] Ibid.

[xxv] Ibid.



Murthy's contract even guarantees special parking privileges: "University may, from time to time and at the request of the President, make available additional parking at no cost for personal guests of the President at nearby University owned property."[xxix] Between 2015 and 2026, OSU's annual base presidential salary grew 23%.[xxx,xxxi]

Portland State President Ann Cudd has received more than $117,000 in raises since 2022 and earned $610,000 last year, nearly 10 times an average SEIU worker's pay.[xxxii] Portland State's base annual presidential salary grew 52% between 2015 and 2026, outpacing inflation over the same period (40%).

Western Oregon President Jesse Peters earned $367,000—over six times the average SEIU worker's salary at the university.[xxxiii] From 2022 to 2026, Peters' annual salary increased 48%. Additionally, he receives a $3,500 monthly housing stipend and a $1,000 monthly vehicle stipend.[xxxiv]

Oregon Tech President Nagi Naganathan earns a base salary $379,758 per year, having recently received a 6.5% salary increase.[xxxv,xxxvi] In addition, Oregon Tech trustees voted to guarantee Naganathan 3% annual raises each July and to increase his monthly vehicle and housing stipends. Altogether, under his new contract each year Naganathan will receive a foundation-funded supplement worth 12% of his base salary, $54,000 in housing allowance, $15,996 in vehicle allowance, and $12,000 from a health and wellness stipend for a total recurring annual compensation of $552,896. He is also eligible for a one-time retention bonus equal to 15% of his salary.

Eastern Oregon President Kelly Ryan earned $305,325 last year, nearly five times more than the average SEIU worker at the university.[xxxvii]

Southern Oregon President Richard Bailey received $244,000 in 2025 after voluntarily reducing his salary from $302,000 the year prior.[xxxviii,xxxix] His contract also indicates a $1,000 monthly vehicle stipend and an official university-owned residence in Ashland, with the university covering utilities, city fees, phone, internet, and biweekly housekeeping.[xl] The university also covered up to $30,000 in moving expenses. The contract states that if the Board terminates Bailey without cause, he receives his full base salary for one year.

[xxvi] Oregon State University, Employment Agreement and Notice of Appointment (Dr. Jayathi Murthy), effective November 1, 2025, accessed August 7, 2026, https://leadership.oregonstate.edu/sites/leadership.oregonstate.edu/files/2025-10-23-approved-Employment%20Agreement%20and%20Notice%20of%20Appointment%20for%20President%20-%20Murthy.pdf.

[xxvii] Ibid.

[xxviii] Ibid.

[xxix] Ibid.

[xxx] Oregon State University, "Salary Reports," accessed August 5, 2026, https://hr.oregonstate.edu/employees/administrators-supervisors/classification-compensation/salary-reports.

[xxxi] SEIU Local 503, response to Public Employee Collective Bargaining Act (PECBA) request for information.

[xxxii] SEIU Local 503, response to Public Employee Collective Bargaining Act (PECBA) request for information.

[xxxiii] Ibid.

[xxxiv] Western Oregon University Board of Trustees, meeting minutes, November 2022, appendix A (motion appointing Dr. Darrell "Jesse" Peters as WOU president, term August 1, 2022 to June 30, 2027).

[xxxv] Oregon Tech Board of Trustees, meeting minutes, July 30, 2026, accessed August 5, 2026, https://www.oit.edu/sites/default/files/2026/documents/2026-07-30%20Special%20Full%20Board%20Meeting%20MATERIALS%20PACKET.pdf.

[xxxvi] Oregon Tech Board of Trustees, meeting recording, July 30, 2026, accessed August 5, 2026, https://www.youtube.com/live/ZheoatSCIHw, 1:34:41.

[xxxvii] SEIU Local 503, response to Public Employee Collective Bargaining Act (PECBA) request for information.

[xxxviii] SEIU Local 503, response to Public Employee Collective Bargaining Act (PECBA) request for information.

[xxxix] Southern Oregon University, Employment Agreement and Notice of Appointment (Dr. Richard J. Bailey, Jr.), §

[xl] Ibid.

Essential Workers Face Economic Insecurity

What SEIU workers report paints a starkly different financial picture than what the presidential contracts afford:[xli]

- 54% worry about running out of money before their next paycheck, and 62% aren't able to save money regularly.
- 28% are going into debt for basic living expenses; nearly 1 in 4 worry their food will run out before they can afford more.
- 71% of respondents pay more than 30% of their income on housing; 1 in 5 renters pay more than half.
- 40% say they can't afford to live in the community where they work, rising to 56% at Southern Oregon and 54% at Oregon State.
- At Western Oregon, 6% report experiencing homelessness in the past two years.
- 66% say their workload has increased in the past year, nearly double the 37% who said so in 2023, and 49% say budget constraints are driving that increase, up from 16% two years ago.

In addition, while university presidents receive thousands in special stipends and services that cover their basic needs, SEIU workers are forced to pay up to thousands per year for parking.

Commuter Parking Permit Costs by University

University	Cost (ranges reflect zone pricing)
EOU[xlii]	$96 for an annual parking pass, or $365 for a reserved space
OIT[xliii]	$218-$256 for an annual staff parking permit
OSU[xliv]	$21-$71 for a monthly permit ($252-$852 per year)
PSU[xlv]	$135-$280 per month for an annual employee permit ($1,620-$3,360 per year)
SOU[xlvi]	$165 for an annual permit
UO[xlvii]	$90-$405 for a three-month permit ($360-$1,620 per year)
WOU[xlviii]	$215-$230 per year for full year in either zone

[xli] SEIU Local 503, bargaining survey, October 29, 2025.

[xlii] Eastern Oregon University Parking Services, accessed August 5, 2026, https://www.eou.edu/safety-security/parking-services/.

[xliii] Oregon Institute of Technology, "General Parking Permits," accessed August 5, 2026, https://www.oit.edu/campus-safety/parking-services/permits-fees.

[xliv] Oregon State University Transportation Services, "Commuter Parking Zone Permits," accessed August 5, 2026, https://transportation.oregonstate.edu/parking/parking-rates.

[xlv] Portland State University, "Employee Parking," accessed August 5, 2026, https://www.pdx.edu/transportation/employee-parking.

[xlvi] Southern Oregon University, "Parking Permits," accessed August 5, 2026, https://parking.sou.edu/parking-permits/#toggle-id-3.

[xlvii] University of Oregon Transportation Services, "Commuter Parking Zones," accessed August 5, 2026, https://transportation.uoregon.edu/zones.

[xlviii] Western Oregon University, "2025-26 Parking Services," accessed August 5, 2026, https://cdn.wou.edu/safety/files/2025/07/2025-26-Online-Brochure.pdf.

While unnamed in their compensation packages, it would not surprising that presidents don't have to pay the same for parking as their front-line employees. Some comments from members trying to pay for parking:

"It is absurd for the UO to make money off employees just coming to work."

"Paying literally thousands of dollars a year for parking at work is absurd when PSU is trying to get people to come to campus."

"Parking costs on UO campus are far too expensive for me and most of my coworkers to afford, which is ridiculous given that we work here."

"We should not have to pay to park when we are the employees keeping the university running."

Hanna Lapointe
University of Oregon

David Kirchmeir
Portland State University

Todd Hutchison
Portland State University

As Hanna Laponte at the University of Oregon attested: "I have less money now than when I started working here. Why? Because in the last two years my rent has gone up almost $800, groceries have gone up hundreds (to the point that if I cannot get an appointment at the ONLY foodbank open after work, I will either have to ask my mother for money or starve.)...There is absolutely no reason that I should be working a full time job and not even make enough money to save for my future. I can't afford vegetables or fruit, I can't afford protein, all I think about at work is when/what I'll eat next and 99% of the time it ends up being 67 cent ramen. Its insulting to work in an office and be belittled daily while still being expected to give it my all. Right now, my all is me showing up and sitting at my desk for 8 hours. I don't know how much more I can take and all I have left to lose is my job."

Portland State worker David Kirchmeir put it plainly: "I do not earn a living wage. ~$30 an hour is not enough to live on in Portland and no amount of money is worth the damage to my physical and mental health."

Krystal Waldschmidt, a worker at Oregon State described starting their job while homeless: "It has been a little over 6 months and my family is still homeless. I make enough to pay RV rent (broke down RV, she can't even move now) and to pay my electric, gas to drive to Corvallis, and food costs. I am at pennies after that."

Another Portland State worker, Todd Hutchison, connected staffing decisions directly to their daily struggles: "Now that we have a much lower student population, the management bloat is unjustified, wasting money and taking more power away from staff workers."

Set side by side, the contrast between the lives of university presidents and essential workers shows how inequality has been allowed to run rampant on campuses. University presidents have contracts that guarantee raises on top of retention bonuses, housing, vehicles, and retirement contributions that dwarf the wages of the workers who keep our institutions running. Those same workers are being asked to accept frozen wages and rising workloads while more than half live paycheck to paycheck and nearly three-in-ten are going into debt just to get by. Where the money goes is a decision university leadership makes every budget cycle.

SEIU members understand that competitive president pay is part of the reality of higher education, but workers deserve pay that allows them to meet their basic needs. When poor finances are used to justify near-zero economic offers for essential workers at the table, the same standard should apply to presidential compensation. That's a choice about whose pay gets protected and who must sacrifice.

IV. A CRISIS OF LEADERSHIP

Enrollment, demographics, and state and federal funding all challenge universities to think creatively and sustainably about their present course and their future, and to refocus on student support and instruction. None of these challenges are unexpected or impossible to manage. However, trustees and presidents chose to spend university resources elsewhere, resulting in duplicative administrative burdens during a period of intensifying competition with each other over a shrinking resident student population.

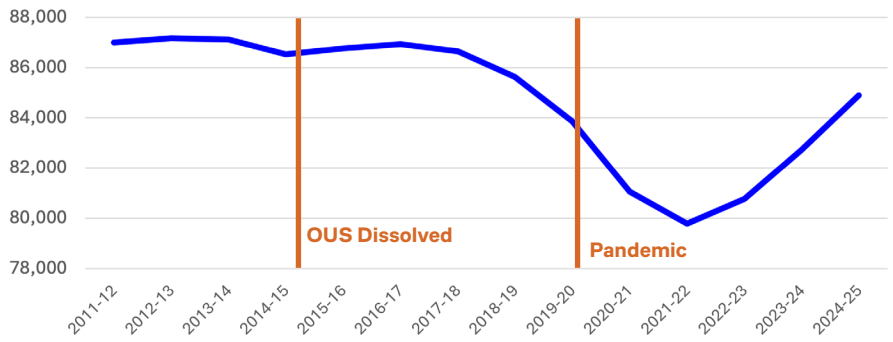
This section documents the three structural headwinds university leaders point to most often: enrollment, demographics, and Oregon's relative lack of public funding per student. The following analysis provides important context for these challenges.

Enrollment

Full-time equivalent (FTE) enrollment at Oregon's public universities declined 2.2% from 2015-16 to 2024-25, from 86,771 to 84,896.[xlix] That single figure hides both a sharper decline and a recent recovery. Enrollment had already fallen for three straight years before the pandemic and continued falling through it, bottoming out at 79,788 FTE in 2021-22. Every year since, enrollment has grown, adding 5,108 FTE (6%) by 2024-25. More than half that new growth (3,133 FTE) came from non-resident students who bring in more tuition revenue per student than Oregon residents.[l]

Enrollment has been recovering since the pandemic

Statewide FTE, All Residences and Student Types



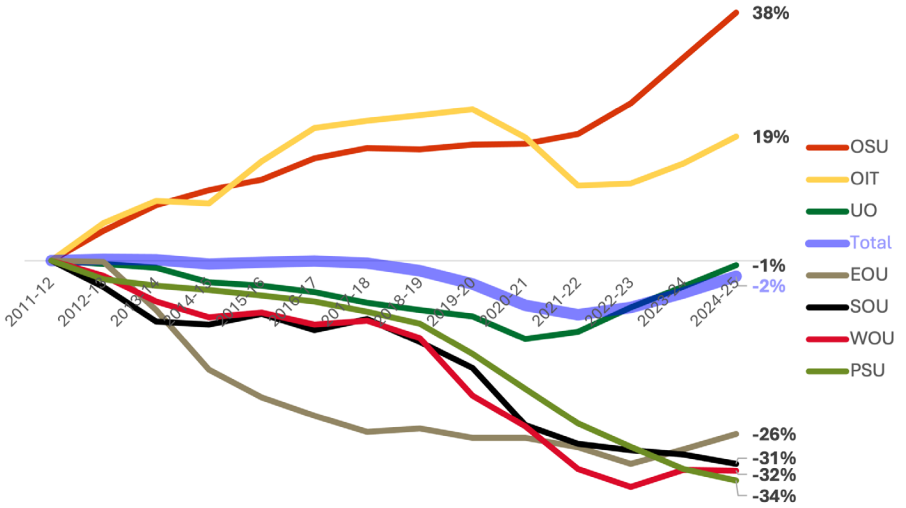
The recovery has landed unevenly. Since 2021-22, Portland State's enrollment has fallen nearly 12%, Southern Oregon's 4%, and Western Oregon's just under 1%. Eastern Oregon has grown a modest 3% but remains deeply underwater compared to historical enrollment.

[xlix] "Full-time equivalent counts are defined in the colleges as the total number of clock hours in which all students enrolled divided by 510, and in the universities as credit hours divided by 45 at the undergraduate level, by 36 at the graduate level (excluding PhD), and by 27 at the PhD level." Higher Education Coordinating Commission, Office of Research and Data, "Public University Data Dashboard," accessed July 31, 2026, https://tinyurl.com/5en4vycz.

[l] Ibid.

Most post-pandemic enrollment recovery went to OSU, OIT, UO

Annual FTE Change since 2011-12, All Residents and Student Types



Nearly all the system's post-pandemic growth went to three universities: Oregon State (16%), the University of Oregon (11%), and Oregon Tech (7%).[li] Oregon Tech's growth deserves particular attention, demonstrating a small university can grow under the same structural conditions that other regional campuses cite as significant constraints.

These enrollment trends represent a choice about the future of Oregon's public university system. Absent changes in strategic direction, the likely path ahead is continued concentration of students and resources at Oregon State and the University of Oregon, with Oregon Tech as our state's lone regional institution, while other small campuses decline. Legislators, university leadership, and the public should ask whether this is the system Oregon intends to build. If not, preserving a diverse, healthy network of regional universities will require policies that reward stewardship and collaboration rather than increased consolidation.

Demographics

This uneven recovery is made more acute by demographic trends at a moment when universities have chosen more intense fragmentation between previously shared services and resources.

Oregon state demographers warned as far back as 2011 that our state's school-age population would keep shrinking: children ages 5 to 17 fell from 20% of Oregon's population in 1980 to 16% by 2011, and the state projected a further drop to 15% by 2020.[lii]

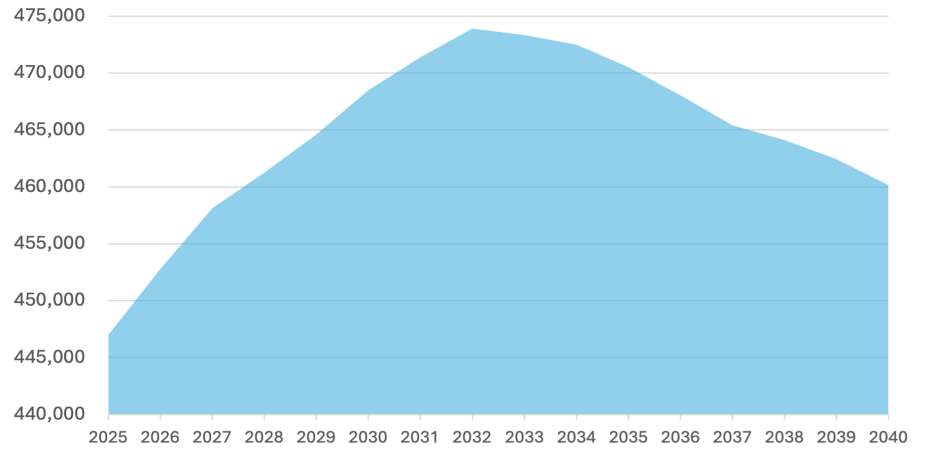
[li] Ibid.

[lii] Oregon Department of Administrative Services, Office of Economic Analysis, "Oregon Population Forecast," November 2011, accessed July 31, 2026, https://web.archive.org/web/20150906070043/http:/www.oregon.gov/DAS/OEA/docs/demographic/or_pop_trend2011.pdf.

[liii] Portland State University Population Research Center, "Population Forecasts," 2025, accessed July 31, 2026, https://www.pdx.edu/population-research/population-forecasts.

Traditional college-age Oregonians will peak in 2032

Oregon Population Projections from 2025, Ages 15-24



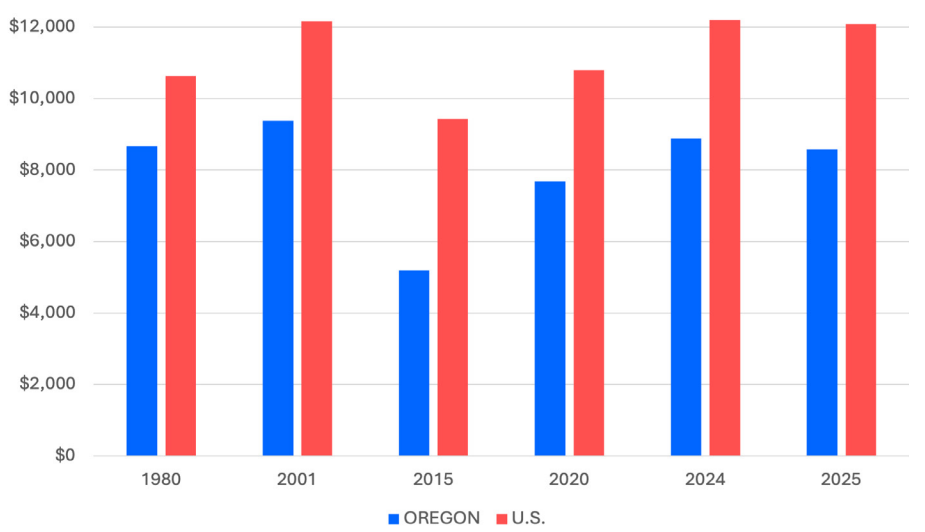
Current data confirms the forecast, with an important nuance. Oregon's population of 15-to-24-year-olds will keep growing through 2032, then decline, with the pace of decline accelerating in the years that follow.[liii] Growth in older residents adds some room to plan for adult learner recruitment; Oregon is projected to add roughly 190,000 residents aged 25 and older by 2032.[liv] Preparing for this change means slowing or reversing administration and overhead to match student bodies that are decreasing, while preserving the universities' core support and instructional services.

Public Funding

State funding for Oregon's public universities has lagged the national average for decades.[lv] The effects of that underinvestment are felt across Oregon: by students facing rising costs and fewer opportunities, by university workers who are asked to do more with less resources, and by residents whose regional universities drive their local economies. Public higher education is one of the state's most important investments in the long-term strength and resilience of Oregon's communities. Decades of insufficient funding have put that future at risk.

State support in Oregon lags the national average

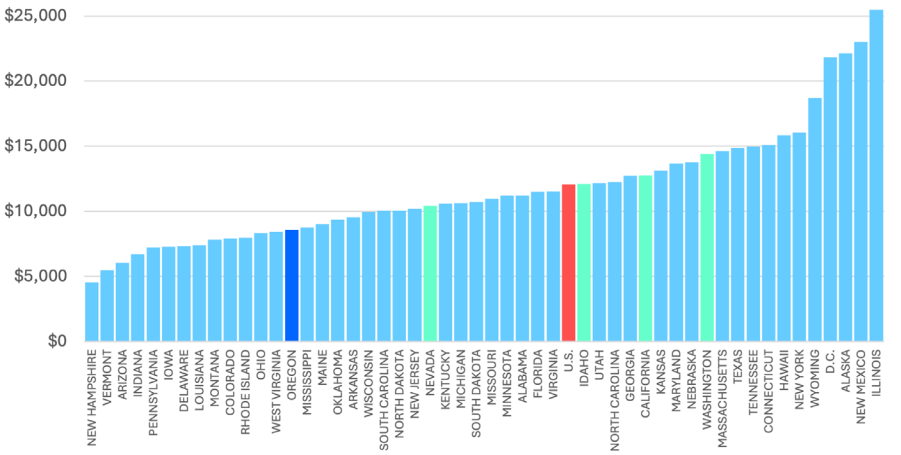
Public Higher Education Appropriations per FTE in Constant Adjusted Dollars



[liv] Ibid.

[lv] State Higher Education Executive Officers Association, "State Higher Education Finance, Fiscal Year 2025," accessed July 31, 2026, https://shef.sheeo.org/wp-content/uploads/2026/04/SHEF_FY25_Report.pdf.

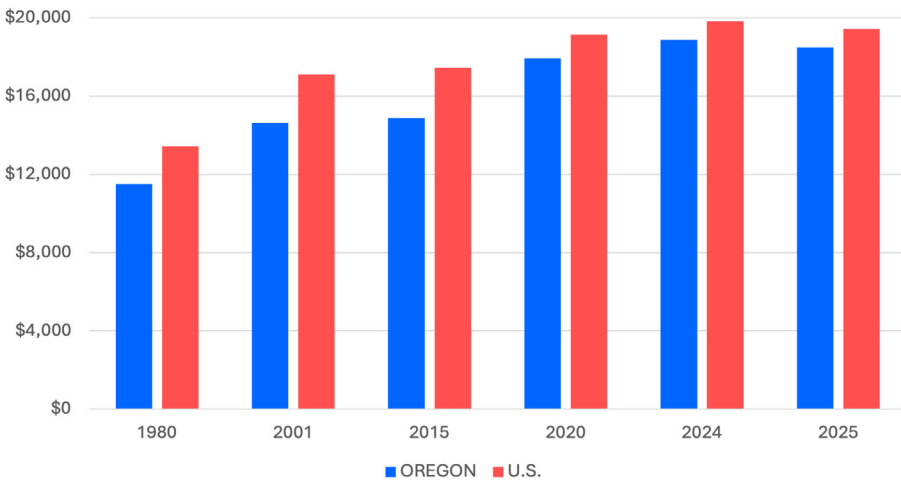
Public Higher Education Appropriations per FTE, FY 2025 in Constant Adjusted Dollars



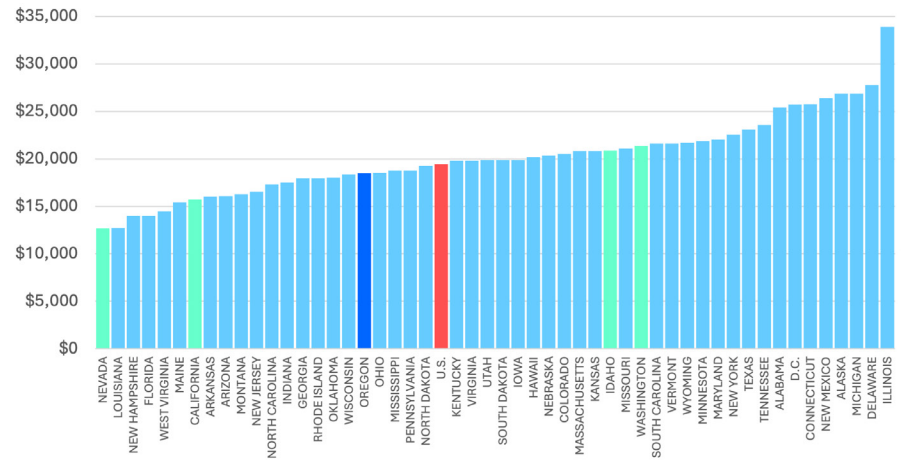
However, the underinvestment gap narrows once total education revenue is considered.[lvi] With tuition and other funding included, Oregon's funding per student is closer to the national average, though still behind.

Total education funding gap is significantly smaller

Public Higher Education Total Education Revenue per FTE in Constant Adjusted Dollars



Public Higher Education Total Education Revenue per FTE, FY2025 in Constant Adjusted Dollars



[lvi] "Total education revenue" is defined as "the sum of education appropriations and net tuition and fee revenue, excluding net tuition and fee revenue used for capital debt service." Ibid.

[lvii] SEIU Local 503 Research Team, compilation and analysis of Oregon University System and individual Oregon public university financial audits, 2004–2025.

Legislators should therefore be cautious about assuming additional state appropriations alone will solve Oregon's higher education problems. The argument that more state funding would improve university finances holds only if those dollars are directed toward universities' essential services.

The record of the current governance structure suggests otherwise. In the decade since Oregon ended the OUS, inflation-adjusted administrative spending across the seven public universities grew by hundreds of millions of dollars.[lvii] Without changes in priorities and oversight, improved state appropriations are at risk of being absorbed into runaway administrative spending.

Federal funding presents an additional, uneven risk. Cuts or delays to Pell Grants would fall most heavily on the campuses serving the largest shares of low-income students: Portland State, Western Oregon, Eastern Oregon, and Southern Oregon.[lviii] Reductions in federal research funding, by contrast, would be felt most acutely at Oregon State and the University of Oregon, the system's two research-intensive institutions in addition to Oregon Health and Science University.

Leadership Choices and Two Futures

None of these challenges deprive university leaders of meaningful choices. A shrinking, more competitive market for Oregon students was a structural reality every trustee and president confronted. Competing for less resident students was not optional, but how each university chose to compete was. Rather than deepening the shared services that once kept administrative costs down for smaller universities, from admissions coordination to shared financial systems, university leaders dismantled that structure and built duplicate administrative capacity at each campus in its place.

Preparation would have meant bringing administrative staffing and compensation growth in line with each university's actual enrollment. Instead, university leaders protected or expanded administrative spending regardless of which way enrollment moved.

Meanwhile, SEIU workers have continued to sustain critical university services, keeping campuses clean, safe, running and working for students—often while earning wages that fail to keep pace with the cost of living. University leaders now propose balancing budgets through cuts that disproportionately affect these workers and the students who depend on the services they provide, rather than addressing the leadership decisions that worsen their financial strain.

Enrollment trends already point toward one future. Oregon State, the University of Oregon, and Oregon Tech captured nearly all the system's post-pandemic growth. Left unaddressed, this path leads to a two- or three-university system built around national and international recruitment, with the state's other four regional campuses losing their viability. This future rewards the institutions best equipped to market themselves outside Oregon's borders, and it treats regional campuses as legacy costs rather than economically vital community institutions. It's a future where higher education becomes less accessible for Oregonians as these campuses compete for out-of-state students, leaving our students with fewer pathways to a college education.

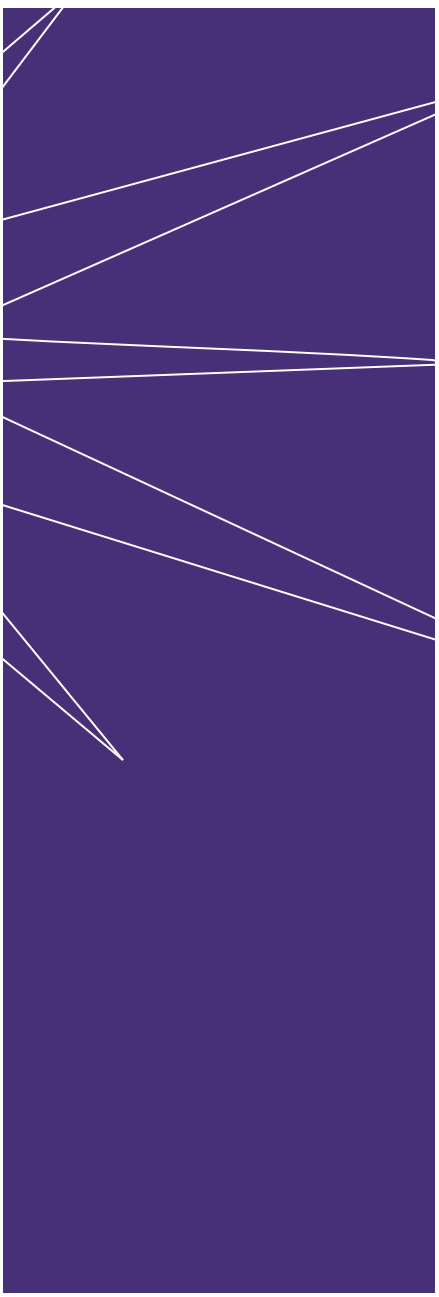
[lviii] See Table 2.

Table 2.

Percent of Degree or Certificate-Seeking Undergraduates Awarded Pell, 2023-24

Percent of First-Time Degree or Certificate-Seeking Undergraduate Students by Residence, Fall 2024

University	U.S.	EOU[lix]	OIT[lx]	OSU[lxi]	PSU[lxii]	SOU[lxiii]	UO[lxiv]	WOU[lxv]
Percent awarded Pell	**31%**[lxvi]	40%	30%	23%	49%	39%	22%	42%
Percent in-state	**80%**[lxvii]	59%	77%	55%	78%	62%	48%	84%



In a different future, Oregon sustains a genuine regional university system built to serve Oregonians where they live. Portland State, Western Oregon, Eastern Oregon, and Southern Oregon enroll far higher shares of Pell Grant recipients and resident Oregonians than the national average, Oregon State, or the University of Oregon. These four regional campuses are crucial access points to a four-year degree for low-income students, first-generation students, and rural students. Strengthening these institutions is about ensuring the students with the greatest financial barriers continue to have meaningful access to a public university education in Oregon.

The first future is already underway; the second requires a deliberate change in direction to invest in Oregon students who are most likely to be excluded from higher education.

[lix] National Center for Education Statistics, "IPEDS Institution Profile: Eastern Oregon University," accessed August 5, 2026, https://nces.ed.gov/ipeds/institution-profile/208646.

[lx] National Center for Education Statistics, "IPEDS Institution Profile: Oregon Institute of Technology," accessed August 5, 2026, https://nces.ed.gov/ipeds/institution-profile/209506.

[lxi] National Center for Education Statistics, "IPEDS Institution Profile: Eastern Oregon University," accessed August 5, 2026, https://nces.ed.gov/ipeds/institution-profile/209542.

[lxii] National Center for Education Statistics, "IPEDS Institution Profile: Portland State University," accessed August 5, 2026, https://nces.ed.gov/ipeds/institution-profile/209807.

[lxiii] National Center for Education Statistics, "IPEDS Institution Profile: Southern Oregon University," accessed August 5, 2026, https://nces.ed.gov/ipeds/institution-profile/210146.

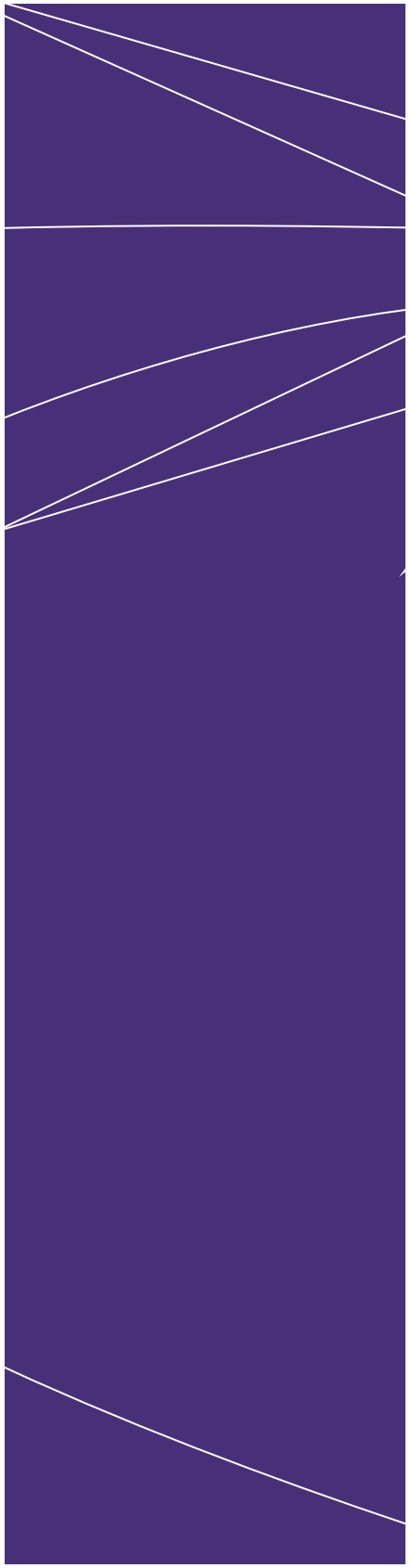
[lxiv] National Center for Education Statistics, "IPEDS Institution Profile: University of Oregon," accessed August 5, 2026, https://nces.ed.gov/ipeds/institution-profile/209551.

[lxv] National Center for Education Statistics, "IPEDS Institution Profile: Western Oregon University," accessed August 5, 2026, https://nces.ed.gov/ipeds/institution-profile/210429.

[lxvi] National Center for Education Statistics, "Percent of undergraduate students receiving Pell grants by sector of institution," filtered on Public Universities, Four-Year and Above, accessed August 5, 2026, https://nces.ed.gov/ipeds/trendgenerator/app/answer/8/35?sideid=1--1.

[lxvii] National Center for Education Statistics, "Number of degree-seeking undergraduate students enrolled in postsecondary institutions for the first time in the fall, by sector of institution and residence (in-state/out-of-state): 2024," accessed August 5, 2026, https://nces.ed.gov/ipeds/trendgenerator/app/build-table/11/150?sideid=1--1&cid=175&rid=1.

V.
RECOMMENDATIONS



The legislature created this governance structure—it can reform it. The burden of change must fall on those who made the decisions, not on essential workers and students.

Bring state funding of higher education to at least the national average, paired with stronger oversight.

Oregon has underfunded its public universities for decades. Closing that gap matters, but new dollars alone won't fix a governance structure that has already channeled millions in state and tuition revenue into administrative spending and compensation. The legislature should raise per-student state funding to at least the national average, and it should require every dollar of new funding to come paired with the following oversight measures. Funding without oversight repeats the last decade's mistake. Oversight without funding leaves students and workers to absorb the shortfall while protecting administrators.

Give HECC real oversight of administrative spending.

Require system-level review before universities commit to new administrative management FTE or large administrative contracts. HECC should set a maximum ratio of administrative staff to student FTE for each university, and any university that exceeds it should not receive approval for a tuition increase until staffing is brought back in line. To set and enforce this ratio, HECC needs workforce data it can trust. Salary reports were unavailable for Eastern Oregon, Oregon Tech, and Southern Oregon, and the SB 1520 reports diverge sharply from the salary data universities do publish. HECC should audit, standardize, and verify workforce reporting from every university on a consistent, responsive schedule.

Require legislative or HECC approval of presidential contracts and bonuses.

When students are paying more and workers are forced to barely get by, administrators should face more scrutiny. Presidential contracts and bonuses are commitments of public funds that should require public approval, not just a board vote.

Require Senate confirmation of university presidents.

Trustees are already Senate-confirmed. Presidents overseeing $2.4 billion in state funds and 21,000 workers should be too.

Freeze executive pay before cutting worker jobs or wages.

Bar institutions from eliminating positions or freezing worker wages while executive compensation increases. If there's no money for an essential worker's job or a COLA, there's no money for presidential raise, bonuses, or special stipends.

Require worker and student impact statements before major board decisions.

No board should approve new debt or capital projects without a public accounting of what it means for workers and students. Institutions in financial distress should not be taking on new debt.