

Summary – Major FY2021 E&G Fund Cost Drivers

Cost Driver	FY21 Cost	Notes
Faculty, Staff and GE Salary and Wages	\$11.6 million	E&G employee increases based on existing collective bargaining agreement for approximately 1,435 faculty, 660 classified staff, and 1,281 graduate employees. Also includes estimate for approximately 1,055 unrepresented staff. Figures are for employees paid with E&G funds only.
Medical Costs	\$2.5 million	Actual December 2019 increase of 6.5% due to new tax, and estimated next December 2020 increase of 3.5%.
Retirement Costs	(\$500K)	Includes savings on composition of retirement tiers and from pension bond debt rate reduction. Includes cost of new legislation adding PERS rates charges for UO employed retirees.
Institutional Expenses	\$1.5 million	Increases related to utilities, insurance, debt for academic buildings, assessments, and leases.
Strategic Investments	\$2.0 million	Allocated via strategic investment process.
Minimum Wage Increase	\$1.9 million	Increases per State of Oregon minimum wage increase to \$12.75/hr including associated OPE.
Total Projected Cost Increases	\$19.0 million	



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Cost Driver	FY20 Base	FY21 Cost Increase	FY21 % increase
Faculty, Staff and GE Salary and Wages	\$442.1 million	\$11.6 million	2.6%
Medical Costs	\$53.8 million	\$2.5 million	4.7%
Retirement Costs	\$59.5 million	(\$500K)	(0.8%)
Institutional Expenses	\$38.9 million	\$1.5 million	3.8%
Strategic Investments	\$564.1 million	\$2.0 million	0.3%
Minimum Wage Increase	\$442.1 million	\$1.9 million	0.4%
Totals	\$564.1 million	\$19.0 million	3.4%

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Cost Driver	FY19 Cost Increase	FY20 Cost Increase	FY21 Cost Increase
Faculty, Staff and GE Salary and Wages	\$10.8 million	\$10.6 million	\$11.6 million
Medical Costs	\$1.8 million	\$1.9 million	\$2.5 million
Retirement Costs	n/a	\$7.1 million	(\$500K)
Institutional Expenses	\$600K	\$1.0 million	\$1.5 million
Strategic Investments	\$2.0 million	\$2.0 million	\$2.0 million
Investments in Tenure Track Faculty	\$1.5 million	n/a	n/a
Minimum Wage Increase	n/a	\$1.0 million	\$1.9 million
Total Projected Cost Increases	\$16.7 million	\$23.6 million	\$19.0 million