

UNIVERSITY OF OREGON

2025 ANNUAL FINANCIAL REPORT



University of Oregon

2025 Annual Financial Report

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Founded in 1876 in Eugene, the University of Oregon (UO) is the state's flagship public research institution. The 295-acre campus includes two museums—the Jordan Schnitzer Museum of Art and the Museum of Natural and Cultural History—a network of cross-discipline research centers and institutes; degree-conferring programs such as the Phil and Penny Knight Campus for Accelerating Scientific Impact, the Ballmer Institute for Children's Behavioral Health, and the Division of Graduate Studies; and academic programs in eight degree-conferring schools and colleges: the College of Arts and Sciences, the College of Education, the Charles H. Lundquist College of Business, the Robert D. Clark Honors College, the College of Design, the School of Law, the School of Journalism and Communication, and the School of Music and Dance.

The UO is one of just 71 schools with membership in the prestigious Association of American Universities—and is the only member in Oregon. Within its schools and departments, the UO offers more than 300 academic programs, 77 undergraduate majors, and over 100 graduate and professional majors.

The Oregon Institute of Marine Biology (OIMB) in Charleston is a living classroom where undergraduate and graduate students studying biology, marine biology, general science, and environmental science work with marine organisms in their natural habitats.

Perched on a remote mountaintop 6,300 feet above sea level in central Oregon, the Pine Mountain Observatory is ideal for observing the high desert's night skies. The observatory, which is operated by the UO's Department of Physics, provides basic and advanced scientific research opportunities.

UO Portland's 19-acre campus includes numerous UO programs: seven UO research centers and 12 graduate and undergraduate academic programs, including undergraduates studying at the Ballmer Institute for Children's Behavioral Health. Students are working toward master's degrees in architecture, historic preservation, strategic communication, business administration, sports product management, and multimedia journalism, as well as Juris Doctor degrees. Fifth-year programs are offered in product design and digital arts, along with courses geared to continuing professional education.

The UO is also home to Matthew Knight Arena and Autzen Stadium, where it ostensibly “never rains.” Hayward Field is a world-class track and field facility. In addition to its storied football program and reputation as Track Town USA, university Ducks teams include men's baseball, basketball, cross country, golf, tennis, and indoor & outdoor track and field. Women's sports teams include acrobatics and tumbling, basketball, beach volleyball, cross country, golf, lacrosse, soccer, softball, tennis, indoor & outdoor track and field, and volleyball. Clubs devoted to sports include everything from alpine ski to wushu.



Mission

Serving students, the state, nation, and world since 1876

The University of Oregon is a comprehensive public research university committed to exceptional teaching, discovery, and service. We work at a human scale to generate big ideas. As a community of scholars, we help individuals question critically, think logically, reason effectively, communicate clearly, act creatively, and live ethically.

Purpose

We strive for excellence in teaching, research, artistic expression, and the generation, dissemination, preservation, and application of knowledge. We are devoted to educating the whole person, and to fostering the next generation of transformational leaders and informed participants in the global community. Through these pursuits, we enhance the social, cultural, physical, and economic wellbeing of our students, Oregon, the nation, and the world.

Vision

We aspire to be a preeminent and innovative public research university encompassing the humanities and arts, the natural and social sciences, and the professions. We seek to enrich the human condition through collaboration, teaching, mentoring, scholarship, experiential learning, creative inquiry, scientific discovery, outreach, and public service.

Values

We value the passions, aspirations, individuality, and success of the students, faculty, and staff who work and learn here. We value academic freedom, creative expression, and intellectual discourse. We value our diversity and seek to foster equity and inclusion in a welcoming, safe, and respectful community. We value the unique geography, history, and culture of Oregon that shapes our identity and spirit. We value our shared charge to steward resources sustainably and responsibly.



Notable UO Achievements

The UO welcomed 24,462 students in the fall of 2024. Of these, 20,626 were undergraduates. Among the freshman class, 51 percent were Oregonians and 23 percent were the first in their families to attend college.

Implementation of Oregon Rising, the university's new strategic plan, began in the fall of 2024 with continued progress over the course of the year. The four goals of the plan are to 1) Enhance Pathways to Timely Graduation, 2) Become a Leader in Career Preparation, 3) Create a Flourishing Community, and 4) Accelerate the University of Oregon's Impact on the World.

Construction progressed on the second building in the Phil and Penny Knight Campus for Accelerating Scientific Impact. The 184,000-square-foot, multi-story bioengineering and applied science research facility will double Knight Campus's capacity for research and development of new biomedical technologies with additional room for expanding academic programs, spin spaces to incubate new startup companies, and a state-of-the-art new biocharacterization core facility. The Knight Campus is made possible by an extraordinary \$500 million lead gift from Penny and Phil Knight in 2016, augmented with \$70 million in state bonds, and followed up with a second \$500 million gift from Penny and Phil Knight in 2021.

The Ballmer Institute for Children's Behavioral Health welcomed its first cohort of child behavioral health undergrads to UO Portland, where over the next two years they will gain specialized skills to support children's well-being and help address the shortage of trained professionals. The Institute was made possible by a transformational lead gift of more than \$424 million from Connie and Steve Ballmer of Ballmer Group Philanthropy in 2022.

In the summer of 2025, the Oregon Legislature approved \$53.25 million in bonds for a Child Behavioral Health Building on the UO Portland campus to support both the Ballmer Institute and the Prevention Science Institute, a multidisciplinary research institute located in Eugene and Portland that focuses on improving the lives and well-being of children, individuals, and families, preventing behavioral health problems, and implementing effective interventions in community settings.

The UO launched the Olympic Studies Hub, the only U.S. member of the International Olympic Committee's worldwide network of academic Olympic Studies and Research Centers, expanding teaching and research tied to the Olympic movement.

The university received \$153 million in grant awards in support of research and innovation. Notable new awards that will drive discovery include:

- The National Science Foundation (NSF) selected the UO as one of six new pilot sites for the National Quantum Virtual Laboratory with a \$1 million award to speed progress in quantum networks and applications.
- The National Institute of Mental Health awarded \$11 million over five years to create a national center for children's mental health at the UO's Prevention Science Institute, accelerating school-based prevention and workforce development in partnership with the Ballmer Institute for Children's Behavioral Health.
- The university secured a \$10M NIH RM1 award to study the social microbiome of zebrafish – investigating how the microbiomes of individual fish change based on the company they keep could have important implications for future studies of human microbiomes.

UO researchers led the Oregon Mass Timber Innovation Engine to semifinalist status in NSF's Regional Innovation Engines competition, positioning the state to translate forestry, manufacturing, and resilient construction research into jobs and housing solutions.

In its first year in the Big Ten Conference, UO won eight conference championships out of the 18 NCAA sports it participates in, including football, baseball, softball, men's and women's indoor track and field, women's cross country, men's outdoor track and field, and women's golf. That's the greatest number of championships in any academic year, in UO history, in any conference.

The 2024–25 fiscal year saw increases in total funds raised over the previous fiscal year. The UO received 55,531 gifts totaling \$283 million from 24,715 donors, including \$42 million for student support, \$13 million for faculty, \$161 million for program support, and \$67 million for capital and renovation projects. 67 percent of all donors were from Oregon and 34 percent of all donors were alumni.

Several new senior leaders joined the university. Kody Kelleher stepped into the role of university secretary after previously serving as the associate secretary for the University of Arizona; Angela Chong joined the UO as vice president for student life following her six years as the associate vice president for student affairs and dean of students at Florida State University; and Derek Kindle began his tenure as vice president for enrollment management after serving as the vice provost for enrollment management at the University of Wisconsin-Madison.

Report of Independent Auditors

Members of the Board of Trustees
University of Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities, fiduciary activities, and the discretely presented component unit of the University of Oregon ("UO"), a component unit of the State of Oregon, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise UO's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities, fiduciary activities, and the discretely presented component unit of the University of Oregon as of June 30, 2025 and 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the consolidated financial statements of the University of Oregon Foundation (the "Foundation"), which represent 100% of the assets, net assets, and revenues of the discretely presented component unit as of June 30, 2025 and 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States (*Government Auditing Standards*). The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of UO and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about UO's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of UO's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about UO's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 9 through 17, and the schedule of UO's proportionate share of net pension liability / (asset) – PERS, UO contributions – PERS, UO's Proportionate Share of Total and Net OPEB Liabilities / (Assets) – OPEB, and UO Contributions – OPEB on pages 58 through 59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Board of Trustees and Executive Officers and University Overview, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2025, on our consideration of UO's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of UO's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering UO's internal control over financial reporting and compliance.



Portland, Oregon
December 2, 2025

Management’s Discussion and Analysis
For the Year Ended June 30, 2025 (dollars in thousands)

Introduction

The following Management’s Discussion and Analysis (MD&A) provides an overview of the financial position and activities of the University of Oregon for the fiscal years ended June 30, 2025, 2024, and 2023. The UO’s primary campus is in Eugene, but programs are also offered in Portland, at the Oregon Institute of Marine Biology in Charleston, and at the Pine Mountain Observatory outside of Bend, all in the state of Oregon.

Annual Full Time Equivalent (FTE) Student Enrollment Summary

	2025	2024	2023	2022	2021
Annual FTE	24,523	23,720	22,959	22,036	21,753

Understanding the Financial Statements

The MD&A provides an objective analysis of the UO’s financial activities based on currently-known facts, decisions, and conditions. The MD&A discusses the current results in comparison to the two previous fiscal years. Unless otherwise stated, all years refer to the fiscal year ended June 30.

The MD&A is intended to foster a greater understanding of the UO’s financial activities. Since this presentation includes summarized formats, it should be read in conjunction with the financial statements, which have the following eight components:

The Report of Independent Auditors presents an unmodified opinion rendered by an independent certified public accounting firm, Baker Tilly US, LLP, on the fairness in presentation (in all material respects) of the financial statements.

Statement of Net Position (SNP) presents a snapshot of the UO’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position under the accrual basis of accounting at the end of each fiscal year presented. The SNP helps the reader understand the types and amounts of assets available to support operations, how much the UO owes to employees, vendors, and bondholders, and the UO’s net position categorized by its status as restricted or unrestricted. Changes in net position that occur over time indicate improvement or decline in the UO’s financial condition.

Statement of Revenues, Expenses, and Changes in Net Position (SRE) presents the UO’s revenues and expenses categorized among operating, nonoperating, and other related activities. The SRE reports the UO’s results for each fiscal year presented.

Statement of Cash Flows (SCF) provides information about the UO’s sources (receipts) and uses (payments) of cash during the fiscal year. The SCF classifies sources and uses of cash into four categories, and assists in determining whether the UO has the ability to generate future net cash flows to meet its obligations as they come due.

Statement of Fiduciary Net Position presents a snapshot of custodial funds’ assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position using the economic resources measurement focus. Activities that are reported as custodial consist of assets held by the UO for organizations that are outside of the university’s reporting entity.

Statement of Changes in Fiduciary Net Position presents additions to and deductions from custodial funds that are not derived from university revenues and are held for the benefit of the outside organizations.

Notes to the Financial Statements (Notes) provide additional information to clarify and expand on the financial statements.

The Component Unit, comprised of a supporting foundation, the University of Oregon Foundation, is discretely presented in the UO financial statements and in Note 2 Cash and Investments and Note 16 University Foundation.

Statement of Net Position

The term “Net Position” refers to the difference between (a) combined assets and deferred outflows of resources and (b) combined liabilities and deferred inflows of resources, and is an indicator of the UO’s current financial condition. Changes in net position that occur over time indicate improvement or decline in this condition.



Management's Discussion and Analysis

For the Year Ended June 30, 2025 (dollars in thousands)

The following summarizes the UO's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position:

Condensed Statement of Net Position

As of June 30,	2025	2024	2023
Assets			
Current Assets	\$ 441,791	\$ 407,904	\$ 352,477
Noncurrent Assets	336,110	360,455	364,917
Capital and ROU	2,534,198	2,376,542	2,279,170
Assets, Net			
Total Assets	3,312,099	3,144,901	2,996,564
Deferred Outflows of Resources	198,883	188,196	217,171
Liabilities			
Current Liabilities	288,592	280,538	248,335
Noncurrent Liabilities	1,314,851	1,282,833	1,285,154
Total Liabilities	1,603,443	1,563,371	1,533,489
Deferred Inflows of Resources	55,702	67,363	104,245
Net Investment in Capital Assets	1,614,200	1,423,710	1,361,064
Restricted - Expendable	123,668	184,304	118,753
Unrestricted	113,969	94,349	96,184
Total Net Position	\$ 1,851,837	\$ 1,702,363	\$ 1,576,001

Total Assets and Liabilities

Total assets increased \$167,198, or 5 percent, and **total liabilities** increased \$40,072, or 3 percent, during fiscal year 2025. Total assets increased \$148,337, or 5 percent, and total liabilities increased \$29,882, or 2 percent, during fiscal year 2024. On June 30, 2025, current assets exceed current liabilities.

Comparison of fiscal year 2025 to fiscal year 2024

- **Current assets** increased \$33,887, or 8 percent. Current cash and cash equivalents increased \$35,029, or 12 percent. Accounts receivable decreased \$4,344, or 4 percent, primarily due to federal, state and other government grants and contracts receivable. Prepaid expenses increased \$1,556, or 13 percent, partially due to a smaller FY2024 balance.
- **Noncurrent assets**, excluding capital assets, decreased \$24,345, or 7 percent. Noncurrent cash and cash equivalents (cash reserved for capital projects) decreased \$37,704, or 23 percent, due to funds being used for construction projects. Investments increased \$13,286, or 7 percent, primarily due to market fluctuations.

- **Capital assets, net** increased \$157,656, or 7 percent. Capitalized acquisitions and construction in progress, net of disposals and adjustments, included \$242,376 in real property and \$13,558 in personal property. Increases in real property through acquisitions or construction included \$18,492 for the UO Portland Innovation Center, \$9,935 for the UO Portland Campus Center, \$7,070 for the UO Portland Campus Highland Hall, \$7,047 for the UO Portland Library & Learning Center, and \$17,156 for other UO Portland Campus projects. Accumulated depreciation increased \$102,294, or 8 percent. See "Capital Assets" in this MD&A for additional information relating to these variances.
- **Current liabilities** increased \$8,054, or 3 percent, primarily due to an increase in accrued payroll related liabilities of \$4,897, or 8 percent, and an increase in current portion of long-term liabilities of \$2,963, or 5 percent, primarily due to leases payable.
- **Noncurrent liabilities** increased \$32,018, or 2 percent. Long-term liabilities, the primary component of Noncurrent Liabilities, decreased \$36,265, or 4 percent. This decrease was partially offset by a \$68,283, or 19 percent, increase in net pension & OPEB liabilities which resulted in the net \$32,018 increase. Refer to Note 9 Long-Term Liabilities for additional information relating to these variances.
- **Deferred outflows** increased \$10,687, or 6 percent. **Deferred inflows** decreased \$11,661, or 17 percent, both primarily due to the impact of annual adjustments related to Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27 and GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Refer to Notes 12. Employee Retirement Plans and 13. Other Post Employment Benefits, and the Required Supplementary Information for additional information.

Comparison of fiscal year 2024 to fiscal year 2023

- **Current assets** increased \$55,427, or 16 percent. Current cash and cash equivalents increased \$54,717, or 24 percent. Accounts receivable increased \$3,374, or 3 percent, primarily due to state bonds receivable. Prepaid expenses decreased \$4,224, or 26 percent, partially due to a larger FY2023 balance due to prepaid expenses.

Management's Discussion and Analysis

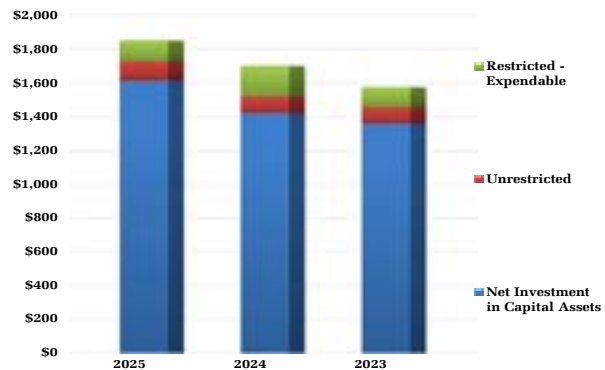
For the Year Ended June 30, 2025 (dollars in thousands)

- **Noncurrent assets**, excluding capital assets, decreased \$4,462, or 1 percent. Noncurrent cash and cash equivalents (cash reserved for capital projects) decreased \$18,025, or 10 percent, due to funds being used for construction projects. Investments increased \$8,009, or 5 percent, primarily due to market fluctuations.
- **Capital assets, net** increased \$97,372, or 4 percent. Capitalized acquisitions and construction in progress, net of disposals and adjustments, included \$176,543 in real property and \$6,561 in personal property. Increases in real property through acquisitions or construction included \$71,009 for Huestis Hall restoration, \$57,680 for Walton Replacement-East Building, \$52,872 for Yasui Hall, and \$19,287 for 1700 Millrace building. Accumulated depreciation increased \$93,013, or 8 percent. See "Capital Assets" in this MD&A for additional information relating to these variances.
- **Current liabilities** increased \$32,203, or 13 percent, primarily due to an increase in accounts payable and accrued liabilities of \$18,339, or 27 percent, primarily due to services & supplies, an increase in accrued payroll related liabilities of \$9,118, or 18 percent, and an increase in current portion of long-term liabilities of \$3,444, or 6 percent, primarily due to compensated absences liabilities.
- **Noncurrent liabilities** decreased \$2,321, or less than 1 percent. Long-term liabilities, the primary component of Noncurrent Liabilities, decreased \$35,616, or 4 percent. This decrease was partially offset by a \$33,295, or 10 percent, increase in net pension & OPEB liabilities which resulted in the net \$2,321 decrease. Refer to Note 9 Long-Term Liabilities for additional information relating to these variances.
- **Deferred outflows** decreased \$28,975, or 13 percent. **Deferred inflows** decreased \$36,882, or 35 percent, primarily due to the impact of annual adjustments related to Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27 and GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Refer to Notes 12. Employee Retirement Plans and 13. Other Post Employment Benefits, and the Required Supplementary Information for additional information.

Total Net Position

As illustrated by the following graph, the makeup of net position changed between fiscal years 2025, 2024, and 2023.

(in millions)



Comparison of fiscal year 2025 to fiscal year 2024

- **Net investment in capital assets** increased \$190,490, or 13 percent.
- **Restricted expendable net assets** decreased \$60,636, or 33 percent. Net position relating to the funding of capital projects decreased \$30,082, or 22 percent. Net position relating to Gifts, Grants, and Contracts decreased \$30,295, or 68 percent, primarily due to a decrease in Restricted Gifts.
- **Unrestricted net position** increased \$19,620, or 21 percent.

Comparison of fiscal year 2024 to fiscal year 2023

- **Net investment in capital assets** increased \$62,646, or 5 percent.
- **Restricted expendable net assets** increased \$65,551, or 55 percent. Net position relating to the funding of capital projects increased \$37,458, or 39 percent. Net position relating to Gifts, Grants, and Contracts increased \$28,004, or 168 percent.
- **Unrestricted net position** decreased \$1,835, or 2 percent.

Statement of Revenues, Expenses, and Changes in Net Position (SRE)

State general fund appropriations, nonexchange grants, and noncapital gifts, although considered nonoperating revenue under GASB Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities—an amendment of GASB Statement No. 34* and reflected

Management's Discussion and Analysis

For the Year Ended June 30, 2025 (dollars in thousands)

accordingly in the nonoperating section of the SRE, are used solely for operating purposes. However, due to the classification of these revenues as nonoperating, the UO shows a net operating loss. The following summarizes the revenue and expense activity of the UO.

Condensed Statement of Revenues, Expenses, and Changes in Net Position

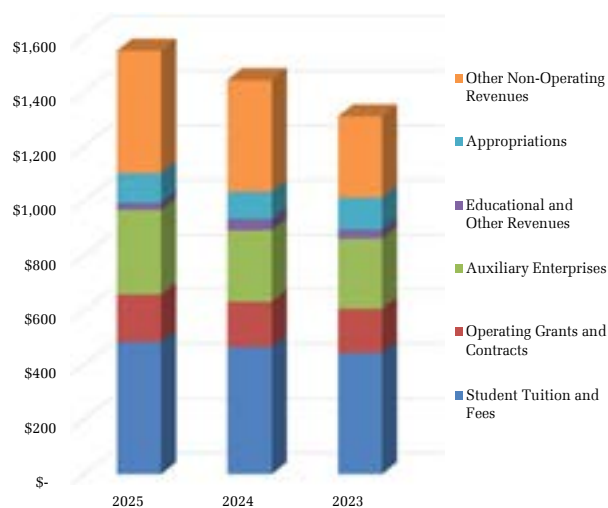
For the Year Ended June 30,	2025	2024	2023
Operating Revenues	\$ 995,126	\$ 935,628	\$ 897,121
Operating Expenses	1,375,824	1,286,083	1,128,040
Operating Loss	(380,698)	(350,455)	(230,919)
Nonoperating Revenues, Net of Expenses	321,208	320,434	280,090
Capital Additions	208,964	156,383	100,321
Increase (Decrease) in Net Position	149,474	126,362	149,492
Net Position, Beginning of Year	1,702,363	1,576,001	1,426,509
Net Position, End of Year	\$ 1,851,837	\$ 1,702,363	\$ 1,576,001

For fiscal year 2025, net position increased \$149,474, or 9 percent, to \$1,851,837. For fiscal year 2024, net position increased \$126,362, or 8 percent, to \$1,702,363.

Total Operating and Nonoperating Revenues

For the Year Ended June 30,	2025	2024	2023
Student Tuition and Fees, Net	\$ 485,758	\$ 466,632	\$ 445,729
Grants and Contracts	173,154	165,208	160,418
Auxiliary Enterprises, Net	309,681	261,535	257,235
Educational and Other	26,533	42,253	33,739
Total Operating Revenues	995,126	935,628	897,121
Appropriations	108,329	99,978	117,421
Financial Aid Grants	56,576	47,888	38,925
Investment Activity	52,037	46,802	27,035
Gain on Sale of Assets, Net	1,468	118	85
Capital Grants and Gifts	207,015	154,434	98,372
Other Nonoperating Items	132,350	159,430	132,054
Total Nonoperating Revenues	557,775	508,650	413,892
Total Revenues	\$ 1,552,901	\$ 1,444,278	\$ 1,311,013

Total Operating and Nonoperating Revenues (in millions)



Revenues

Operating Revenues

Operating revenues increased \$59,498, or 6 percent, to \$995,126 in fiscal year 2025 as compared to fiscal year 2024. **Operating revenues** increased \$38,507, or 4 percent, to \$935,628 in fiscal year 2024 as compared to fiscal year 2023.

Comparison of fiscal year 2025 to fiscal year 2024

- **Student tuition and fees net of allowances** increased \$19,126, or 4 percent. Gross undergraduate tuition increased \$32,605, or 7 percent. Graduate tuition increased \$872, or 1 percent. Global Education Oregon (GEO) Study Abroad programs increased \$1,860, or 13 percent. Law tuition increased \$148, or 1 percent. Other student fees increased \$694, or 3 percent. Fiscal year 2025 included a \$17,053, or 14 percent, increase in allowances.
- **Total grants and contracts (federal, state and local, and nongovernmental)** increased \$7,946, or 5 percent. Federal grants and contracts increased \$5,839, or 5 percent. State and local grants and contracts increased \$182, or 3 percent, and nongovernmental grants and contracts increased \$1,925, or 6 percent.
- **Auxiliary enterprises** revenues increased \$48,146, or 18 percent, primarily due to an increase in intercollegiate athletic revenue.
- **Educational and other revenues** decreased \$15,720, or 37 percent, primarily due to timing differences related to payroll deductions.

Comparison of fiscal year 2024 to fiscal year 2023

- **Student tuition and fees net of allowances** increased \$20,903, or 5 percent. Gross undergraduate tuition increased \$22,004, or 5 percent. Graduate tuition increased \$3,327, or 5 percent. Global Education Oregon (GEO) Study Abroad programs increased \$1,475, or 11 percent. Law tuition increased \$332, or 1 percent. Other student fees increased \$1,372, or 7 percent. Fiscal year 2024 included a \$7,607, or 7 percent, increase in allowances.
- **Total grants and contracts (federal, state and local, and nongovernmental)** increased \$4,790, or 3 percent. Federal grants and contracts increased \$2,473, or 2 percent. State and local grants and contracts decreased \$1,265, or 15 percent, and nongovernmental grants and contracts increased \$3,582, or 13 percent.
- **Auxiliary enterprises** revenues increased \$4,300, or 2 percent.
- **Educational and other revenues** increased \$8,514, or 25 percent.

Nonoperating Revenues

Comparison of fiscal year 2025 to fiscal year 2024

- **Government Appropriations** increased \$8,351, or 9 percent. See Note 10. Government Appropriations for additional information.
- **Investment Activity** increased \$5,235, or 11 percent.
- **Gifts and Other nonoperating items** decreased \$27,080, or 17 percent, primarily due to decrease in operating gifts.
- **Capital grants and gifts** increased \$52,581, or 34 percent.

Comparison of fiscal year 2024 to fiscal year 2023

- **Government Appropriations** decreased \$17,443, or 15 percent. 2023 included one time appropriations of \$15,000 for the state’s 25% match of the PERS side account, and \$10,143 for the Knight Campus.
- **Investment Activity** increased \$19,767, or 73 percent, primarily due to a higher interest rate environment.
- **Gifts and Other nonoperating items** increased \$27,376, or 21 percent, primarily due to gifts to athletics.
- **Capital grants and gifts** increased \$56,062, or 57 percent.

Expenses

Operating Expenses

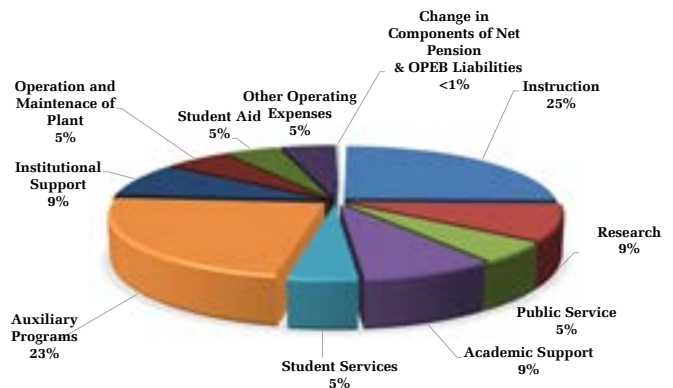
Operating expenses increased \$89,741, or 7 percent, to \$1,375,824 in fiscal year 2025 as compared to fiscal year 2024. The increase is due to a \$23,538 increase in change in components of net pension & OPEB liabilities, a \$21,989 increase in instruction, a \$18,746 increase in auxiliary programs, a \$6,478 increase in student aid, a \$7,067 increase in research, and a \$5,121 increase in operation and maintenance of plant. Most other expense categories showed small increases.

Operating expenses increased \$158,043, or 14 percent, to \$1,286,083 in fiscal year 2024 as compared to fiscal year 2023. The increase is due to a \$29,683 increase in auxiliary programs, a \$26,554 increase in instruction, a \$16,852 increase in institutional support, a \$27,163 increase in change in components of net pension & OPEB liabilities, and an \$18,665 increase in other operating expenses. Most other expense categories showed small increases.

Operating Expense by Function

For the Year Ended June 30,	2025	2024	2023
Instruction	\$ 332,659	\$ 310,670	\$ 284,116
Research	125,478	118,411	105,601
Public Service	68,370	64,689	64,426
Academic Support	112,718	109,041	98,675
Student Services	59,820	61,042	54,357
Auxiliary Programs	312,363	293,617	263,934
Institutional Support	115,083	112,976	96,124
Operation and Maintenance of Plant	72,851	67,730	64,203
Student Aid	62,735	56,257	50,782
Other Operating Expenses	69,897	71,338	52,673
Change in Pension Liability, Net	43,850	20,312	(6,851)
Total Operating Expenses	\$ 1,375,824	\$ 1,286,083	\$ 1,128,040

2025 Operating Expense by Function



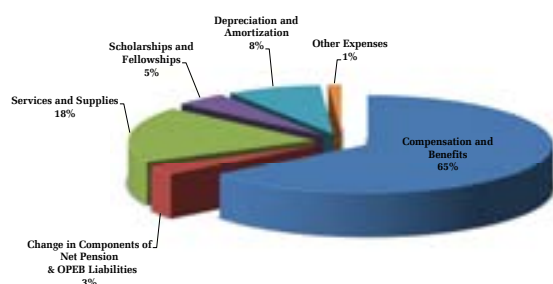
Management's Discussion and Analysis

For the Year Ended June 30, 2025 (dollars in thousands)

Operating Expenses by Natural Classification

For the Year Ended June 30,	2025	2024	2023
Compensation and Benefits	\$ 887,884	\$ 838,866	\$ 755,411
Change in Components of Net Pension & OPEB Liabilities	43,850	20,312	(6,851)
Services and Supplies	253,676	250,769	215,647
Scholarships and Fellowships	62,040	55,896	49,996
Depreciation and Amortization	112,667	106,138	100,997
Other Expenses	15,707	14,102	12,840
Total Operating Expenses	\$ 1,375,824	\$ 1,286,083	\$ 1,128,040

2025 Operating Expenses by Natural Classification



Comparison of fiscal year 2025 to fiscal year 2024

- **Compensation and benefits** costs increased \$49,018, or 6 percent, due to increased salaries and wages (approximately \$39,840, or 8 percent), partially due to cost-of-living adjustments and increased FTE. Benefits including retirement contributions and health insurance premiums increased \$9,177, or 3 percent.
- **Change in components of net pension & OPEB liabilities** increased \$23,538, or 116 percent, primarily due to the impact of state pension obligations.
- **Services and supplies** expense increased \$2,907, or 1 percent.

- **Scholarships and fellowships** expenses increased \$6,144, or 11 percent. This expense category does not include fee remissions, which are reported as allowances to student tuition and fee revenues.
- **Depreciation and amortization** increased \$6,529, or 6 percent, due to the impact of new assets placed in service in fiscal year 2025.

Comparison of fiscal year 2024 to fiscal year 2023

- **Compensation and benefits** costs increased \$83,455, or 11 percent, due to increased salaries and wages \$45,294, or 10 percent, partially due to cost-of-living adjustments and increased FTE. Benefits including retirement contributions and health insurance premiums increased (approximately \$38,161, or 12 percent).
- **Change in components of net pension & OPEB liabilities** increased \$27,163, or 396 percent, primarily due to the impact of state pension obligations.
- **Services and supplies** expense increased \$35,122, or 16 percent. \$9,877 was related to increased fees and services, \$9,786 to increased supplies expense, and \$9,338 to increased maintenance and repairs expense. These increases were partially offset by increases in internal sales and decreases in resale items expense.
- **Scholarships and fellowships** expenses increased \$5,900, or 12 percent. This expense category does not include fee remissions, which are reported as allowances to student tuition and fee revenues.
- **Depreciation and amortization** increased \$5,141, or 5 percent, due to the impact of new assets placed in service in fiscal year 2024.



Management’s Discussion and Analysis
For the Year Ended June 30, 2025 (dollars in thousands)

Nonoperating Expenses

Comparison of fiscal year 2025 to fiscal year 2024

- **Interest Expense** decreased \$4,230, or 13 percent.

Comparison of fiscal year 2024 to fiscal year 2023

- **Interest Expense** decreased \$1,648, or 5 percent.

Capital Assets and Related
Financing Activities

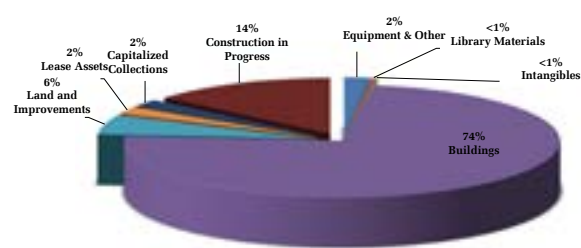
Capital Assets

On June 30, 2025, the UO had \$3,920,206 in capital assets, less accumulated depreciation of \$1,386,008, for net capital assets of \$2,534,198. During fiscal year 2025, \$85,218 in construction projects were completed and placed into service, compared to \$257,425 in fiscal year 2024. The UO is committed to a comprehensive program of capital investment and facility maintenance that includes addressing current maintenance needs and minimizing the UO’s deferred maintenance backlog. State, federal, philanthropic, debt, and internal UO funding were all used to accomplish the UO’s capital objectives.

Changes to Capital Assets

For the Year Ended June 30,	2025	2024	2023
Capital Assets, Beginning of Year	\$3,660,256	\$3,469,871	\$3,300,880
Add: Purchases/Construction	275,786	205,975	175,962
Less: Retirements/Disposals/Adjustments	(15,836)	(15,590)	(6,971)
Total Capital Assets, End of Year	3,920,206	3,660,256	3,469,871
Accum. Depreciation, Beginning of Year	(1,283,714)	(1,190,701)	(1,096,471)
Add: Depreciation Expense	(112,667)	(106,138)	(100,997)
Less: Retirements/Disposals/Adjustments	10,373	13,125	6,767
Total Accum. Depreciation, End of Year	(1,386,008)	1,283,714	1,190,701
Total Capital Assets, Net, End of Year	\$2,534,198	\$2,376,542	\$2,279,170

2025 Capital Assets, Net



Capital additions, including construction in progress, totaled \$275,786 for fiscal year 2025, \$205,975 for fiscal year 2024, and \$175,962 for fiscal year 2023.

Accumulated depreciation on June 30, 2025, increased \$102,294 or 8 percent, which represented \$112,667 in depreciation and amortization expense offset by \$10,373 in asset retirements and adjustments. Accumulated depreciation on June 30, 2024, increased \$93,013 or 8 percent, which represented \$106,138 in depreciation and amortization expense offset by \$13,125 in asset retirements and adjustments.

See Note 5. Capital Assets for additional information.

Capital Commitments

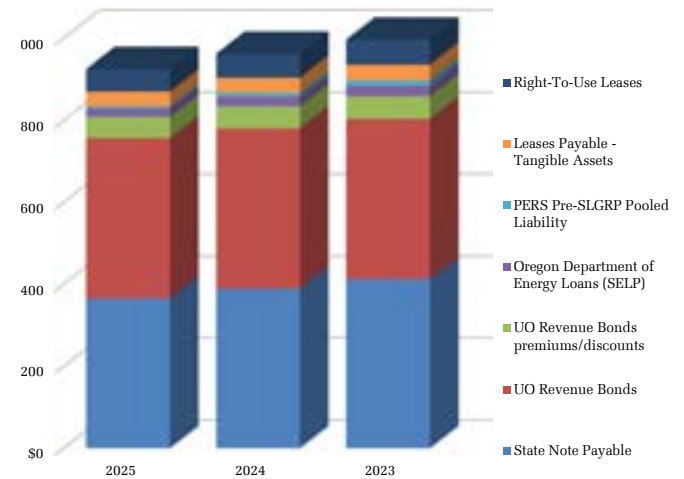
See Note 15. Commitments and Contingent Liabilities for additional information relating to capital construction commitments.

Debt Administration

No new revenue bonds were issued in fiscal year 2025 or 2024.

Long-Term Debt

(in millions).



See Note 9. Long-Term Liabilities for additional information.

Management's Discussion and Analysis

For the Year Ended June 30, 2025 (dollars in thousands)

Economic Outlook

Funding for the major activities of the University of Oregon comes from various sources, including tuition and fees, financial aid programs, state appropriations, grants, private and government contracts, donor gifts, and investment earnings. Revenues are also generated through the recovery of costs associated with federal grants and contract activities, which serve to offset related administrative and facilities costs.

During Oregon's 2025 legislative session, state lawmakers provided an incremental increase in support for public university operations. The Public University Support Fund (PUSF) increased by \$69 million to \$1.069 billion for 2025–27, a 6.8 percent biennial increase that translates to approximately 2.8 percent in additional state funding in FY 2026 compared to FY 2025. PUSF funds are distributed among the state's seven (7) public universities through a funding formula adopted by the Higher Education Coordinating Commission. Lawmakers also maintained funding for key state financial aid programs at current service levels, including the Oregon Opportunity Grant and Oregon Tribal Student Grant.^[1]

In addition to setting biennial funding levels for university operating budgets and student financial aid, the state legislature also made investments through state-paid bonds to maintain and modernize facilities across campuses. Public universities collectively received \$120.0 million to support deferred maintenance, and the University of Oregon was allocated \$53.3 million to construct a new Child Behavioral Health Building on its Portland campus, which will house the Ballmer Institute for Children's Behavioral Health and the Prevention Science Institute.^[2]

Oregon's economy slowed in the first half of 2025, with job growth turning negative year-over-year and unemployment drifting up to roughly 5.0 percent, slightly above the U.S. average. In the state's September 2025 quarterly economic forecast, state economists at the Office of Economic Analysis (OEA) projected conditions to remain soft into late 2025 before improving in 2026–27, assigning a 57 percent probability to the baseline (non-recession) outlook and a 27 percent probability to downside scenarios.^[3]

Projected state General Fund revenues for 2025–27 reflect a mixed picture. A cooler labor market is weighing on wage-based income taxes, while strong equity markets support capital-gains-related receipts. The most significant change comes from the passage of House Resolution 1 at the federal

level, signed into law in July of 2025. Oregon's Legislative Revenue Office forecasts a \$888 million total revenue loss over the 2025–27 biennium due to automatic replication of federal tax code changes due to the passage of H.R. 1. However, partially improved assumptions—particularly around capital gains—offset some of that damage, resulting in a net reduction in projected General Fund revenues of about \$621 million compared to the May forecast. When factoring in beginning balances and transfers, total net available resources decline by approximately \$846 million, turning a modest projected surplus into a biennial 2025-27 deficit of roughly \$373 million.^{[3] [4]}

Despite the softer outlook, Oregon's reserve posture remains solid. OEA projects the Education Stability Fund to end 2025–27 at \$1.261 billion and the Oregon Rainy Day Fund at \$2.158 billion, for combined reserves of \$3.419 billion—about 9.8% of forecasted General Fund revenues—levels OEA characterizes as likely sufficient to weather a potential downturn given that a mild to moderate recession is the most likely pessimistic scenario. Although reserve balances do not directly support universities, they reflect the state's capacity to maintain commitments like the PUSF during downturns.^[3]

Looking further ahead, Oregon's population is expected to grow slowly—about 0.4% annually through 2035—entirely dependent on net in-migration as deaths now outnumber births in the state. The K–12 population (ages 5–17) is projected to decline about 1.3% per year over the forecast horizon, which could gradually reduce the in-state pool of college-age students absent offsetting strategies.^[3]

The University of Oregon remains committed to upholding the value of institutional governance, state financial investment, and inter-institutional collaboration. The university will continue to work to ensure its long-term financial health, allowing the institution to carry out its core mission of providing affordable and excellent education for all students.

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1. <https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureAnalysisDocument/93400>
 2. <https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureAnalysisDocument/93853>
 3. <https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0925.pdf>
 4. https://www.oregonlegislature.gov/lro/Documents/R3_25%20HR%201%20Title%20VII%20Revenue%20Impacts.pdf

Statements of Net Position

As of June 30,	University	
	2025	2024
ASSETS	(In thousands)	
Current Assets		
Cash and Cash Equivalents	\$ 316,161	\$ 281,132
Collateral from Securities Lending	794	337
Accounts Receivable, Net (Note 3)	103,970	108,314
Lease Receivable	1,097	1,240
Notes Receivable, Net	1,819	488
Inventories	4,634	4,633
Prepaid Expenses	13,316	11,760
Total Current Assets	441,791	407,904
Noncurrent Assets		
Cash and Cash Equivalents	128,244	165,948
Investments	190,688	177,402
Lease Receivable	8,204	8,467
Net OPEB Asset	8,974	8,638
Non-Depreciable Capital Assets	491,156	321,740
Capital Assets, Net of Accumulated Depreciation	1,989,468	1,996,773
Right-of-Use Assets, Net of Accumulated Amortization	53,574	58,029
Total Noncurrent Assets	2,870,308	2,736,997
Total Assets	3,312,099	3,144,901
Deferred Outflows of Resources	198,883	188,196
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Liabilities	83,086	86,111
Accrued Payroll Related Liabilities	65,605	60,708
Deposits	3,037	3,055
Obligations Under Securities Lending	794	337
Current Portion of Long-Term Liabilities	68,807	65,844
Unearned Revenues	67,263	64,483
Total Current Liabilities	288,592	280,538
Noncurrent Liabilities		
Long-Term Liabilities	894,955	931,220
Net Pension & OPEB Liabilities	419,896	351,613
Total Noncurrent Liabilities	1,314,851	1,282,833
Total Liabilities	1,603,443	1,563,371
Deferred Inflows of Resources	55,702	67,363
NET POSITION		
Net Investment in Capital Assets	1,614,200	1,423,710
Restricted For:		
Expendable:		
Gifts, Grants and Contracts	14,371	44,666
Student Loans	5,526	5,785
Capital Projects	103,771	133,853
Unrestricted	113,969	94,349
Total Net Position	\$ 1,851,837	\$ 1,702,363

The accompanying notes are an integral part of these financial statements.

Statements of Financial Position

As of June 30,	UO Foundation	
	2025	2024*
	(In thousands)	
Assets		
Cash and Cash Equivalents	\$ 146,643	\$ 121,435
Contributions, Pledges, and Grants Receivable, Net	86,794	138,040
Investments (Note 2)	2,835,773	2,558,152
Other Assets	31,809	19,853
Capital Lease Receivable, Net	34,396	35,437
Property and Equipment, Net	26,275	26,275
Construction in Progress	81,259	12,875
Software in Progress	-	5,391
Right-of-Use Assets, Net	2,532	2,805
Total Assets	3,245,481	2,920,263
Liabilities		
Accounts Payable and Accrued Liabilities	27,958	9,041
Accounts Payable to University	3,080	2,757
Lease Liability	2,605	2,861
Deferred Revenue	84	449
Obligations to Beneficiaries of Split-Interest Agreements	46,622	42,467
Deposits Held in Custody	132,065	123,072
Long-Term Liabilities	35,955	37,472
Total Liabilities	248,369	218,119
Net Assets		
Without Donor Restrictions	66,671	52,191
With Donor Restriction		
Restricted by Purpose	1,172,673	926,660
Restricted by Time	620,583	612,242
Restricted in Perpetuity	1,137,185	1,111,051
Total Net Assets	2,997,112	2,702,144
Total Liabilities & Net Assets	\$ 3,245,481	\$ 2,920,263

The accompanying notes are an integral part of these financial statements.

*Corrected. See note 16 and UO Foundation's Report Note 2 for details. uofoundation.org



Statements of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30,	University	
	2025	2024
OPERATING REVENUES	(In thousands)	
Student Tuition and Fees (Net of Allowances of \$139,295 and \$122,242, respectively)	\$ 485,758	\$ 466,632
Federal Grants and Contracts	132,179	126,340
State and Local Grants and Contracts	7,145	6,963
Nongovernmental Grants and Contracts	33,830	31,905
Educational Departments Sales and Services	19,114	17,082
Auxiliary Enterprises Revenues (Net of Allowances of \$14,677 and \$12,302 respectively)	309,681	261,535
Other Operating Revenues	7,419	25,171
Total Operating Revenues	995,126	935,628
OPERATING EXPENSES		
Compensation and Benefits	887,884	838,866
Change in Components of Net Pension & OPEB Liabilities	43,850	20,312
Services and Supplies	253,676	250,769
Scholarships and Fellowships	62,040	55,896
Depreciation and Amortization	112,667	106,138
Other Expenses	15,707	14,102
Total Operating Expenses	1,375,824	1,286,083
Operating Loss	(380,698)	(350,455)
NONOPERATING REVENUES (EXPENSES)		
Government Appropriations	106,380	98,029
Financial Aid Grants	56,576	47,888
Investment Activity	52,037	46,802
Gain on Sale of Assets, Net	1,468	118
Interest Expense	(27,603)	(31,833)
Gifts and Other Nonoperating Items	132,350	159,430
Net Nonoperating Revenues	321,208	320,434
Gain (Loss) Before Net Capital Additions	(59,490)	(30,021)
CAPITAL ADDITIONS		
Debt Service Appropriations	1,949	1,949
Capital Grants and Gifts	207,015	154,434
Net Capital Additions	208,964	156,383
Increase In Net Position	149,474	126,362
NET POSITION		
Beginning Balance	1,702,363	1,576,001
Ending Balance	\$ 1,851,837	\$ 1,702,363

The accompanying notes are an integral part of these financial statements.

Statements of Activities

UO Foundation

	For The Year Ended June 30, 2025			For The Year Ended June 30, 2024*		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue	(In thousands)					
Contributions	\$ 427	\$ 291,753	\$292,180	\$ 4,135	\$ 202,561	\$ 206,696
Investments						
Fair Value Increase (Decrease)	7,131	226,063	233,194	6,846	164,895	171,741
Investment Income	8,541	30,671	39,212	8,336	47,101	55,437
Investment Fees and Direct Expenses	(248)	(21,560)	(21,808)	(270)	(14,343)	(14,613)
Total Investments	15,424	235,174	250,598	14,912	197,653	212,565
Administrative Assessments	19,684	(18,045)	1,639	16,008	(14,556)	1,452
Net revaluation of Split-interest Agreements	-	10,239	10,239	-	7,337	7,337
Other Revenues	230	1,643	1,873	(4,129)	4,954	825
Net Assets Released From Restriction	238,819	(238,819)	-	259,399	(259,399)	-
Total Revenue, Gains, and Other Support	274,584	281,945	556,529	290,325	138,550	428,875
Expenses						
University Support						
Student Scholarships	21,999	-	21,999	17,479	-	17,479
Faculty	15,530	-	15,530	17,331	-	17,331
Research	59,347	-	59,347	53,349	-	53,349
Other Student, Academic and Operational Support	47,609	-	47,609	89,824	-	89,824
Total Student, Academic, and Operational Support	144,485	-	144,485	177,983	-	177,983
University Advancement	8,992	-	8,992	10,350	-	10,350
Facilities and Equipment	96,568	-	96,568	85,517	-	85,517
Total University Support	250,045	-	250,045	273,850	-	273,850
Foundation Administration	10,059	-	10,059	9,923	-	9,923
Total Expenses	260,104	-	260,104	283,773	-	283,773
Provision for Uncollectible Pledges Receivable	-	(1,457)	(1,457)	-	(4,027)	(4,027)
Increase in Net Assets	14,480	280,488	294,968	6,552	134,523	141,075
Net Assets at Beginning of Year	52,191	2,649,953	2,702,144	45,639	2,515,430	2,561,069
Net Assets at June 30, 2024	\$ 66,671	\$ 2,930,441	\$ 2,997,112	\$ 52,191	\$ 2,649,953	\$ 2,702,144

The accompanying notes are an integral part of these financial statements.

*Corrected. See note 16 and UO Foundation's Report Note 2 for details. uofoundation.org

Statements of Cash Flows

For the Years Ended June 30,	University	
	2025	2024
	(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and Fees	\$ 486,528	\$ 466,866
Grants and Contracts	180,746	162,591
Educational Departments Sales and Services	19,408	16,796
Auxiliary Enterprises Operations	314,147	261,633
Payments to Employees for Compensation and Benefits	(890,338)	(826,162)
Payments to Suppliers	(274,982)	(238,824)
Student Financial Aid	(62,040)	(55,896)
Other Operating Receipts (Payments)	(11)	24,531
Net Cash Used by Operating Activities	(226,542)	(188,465)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Government Appropriations	106,380	98,029
Financial Aid Grants	56,576	47,888
Other Gifts and Private Contracts	132,350	159,430
Net Agency Fund (Payments)	7,007	(3,116)
Net Cash Provided by Noncapital Financing Activities	302,313	302,231
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Debt Service Appropriations	1,949	1,949
Capital Grants and Gifts	207,015	148,491
Disposal of Capital Assets	6,931	2,583
Purchases of Capital Assets	(265,713)	(193,060)
Net Change in Capital Leases	406	(5,834)
Interest Payments on Capital Debt & Leases	(28,435)	(32,018)
Principal Payments on Capital Debt & Leases	(41,557)	(36,852)
Net Cash Provided (Used) by Capital and Related Financing Activities	(119,404)	(114,741)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sales and Maturities of Investments	10	-
Earnings on Investments and Cash Balances	40,948	37,667
Net Cash Provided (Used) by Investing Activities	40,958	37,667
Net Increase (Decrease) in Cash and Cash Equivalents	(2,675)	36,692
CASH AND CASH EQUIVALENTS		
Beginning Balance	447,080	410,388
Ending Balance	\$ 444,405	\$ 447,080

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows—Continued

	University	
For the Years Ended June 30,	2025	2024
	(In thousands)	
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Loss	\$ (380,698)	\$ (350,455)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:		
Depreciation Expense	112,667	106,138
Changes in Assets and Liabilities:		
Accounts Receivable	4,343	(3,373)
Notes Receivable	(1,331)	81
Inventories	(1)	(689)
Prepaid Expenses	(1,556)	4,224
Change in Deferred Outflows	134	99
Change in Components of Net Pension & OPEB Liabilities	43,850	20,312
Accounts Payable and Accrued Liabilities	(6,307)	34,776
Long-Term Liabilities	(424)	(484)
Unearned Revenue	2,782	906
Net Cash Used by Operating Activities	\$ (226,542)	\$ (188,465)
NONCASH INVESTING, NONCAPITAL FINANCING, AND CAPITAL AND RELATED FINANCING TRANSACTIONS		
Capital Assets Acquired by Incurring Lease Obligations	\$ 8,089	\$ 10,861
Capital Assets Acquired by Gifts	-	5,943
Increase in Fair Value of Investments Recognized as a Component of Investment Activity	11,089	7,391
Forward Currency Exchange Contracts Gain	-	99

The accompanying notes are an integral part of these financial statements.



Statements of Fiduciary Net Position

As of June 30,	University	
	2025	2024
	(In thousands)	
ASSETS		
Cash and Cash Equivalents	\$ 4,720	\$ 5,017
Receivables	770	746
Prepaid Expense	2	1
Total Assets	5,492	5,764
LIABILITIES		
Distributions Payable	2,758	3,512
Deposits	3	31
Total Liabilities	2,761	3,543
NET POSITION		
Restricted for Individuals, Organizations, & Other Governments	2,731	2,221
Total Net Position	\$ 2,731	\$ 2,221

Statements of Changes in Fiduciary Net Position

For the Year Ended June 30,	University	
	2025	2024
	(In thousands)	
ADDITIONS		
Gifts, Grants and Contracts	\$ 185,355	\$ 175,436
Sales and Services Revenue	2,228	1,784
Other Revenue	740	208
Total Additions	188,323	177,428
DEDUCTIONS		
Supplies	633	539
Travel	666	783
Other Deductions	1,110	1,172
Student Aid	49	5
Student Loan Expense	185,355	175,436
Total Deductions	187,813	177,935
Net Increase (Decrease) in Fiduciary Net Position	510	(507)
NET POSITION		
Beginning Balance	2,221	2,728
Ending Balance	\$ 2,731	\$ 2,221

The accompanying notes are an integral part of these financial statements.

1. Organization and Summary of Significant Accounting Policies

A. Reporting Entity

The UO financial reporting entity consists of the university itself and one university foundation (UO Foundation), which is reported as a discretely presented component unit in the UO Financial Statements. See Note 16. University Foundation for additional information relating to this component unit. Organizations that are not financially accountable to the UO, such as booster and alumni organizations, are not included in the reporting entity.

Previously a member institution of the Oregon University System (OUS), the UO became an independent public entity, with statewide purposes and missions, effective July 1, 2014. The UO has separate legal standing and possesses the corporate powers that distinguish it as being legally separate from the State of Oregon. The UO is included as a discretely presented component unit in the Annual Comprehensive Financial Report issued by the state starting with the fiscal year 2015 financial report.

The University of Oregon Board of Trustees (BOT) is the UO's governing body. The broad responsibilities of this 15-member group are to supervise, coordinate, manage, and regulate the UO, as provided by state statute. The trustees may exercise all powers, rights, duties, and privileges expressly granted by law, or that are incidental to their responsibilities. The membership of the BOT is established by law. With the exception of the UO president, the trustees are appointed by the state governor and are subject to confirmation by the state senate in the manner prescribed by law.

B. Financial Statement Presentation

The UO financial accounting records are maintained in accordance with US Generally Accepted Accounting Principles (GAAP) as prescribed in applicable pronouncements of the Governmental Accounting Standards Board (GASB). The financial statement presentation required by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – an amendment of GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and modified by GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, provides a comprehensive, entity-wide perspective of university assets, deferred outflows of resources, liabilities,

deferred inflows of resources, net position, revenues, expenses, changes in net position, and cash flows.

In preparing the financial statements, significant interfund transactions and balances between university funds have been eliminated. Unless otherwise stated, dollars are presented in thousands.

Financial statements of the UO Foundation are presented in accordance with GAAP prescribed by the Financial Accounting Standards Board (FASB). As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the foundation's financial information in the university's financial reporting entity for these differences.

Newly Implemented Accounting Standards

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously-required disclosures. The requirements of this Statement are effective for the fiscal year ending June 30, 2025. The adoption of GASB Statement No. 101 did not have a material impact on the UO financial statements.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with information about risks related to vulnerabilities due to certain concentrations or constraints that are essential to their analysis for making decisions or assessing accountability. The primary impact to the UO is an increased level of transparency and accountability in financial reporting. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

Upcoming Accounting Standards

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues (identified through pre-agenda research conducted by the GASB). The requirements of this Statement are effective for

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

fiscal years beginning after June 15, 2025. The UO is still analyzing GASB Statement No. 103 and related guidance to determine what impact implementation may have on the financial statements.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. The purpose of GASB Statement No. 104 is to enhance transparency and accountability by requiring specific disclosures about certain capital assets, including lease assets, intangible right-to-use assets, subscription assets, and other intangible assets, as well as capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The UO is still analyzing GASB Statement No. 104 and related guidance to determine what impact implementation may have on the financial statements.

C. Basis of Accounting

For financial reporting purposes, the UO is considered a special-purpose government engaged only in business-type activities. Accordingly, the UO financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when incurred.

D. Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less. Cash and cash equivalents consist of cash and investments held by the UO and cash held in the Oregon Short Term Fund (OSTF).

Cash and cash equivalents restricted for capital construction are classified as noncurrent assets in the SNP.

E. Investments

Investments are reported at fair value as determined by market prices. Unrealized gains or losses on investments are reported as investment activity in the SRE.

Investments are classified as noncurrent assets in the SNP. The UO's intent and practice with these accounts is to leave them invested for longer than one year.

Various inputs are used in determining the fair value of investments. These inputs to valuation techniques

are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

Level 1 - unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each fund has the ability to access.

Level 2 - other observable inputs including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks, and default rates) or other market-corroborated inputs.

Level 3 - unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each fund's own assumptions used in determining the fair value of investments).

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The categorization of a value determined for investments is based on the pricing transparency of the investments and is not necessarily an indication of the risks associated with investing in those securities.

The UO categorizes its fair value measurements within the fair value hierarchy established by GAAP. The UO has recorded its investments at fair value, and primarily uses the market approach to value each security. The UO applies fair value updates to its securities on a quarterly basis.

Security pricing is provided by a third party, and reported to the UO. Assets are categorized by asset type, which is a key component of determining hierarchy levels.

F. Inventories

Inventories are recorded at the lower of average cost or market, and consist primarily of supplies in storerooms and physical plant stores.

G. Capital Assets

Capital assets are recorded at cost on the date acquired or at fair value on the date donated. The UO capitalizes equipment with unit costs of \$5 or greater and an estimated useful life of greater than one year. Real property acquisitions are capitalized if they meet the capitalization threshold of \$50 to \$100 depending on the type. Expenditures that increase the functionality and/or extend the useful life of real property are capitalized if they meet thresholds of \$50 to \$100. Intangible assets with values that meet or exceed the capitalization threshold of \$100 are capitalized. Expenditures below the capitalization thresholds, including repairs and maintenance, are charged to operating expense in the year in which the expense is incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings; 10 to 20 years for infrastructure, land improvements, and improvements other than buildings; 10 years for library materials; and 3 to 11 years for equipment. Lease or subscription-based information technology arrangements (SBITAs) and leasehold improvements are amortized over useful life of the asset or term of the agreement, whichever is shorter. Amortization terms of intangible assets vary depending on the factors relating to the specific asset. Depreciation is not applied to land, construction in progress, or capitalized collections.

As an institute of higher education in existence since 1876, the UO has acquired significant collections of art, rare books, historical treasures, and other special collections. The purpose of these collections is for public exhibition, education, or research in furtherance of public service rather than financial gain. However, because of their inexhaustible nature, these capitalized collections are not depreciated and are reported at book value as non-depreciable capital assets in the SNP.

H. Leases and SBITAs

UO determines if an arrangement is or contains a lease or SBITA at inception. UO has both leases under which it is obligated as a lessee and leases for which it is a lessor.

Leases in which UO is a lessee are included in right-of-use assets and liabilities on the SNP. These assets and liabilities are initially recognized based on the present value of the future minimum lease payments over the lease term at commencement date discounted using an appropriate incremental borrowing rate. Options to extend or terminate a lease are included in the amount

recognized to the extent that UO is reasonably certain to exercise those options. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Variable lease payments based on an index or rate, such as the consumer price index, are initially measured using the index or rate in effect at lease commencement.

Lessor arrangements are included in lease receivables and deferred inflows of resources in the SNP. Rental revenue arising from leases in which UO is a lessor is included in auxiliary enterprises revenues in the SRE. Lease receivable is amortized using the effective-interest method. Deferred inflows of resources are recognized on a straight-line basis over lease term.

Short-term leases with an initial term of 12 months or less, and any variable payments based on future performance of UO or usage of the underlying asset, are not included on the SNP. UO recognizes lessee and lessor short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract.

I. Unearned Revenues

Unearned revenues include amounts received for tuition and fees, grants and contracts, lease income, and auxiliary enterprises activities in which cash has been received, but revenues will be earned in subsequent fiscal year(s) when eligibility or exchange requirements are met.

J. Compensated Absences

The UO accrues a liability for vacation leave and other compensated absences that were earned but not used during the current or prior fiscal year for which employees can receive compensation in a future period. Sick leave is recorded as an expense when paid. There is no payout provision for unused sick leave. Net accrued and taken sick leave are not likely to significantly change accrual balances; there is no resulting liability.

K. Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent the consumption of net assets in one period that are applicable to future periods and have a positive effect on net assets that are similar to assets, but are not considered assets.

Deferred inflows of resources represent the acquisition of net assets that are applicable to future periods and have a negative effect on net position that is similar to liabilities, but are not considered liabilities.

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

Deferred outflows and inflows are generally related to defined benefit pension plans, defined benefit OPEB plans, lease receivables, and net fair value gains or losses on foreign currency forward contracts.

L. Pensions

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense are actuarially determined at the system-wide plan level and are allocated to employers based on their proportionate share. The university's proportionate share is allocated to the UO by the Public Employees Retirement System.

M. Net Position

The UO's net position is classified as follows:

Net Investment in Capital Assets

Net investment in capital assets represents the total investment in capital assets, net of accumulated depreciation and amortization, less outstanding debt obligations related to those capital assets.

Restricted Expendable

Restricted-expendable includes resources which the UO is legally or contractually obligated to spend in accordance with restrictions stipulated by external parties. The three types of restricted-expendable net positions are: gifts, grants, and contracts; student loans; and capital projects (including unspent debt proceeds net of associated debt liability).

Unrestricted

Unrestricted net position represents resources that may be used at the discretion of the UO's management and the BOT.

When an expense is incurred that can be paid using either restricted or unrestricted resources, restricted resources are generally applied first.

N. Income Taxes

The UO is treated as a governmental entity for tax purposes. As such, the UO is generally not subject to federal and state income taxes. However, the UO remains subject to income taxes on any income that is derived from a trade or business regularly carried on and not in furtherance of the purpose for which it was granted exemption from income taxes. At June 30, 2025 and 2024, no income tax was payable due to an existing net operating loss carry forward that exceeds net unrelated business income.

O. Revenue and Expenses

The UO has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating revenues and expenses generally have the characteristics of exchange transactions. These transactions can be defined as an exchange in which two or more entities both receive and sacrifice value, such as purchases and sales of goods or services. Examples of operating revenues include student tuition and fees, sales and services associated with auxiliary enterprises, and most federal, state, and local grants and contracts. Examples of operating expenses include employee compensation and benefits, scholarships and fellowships, utilities, supplies and other services, professional fees, and depreciation.

Nonoperating revenues generally have the characteristics of nonexchange transactions. In a nonexchange transaction, the UO receives value without directly giving equal value in exchange. Examples of nonoperating revenues include state appropriations, nonexchange grants, gifts, and contributions. Nonoperating expenses are defined in GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34. Examples of nonoperating expenses include interest on capital asset related debt.

P. Allowances

Student tuition and fees, and campus housing revenues reported under auxiliary enterprises, are presented net of scholarship allowances. A scholarship allowance is the difference between the university's stated rates and the actual amounts paid by students or by third parties on their behalf.

For the fiscal years ended 2025 and 2024, the UO awarded scholarships totaling \$198,816 and \$176,380, respectively. Of these amounts, \$150,112 in 2025 and \$131,932 in 2024 were applied as reductions to tuition, fees, and auxiliary enterprise revenues. The remainder of scholarship totals, which represent payments made directly to students, are reported as operating expenses.

In addition, bad debt expense related to student accounts is also reported as an allowance against operating revenues and was estimated to be \$3,859 and \$2,611 for the fiscal years ended 2025 and 2024, respectively.

Q. Federal Student Loan Programs

The UO receives proceeds from the Federal Direct Student Loan Program (FDSLPL). Since the UO transmits these grantor-supplied monies without having administrative or direct financial involvement in the program, the activity of the FDSLPL is reported on the Statement of Changes in Fiduciary Net Position. The UO received and disbursed federal student loans in the amount of \$185,354 and \$175,435 for the fiscal years ended 2025 and 2024, respectively.

R. Funds Held in Trust by Others

Funds held in trust by others, for which the UO is an income beneficiary, are not recorded in the financial records. The approximate value of such trust funds on June 30, 2025 and 2024, was \$238 and \$235, respectively.

S. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and use assumptions that could affect the reported amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

T. Reclassification

Certain items previously reported in the financial statements have been reclassified to conform to the current financial statement presentation, but do not alter the reported change in net position.

2. Cash and Investments

Deposits and investment securities as described below are exposed to various risks such as those associated with credit, concentration of credit, custodial credit, interest rate, and foreign currency exchange rates. It is likely that the value of the investment securities will fluctuate and such changes might affect the amounts reported in the financial statements.

A. Cash and Cash Equivalents

Deposits in the OSTF are reported at fair value, which approximates cost and its share value. The pool’s fair value is presented within cash and cash equivalents in the SNP. The OSTF is administered by the Oregon State Treasury. The OSTF is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the State who by law is made the custodian of, or has control of, any fund. The OSTF is commingled with the State’s short-

term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short Term Fund Board, which is not registered with the US Securities and Exchange Commission as an investment company. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the OSTF. At the fiscal years ended June 30, 2025 and 2024, the UO cash and cash equivalents on deposit at the state treasury were \$327,288 and \$214,803, respectively.

For the fiscal years ended June 30, 2025 and 2024, the UO also had \$116,753 and \$231,904 on deposit in financial depositories, respectively.

As of June 30, 2025 and 2024, the UO had vault and petty cash balances of \$159 and \$152, respectively. In addition, the UO had small amounts of cash relating to debt issuances deposited with a fiscal agent.

Cash and cash equivalents are classified as current and noncurrent. Cash that is restricted in purpose from an external source is reported on the financial statements as restricted cash and as a non-current asset. The 2025 current portion, \$316,161, includes \$62,941 designated for payroll-related liabilities. The noncurrent portion is \$128,244. The 2024 current portion, \$281,132, includes \$71,343 designated for payroll-related liabilities. The noncurrent portion is \$165,948.

As of June 30,	2025	2024
Petty Cash	\$ 159	\$ 152
Commercial Bank Account	116,753	231,904
Oregon State Treasury	327,288	214,803
Money Market	205	221
	<u>\$ 444,405</u>	<u>\$ 447,080</u>

For full disclosure regarding cash and investments managed by the Oregon State Treasury, a copy of their audited annual financial report may be obtained by writing to the Oregon State Treasury, 900 Court Street, Room 159, Salem, Oregon 97301 or at: <https://www.oregon.gov/treasury/news-data/pages/treasury-news-reports.aspx>

Custodial Credit Risk—Deposits

Custodial credit risk is the risk that, in the event of a financial institution failure, cash deposits will not be returned to a depositor. The UO cash balances not deposited with the state treasury are held in accounts that are insured up to defined limits and collateralized beyond that by the financial institution. The financial health of depositories is reviewed at least annually.

Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

Foreign Currency Risk—Deposits

Deposits in foreign currency run the risk of changing value due to fluctuations in foreign exchange rates. State treasury deposits are in US currency and therefore not exposed to foreign currency risk.

To mitigate foreign currency risks for prospective study abroad activities, the UO periodically enters into foreign currency forward contracts. At June 30, 2025, these contracts totaled \$3,444 and had a net fair value gain of \$134. There were no foreign currency forward contracts for fiscal year 2024. The net fair value gain is reported as deferred inflow on the SNP.

June 30, 2025						
Notional	Principal	Effective	Maturity	Contract	Fair	
Currency	Amount	Amount	Date	Date	Rate	Value Adj
GBP	£ 984	\$ 1,298	6/30/26	6/30/26	1.3184	\$ 52
EUR	€ 798	903	12/31/25	12/31/25	1.1309	35
EUR	€ 1,100	1,244	6/30/26	6/30/26	1.1309	48
		\$ 3,444				\$ 134

B. Investments

UO funds are invested by the university’s treasurer through the university’s treasury operations division. Treasury activities are governed by the BOT-approved treasury management policy and its accompanying procedures. In addition, the UO’s investment policies adhere to applicable laws and assets are managed as a prudent investor would do, exercising reasonable care, skill, and caution. The UO manages investments as a part of its overall cash and investment pool, which is designed to provide adequate liquidity to meet the cash needs of the UO.

Because of the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities could occur in the near term and such changes might affect the amounts reported in the SNP.

Significant events in domestic and international investment markets, or actions by the Federal Open Market Committee to influence both short- and long-term interest rates, contribute to price volatility. Consequently, the fair value of the UO’s investments is exposed to price volatility, which could result in a change in the fair value of certain investments from the amounts reported as of June 30, 2025.

As of June 30, 2025, the UO’s total investments consisted of \$82,545 in fixed income investments, plus \$108,143 invested in all other investments. As of June 30, 2024, the UO’s total investments consisted of \$77,193 in fixed income investments, plus \$100,209 invested in all other investments.

2025 Investment Type

As of June 30, 2025	Fair Value	% of Total Investments
Corporate Notes	\$ 32,194	17
US Government Notes & Bonds	30,424	16
US Government Agency Issues	8,401	4
Foreign Issues	6,836	4
Asset-Backed Securities	2,090	1
Municipal Issues	1,983	1
Accrued Income	617	0
Fixed Income Investments	82,545	43
T3 Investment Pool	105,889	56
Partnerships/Alternative Equity	1,899	1
Stocks and Equity Investments	355	0
	108,143	57
Total Investments	\$ 190,688	100

Investments of the UO Foundation are summarized at June 30, 2025 as follows:

Fair Value at June 30,	2025	2024
Money Market Funds and Certificates of Deposit	\$ 53,365	\$ 31,716
Corporate Stocks, Bonds, Securities and Mutual Funds	136,173	111,296
Investment in Common Stock, Voting Trust and Partnerships	2,645,585	2,414,410
Other	650	730
Total Investments	\$ 2,835,773	\$ 2,558,152



Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

Credit Risk

Credit risk is the risk that the issuer of a debt security fails to fulfill its obligations. The UO has separate credit criteria for each segment of the cash and investment pool. See the table below for the UO's investment credit quality ratings at June 30, 2025.

	Credit Rating (S&P)				
	Fair Value	AAA	AA	A	BBB
Corporate Notes	32,194	5,140	7,211	12,123	7,720
US Government Notes & Bonds	30,424	-	30,424	-	-
US Government Agency Issues	8,401	394	8,007	-	-
Foreign Issues	6,836	-	1,203	4,330	1,303
Asset-Backed Securities	2,090	704	1,386	-	-
Municipal Issues	1,983	1,008	496	479	-
Fair Value at June 30, 2025:	\$ 81,928	\$ 7,246	\$ 48,727	\$ 16,932	\$ 9,023

Custodial Credit Risk

Custodial credit risk refers to UO investments that are held by others and not registered in the UO's or the state treasury's name. Currently, all investments are held by the UO and in the UO's name.

Custodial credit risk typically occurs in repurchase agreements or securities lending transactions where one party transfers cash to a broker-dealer in exchange for securities, but a separate trustee in the name of the broker-dealer holds the securities. The UO does not directly participate in securities lending transactions. However, any funds on deposit with the state treasury may be included in its securities lending program. The state treasury and the Oregon Investment Council have established policy provisions around securities lending to control this risk. See Section C. Securities Lending in this note for additional information. The UO's investment policy and procedures permit repurchase agreements but none existed at June 30, 2025.

Concentration of Credit Risk

Concentration of credit risk refers to potential losses if total investments are concentrated with one or few issuers.

For the year ended June 30, 2025 the UO held investments, excluding the U.S. Government and its agencies, that were greater than or equal to 5 percent of total investments with the following issuers:

Issuer	Amount	%
T3 Investment Pool	\$ 105,889	56

The T3 investment pool is a limited liability company (LLC) which is managed 100% by the UO Foundation for the benefit of the UO. Concentration risk within the pool is managed such that on a cost basis, no more than 20% of the pool may be allocated to a single manager.

Foreign Currency Risk

Foreign currency risk is the risk that investments may lose value due to fluctuations in foreign exchange rates. At June 30, 2025, the UO had no securities denominated in any foreign currency.

Interest Rate Risk

Investments in fixed income securities are subject to the risk that changes in interest rates will adversely affect the fair value of the investments. UO policies and procedures permit Tier 1 cash and investments a maximum duration of nine months and a maximum maturity of three years. Tier 2 of the cash and investment pool, excluding the Oregon Short Term Fund, requires a minimum of 75 percent of the portfolio to have a maximum average duration of 4 years and a maximum stated maturity of 10 years. A maximum of 25 percent of the portfolio may be invested with an average duration exceeding 4 years, but may not exceed 110 percent of the duration of the Bloomberg Aggregate Bond Index. Tier 3 of the cash and investment pool is invested as a quasi-endowment, and consequently has no duration or maturity limits.

At June 30, 2025, the UO held \$81,928 in fixed income securities, plus accrued interest of \$617.

As of June 30, 2025	Fair Value	Average Duration
Corporate Notes	\$ 32,194	2.70
US Government Notes & Bonds	30,424	3.34
US Government Agency Issues	8,401	2.15
Foreign Issues	6,836	1.81
Asset-Backed Securities	2,090	2.00
Municipal Issues	1,983	1.13
Fixed Income Investments	\$ 81,928	
Fixed Income Weighted Average Duration in Years:		2.75

Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

Fair Value

UO investments had the following recurring fair value measurements at June 30, 2025:

Investments by Fair Value Level	Fair Value	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate Notes	\$ 32,194	\$ 32,194	\$ -
US Government Notes & Bonds	30,424	30,424	-
US Government Agency Issues	8,401	8,401	-
Foreign Issues	6,836	6,836	-
Asset-Backed Securities	2,090	2,090	-
Municipal Issues	1,983	1,983	-
Illiquid Alternative Equities	1,899	-	1,899
Stocks and Equities	355	-	355
Total Investments by Fair Value Level	84,182	81,928	2,254
Accrued Income	617		
Investments Measured at Net Asset Value	-		
T3 Investment Pool	105,889		
Total Investments Measured at Fair Value	\$190,688		

UO investments had the following recurring fair value measurements at June 30, 2024:

Investments by Fair Value Level	Fair Value	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
US Government Notes & Bonds	\$ 29,872	\$ 29,872	\$ -
Corporate Notes	22,280	22,280	-
US Government Agency Issues	10,610	10,610	-
Foreign Issues	7,113	7,113	-
Asset-Backed Securities	5,845	5,845	-
Illiquid Alternative Equities	2,023	-	2,023
Municipal Issues	932	932	-
Stocks and Equities	355	-	355
Total Investments by Fair Value Level	79,030	76,652	2,378
Accrued Income	541		
Investments Measured at Net Asset Value	-		
T3 Investment Pool	97,831		
Total Investments Measured at Fair Value	\$177,402		

Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. Investments classified in Level 3 are valued using a market comparable companies technique. Limited partnerships are valued using the net asset value practical expedient.

C. Securities Lending

In accordance with the state treasury investment policies, the state treasurer participates in securities lending transactions. The state treasurer has authorized its custodian to act as its agent in the lending of OSTF securities pursuant to a form of loan agreement, in accordance with OSTF investment policies. There have been no significant violations of the provisions of securities lending agreements during fiscal years 2025 and 2024.

The state treasurer’s securities lending agent lent short-term and fixed-income securities and received as collateral US dollar-denominated cash. Borrowers were required to deliver cash collateral for each loan equal to not less than 102 percent of the market value of the loaned security. The state treasurer did not impose any restrictions during the year on the amount of the loans that the securities lending agent made on its behalf. The state treasurer is fully indemnified by its securities lending agent against losses due to borrower default. There were no losses during the year from the failure of borrowers to return loaned securities.

The UO’s share of the OSTF securities lending cash collateral was estimated to be \$794 and \$337, at June 30, 2025 and 2024, respectively.

The UO’s share of securities on loan from the OSTF comprised the following investment types:

As of June 30,	2025	2024
U.S. Treasury and Agency Securities	\$ 18,723	\$ 2,280
Domestic Fixed Income Securities	1,033	329
Total	\$ 19,756	\$ 2,609

OSTF issues a publicly available financial statement that can be obtained at: <https://www.oregon.gov/treasury/news-data/pages/treasury-news-reports.aspx>

D. Investment Activity

Investment activity is comprised of the following:

For the Year Ended June 30,	2025	2024
Net Appreciation(Depletion) of Investments	\$ 11,089	\$ 7,391
Royalties and Technology Transfer Income	12,331	11,748
Gain on Sale of Investment	3,161	2,364
Investment Earnings	25,456	25,299
Total Investment Activity	\$ 52,037	\$ 46,802

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

3. Accounts Receivable

Accounts receivable, including amounts due from component units, is comprised of the following:

As of June 30,	2025	2024
Student Tuition and Fees	\$ 36,733	\$ 34,108
Auxiliary Enterprises and Other Operating Activities	7,989	9,500
Federal Grants and Contracts	24,801	31,094
UO Foundation	8,381	7,902
State, Other Government, and Private Gifts, Grants and Contracts	10,659	20,706
State Bond Funds-Capital Expense	19,671	14,869
Other	12,140	5,328
Accounts Receivable	120,374	123,507
Less: Allowance for Doubtful Accounts	(16,404)	(15,193)
Accounts Receivable, Net	\$ 103,970	\$ 108,314

4. Notes Receivable

Institutional and Other Student Loans comprise substantially all of the notes receivable at June 30, 2025.

The UO administers Title IV Perkins Loans for the benefit of its students. Funds for the Perkins program were initially received through Federal Capital

Contributions (FCC) from the U.S. Department of Education (ED) and were supplemental with Institutional Capital Contributions (ICC).

The U.S. Congress did not renew the Perkins Loan program after September 30, 2017, and no loan disbursements were permitted past June 30, 2018. In accordance with the ED guidance, the UO elected to liquidate its Perkins loan portfolio and has been assigning outstanding loans to the ED for servicing.

Historically, the balance of the Perkins loans was reported in Notes Receivable (both current and noncurrent) and in Net Position Expendable for Student Loans.

Due to the ongoing portfolio liquidation, balances are being reported solely in Notes Receivable-Current. Notes receivable comprised the following:

As of June 30,	2025	2024
Institutional and Other Student Loans	\$ 329	\$ 468
Federal Student Loans	89	133
Promissory Note - Sale of Treetops	1,500	-
Notes Receivable	1,918	601
Less: Allowance for Doubtful Accounts	(99)	(113)
Notes Receivable, Net	\$ 1,819	\$ 488



Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

5. Capital Assets

The following schedule reflects the changes in capital assets:

	Balance June 30, 2023	Additions	Transfer Completed Assets	Retire. and Adjust.	Balance June 30, 2024	Additions	Transfer Completed Assets	Retire. and Adjust.	Balance June 30, 2025
Capital Assets, Non-depreciable/ Non-amortizable:									
Land	\$ 85,390	\$ -	\$ -	\$ 1	\$ 85,391	\$ -	\$ 1,337	\$ (64)	\$ 86,664
Capitalized Collections	51,926	1,838	(1)	-	53,763	1,500	-	(139)	55,124
Construction in Progress	254,916	185,093	(257,424)	1	182,586	253,337	(86,555)	-	349,368
Total Capital Assets, Non-depreciable/Non-amortizable	392,232	186,931	(257,425)	2	321,740	254,837	(85,218)	(203)	491,156
Capital Assets, Depreciable/ Amortizable:									
Equipment	161,749	10,895	2,809	(9,365)	166,088	11,784	2,949	(3,386)	177,435
Library Materials	141,162	923	-	(268)	141,817	855	-	(763)	141,909
Buildings	2,531,571	-	250,000	(80)	2,781,491	-	78,251	(4,227)	2,855,515
Land Improvements	49,982	-	1,031	1	51,014	-	2,809	-	53,823
Improvements Other Than Buildings	39,929	-	230	(1)	40,158	-	-	-	40,158
Infrastructure	60,012	-	3,355	(1)	63,366	-	1,209	-	64,575
Intangible Assets	15,628	-	-	(1)	15,627	-	-	-	15,627
Lease Assets - Personal Property	2,270	857	-	(1,127)	2,000	1,049	-	(291)	2,758
Lease Assets - Real Property	61,198	363	-	(6,026)	55,535	1,192	-	(4,913)	51,814
Right-To-Use Subscription Asset-Software	14,138	6,006	-	1,276	21,420	6,069	-	(2,053)	25,436
Total Capital Assets, Depreciable/ Amortizable	3,077,639	19,044	257,425	(15,592)	3,338,516	20,949	85,218	(15,633)	3,429,050
Less Accumulated Depreciation/ Amortization for:									
Equipment	(118,917)	(10,280)	-	8,833	(120,364)	(11,297)	-	2,856	(128,805)
Library Materials	(131,893)	(1,900)	-	258	(133,535)	(1,758)	-	710	(134,583)
Buildings	(823,733)	(77,771)	-	(18)	(901,522)	(82,849)	-	3,566	(980,805)
Land Improvements	(28,726)	(2,664)	-	-	(31,390)	(2,435)	-	(1)	(33,826)
Improvements Other Than Buildings	(16,280)	(2,948)	-	-	(19,228)	(2,908)	-	-	(22,136)
Infrastructure	(42,319)	(2,048)	-	-	(44,367)	(2,199)	-	-	(46,566)
Intangible Assets	(11,911)	(471)	-	-	(12,382)	(471)	-	-	(12,853)
Lease Assets - Personal Property	(1,329)	(534)	-	1,148	(715)	(767)	-	208	(1,274)
Lease Assets - Real Property	(8,428)	(2,834)	-	1,866	(9,396)	(2,423)	-	1,211	(10,608)
Right-To-Use Subscription Asset-Software	(7,165)	(4,688)	-	1,038	(10,815)	(5,560)	-	1,823	(14,552)
Total Accumulated Depreciation/ Amortization	(1,190,701)	(106,138)	-	13,125	(1,283,714)	(112,667)	-	10,373	(1,386,008)
Total Capital Assets, Net	2,279,170	99,837	-	(2,465)	2,376,542	163,119	-	(5,463)	2,534,198
Capital Assets Summary									
Capital Assets, Non-depreciable/ Non-amortizable	392,232	186,931	(257,425)	2	321,740	254,837	(85,218)	(203)	491,156
Capital Assets, Depreciable/ Amortizable	3,077,639	19,044	257,425	(15,592)	3,338,516	20,949	85,218	(15,633)	3,429,050
Total Cost of Capital Assets	3,469,871	205,975	-	(15,590)	3,660,256	275,786	-	(15,836)	3,920,206
Less Accumulated Depreciation/ Amortization	(1,190,701)	(106,138)	-	13,125	(1,283,714)	(112,667)	-	10,373	(1,386,008)
Total Capital Assets, Net	\$2,279,170	\$ 99,837	\$ -	\$ (2,465)	\$2,376,542	\$ 163,119	\$ -	\$ (5,463)	\$2,534,198

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

6. Lessor Arrangements

UO leases land, buildings, and equipment to external parties. The university records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective leases. The expected receipts are discounted using the interest rate charged on the lease or by using the university's incremental borrowing rate. Variable payments are excluded from the valuations unless they are fixed in substance. During the years ended June 30, 2025 and 2024, the university recognized revenues related to these lease agreements totaling \$1,443 and \$1,069, respectively. Total future minimum lease payments to be received under lessor agreements are as follows:

For the Year Ending June 30,	Principal	Interest
2026	\$ 1,078	\$ 209
2027	1,137	184
2028	1,076	158
2029	1,053	133
2030	857	109
2031-2035	2,363	328
2036-2040	653	123
2041-2045	638	70
2046-2050	427	11
Total Future Receipts	\$ 9,282	\$ 1,325

7. Deferred Outflows and Inflows of Resources

A deferred outflow of resources is defined as a consumption of net assets by the UO that is applicable to a future reporting period, and a deferred inflow of resources is defined as an acquisition of net assets by the UO that is applicable to a future reporting period. The following table presents deferred outflows and inflows of resources:

Deferred Outflows of Resources

As of June 30,	2025	2024
OPEB Related Items	\$ 1,718	\$ 440
Pension Related Items (including PERS Side Account)	197,165	187,756
Total Deferred Outflows of Resources	\$ 198,883	\$ 188,196

Deferred Inflows of Resources

As of June 30,	2025	2024
Currency Forward Purchases	\$ 134	\$ -
Lease Related Items	8,777	9,368
OPEB Related Items	4,511	6,090
Pension Related Items	42,280	51,905
Total Deferred Inflows of Resources	\$ 55,702	\$ 67,363

8. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities comprised the following:

As of June 30,	2025	2024
Services and Supplies	\$ 65,915	\$ 70,092
Accrued Interest	11,781	12,613
Contract Retainage Payable	5,390	3,406
Total Accounts Payable and Accrued Liabilities	\$ 83,086	\$ 86,111



Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

9. Long-Term Liabilities

Long-term liability activity was as follows:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Amount Due Within One Year	Long-Term Portion
Long-Term Payment Obligations						
State of Oregon Note Payable	\$ 390,716	\$ -	\$ (23,901)	\$ 366,815	\$ 23,549	\$ 343,266
University of Oregon Revenue Bonds	390,850	-	-	390,850	-	390,850
UO Revenue Bonds premiums/discounts	53,174	-	(2,161)	51,013	2,161	48,852
Oregon Department of Energy Loans (SELP)	23,222	-	(2,586)	20,636	2,694	17,942
PERS Pre-SLGRP Pooled Liability	10,186	-	(4,269)	5,917	2,247	3,670
Leases Payable – Tangible Assets	36,904	-	(1,111)	35,793	1,157	34,636
Leases Payable – Right-of-Use Assets	58,009	8,089	(11,208)	54,890	7,430	47,460
Total Long-Term Payment Obligations	963,061	8,089	(45,236)	925,914	39,238	886,676
Other Noncurrent Liabilities						
Compensated Absences	27,722	3,476	(185)	31,013	28,341	2,672
Employee Deferred Compensation	5,702	1,731	(1,091)	6,342	1,114	5,228
Employee Termination Liabilities	-	53	(39)	14	14	-
Unearned Revenue	579	-	(100)	479	100	379
Total Other Noncurrent Liabilities	34,003	3,529	316	37,848	29,569	8,279
Total Long-Term Liabilities	\$ 997,064	\$ 13,349	\$ (46,651)	\$ 963,762	\$ 68,807	\$ 894,955

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Amount Due Within One Year	Long-Term Portion
Long-Term Payment Obligations						
State of Oregon Note Payable	\$ 413,385	\$ -	\$ (22,669)	\$ 390,716	\$ 22,601	\$ 368,115
University of Oregon Revenue Bonds	390,850	-	-	390,850	-	390,850
UO Revenue Bonds premiums/discounts	55,334	-	(2,160)	53,174	2,161	51,013
Oregon Department of Energy Loans (SELP)	25,687	-	(2,465)	23,222	2,581	20,641
PERS Pre-SLGRP Pooled Liability	13,211	-	(3,025)	10,186	2,668	7,518
Leases Payable – Tangible Assets	38,281	-	(1,377)	36,904	1,111	35,793
Leases Payable – Right-of-Use Assets	61,026	10,861	(13,878)	58,009	6,196	51,813
Total Long-Term Payment Obligations	997,774	10,861	(45,574)	963,061	37,318	925,743
Other Noncurrent Liabilities						
Compensated Absences	24,619	2,425	678	27,722	27,457	265
Employee Deferred Compensation	5,439	1,094	(831)	5,702	969	4,733
Unearned Revenue	1,404	-	(825)	579	100	479
Total Other Noncurrent Liabilities	31,462	3,519	(978)	34,003	28,526	5,477
Total Long-Term Liabilities	\$ 1,029,236	\$ 14,380	\$ (46,552)	\$ 997,064	\$ 65,844	\$ 931,220

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

The schedule of principal and interest payments for the UO's long-term payment obligations is as follows:

For the Year Ending June 30,	State Note	Revenue Bonds	SELP	SLGRP	Tangible Leased Assets	Right-of-Use Leases	Total Payments	Principal	Interest
2026	\$ 37,980	\$ 17,559	\$ 3,502	\$ 2,617	\$ 2,613	\$ 8,933	\$ 73,204	\$ 37,079	\$ 36,125
2027	37,637	17,559	3,502	2,617	2,613	6,728	70,656	35,592	35,064
2028	36,368	17,559	3,502	1,308	2,613	4,868	66,218	32,493	33,725
2029	34,276	17,559	3,502	-	2,613	4,177	62,127	29,593	32,534
2030	33,915	17,559	2,905	-	2,613	3,545	60,537	29,169	31,368
2031-2035	160,132	87,794	7,016	-	13,064	15,969	283,975	144,988	138,987
2036-2040	123,625	87,794	-	-	13,064	11,736	236,219	128,948	107,271
2041-2045	24,452	137,794	-	-	12,675	8,690	183,611	92,760	90,851
2046-2050	-	294,545	-	-	1,039	2,440	298,024	243,429	54,595
2051-2055	-	106,073	-	-	-	-	106,073	100,850	5,223
Total Future Payment Obligations	488,385	801,795	23,929	6,542	52,907	67,086	1,440,644	\$ 874,901	\$ 565,743
Less: Interest Component of Future Payments	(121,570)	(410,945)	(3,293)	(625)	(17,114)	(12,196)	(565,743)		
Principal Portion of Future Payments	366,815	390,850	20,636	5,917	35,793	54,890	874,901		
Adjusted by:									
Unamortized Bond Premiums	-	51,013	-	-	-	-	51,013		
Total Long-Term Payment Obligations	\$ 366,815	\$ 441,863	\$ 20,636	\$ 5,917	\$ 35,793	\$ 54,890	\$ 925,914		

The State of Oregon has issued various debt instruments to fund capital projects at the UO. These debt instruments include general obligation bonds under articles XI-F(1), XI-G, and XI-Q of the Oregon Constitution, certificates of participation (COPs), and lottery bonds. As of July 1, 2014, all of the state debt instruments for which the UO had a payment obligation became part of a new Agreement for Debt Management (ADM). The UO also borrows funds from the Oregon Department of Energy. Principal and interest amounts due relating to the UO's share of these debt issuances are payable to the state. In addition, the UO has independently issued general revenue bonds to fund capital projects.

A. Agreement for Debt Management (ADM)

In connection with the UO becoming an independent public entity with statewide purposes and missions, the UO entered into an ADM dated July 1, 2014, with the state. The ADM was amended and restated on July 2015, and July 2017. It stipulates that all of the principal and interest associated with general obligation bonds under articles XI-F(1) and XI-Q, and COPs, that were deemed university-paid as of July 1, 2014, are to be paid to the state from UO revenues and are displayed in the table at the top of Note 9 as State of Oregon Note Payable.

B. State-Paid Bonds

- For the fiscal year ended June 30, 2025, the state issued XI-Q tax exempt bonds 2025 Series A of \$465,300, with effective rates ranging from 3.16 to 4.42 percent, due serially through 2050 for capital construction. The UO's portion of the 2025 Series A bond sale proceeds was \$65,176 for Friendly Hall Renovation and \$28,369 for capital improvement and renewal projects. The UO will receive these amounts on a reimbursement basis as capital grants and the state will be responsible for all principal and interest payments.
- For the fiscal year ended June 30, 2025, the state issued XI-G tax exempt bonds 2025 Series G of \$195,085, with effective rates ranging from 3.04 to 4.46 percent, due serially through 2050 for capital construction. The UO's portion of the 2025 Series G bond sale proceeds was \$7,543 for Friendly Hall Renovation. The UO will receive these amounts on a reimbursement basis as capital grants and the state will be responsible for all principal and interest payments.

During the fiscal year ended June 30, 2024 the state issued no new bonded indebtedness applicable to the UO.

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

C. General Revenue Bonds

During the year ended June 30, 2025 and 2024, no new general revenue bonds were issued.

General revenue bonds are payable solely from and secured by a pledge of general revenues, less amounts required when due under the ADM. The amounts pledged were \$875,846 and \$829,816 as of June 30, 2025 and 2024, respectively. Pledged revenues include all tuition, fees, charges, rents, revenues, and other income (including interest and dividends) of the university, if and to the extent such funds are not restricted in their use by law, regulation, or contract.

D. Oregon Department of Energy Loans

The UO has entered into loan agreements with the State of Oregon Department of Energy (DOE) Small Scale Energy Loan Program (SELP) for energy conservation projects at the UO. The UO makes monthly loan payments (principal and interest) to the DOE in accordance with the loan agreements. SELP loans, with effective rates ranging from 3.87 percent to 4.84 percent, are due through fiscal year 2035.

E. Defeased Debt

The UO participates in a debt portfolio managed by the state and subject to the ADM. When fiscally appropriate, the state will sell bonds and use the proceeds to defease other debt.

During the year ended June 30, 2025, the state issued \$51,950 in XI-F(1) bonds to refund \$56,020 of XI-F(1) bonds. The UO's portion of the refunding resulted in a difference between the reacquisition price and the net carrying value of the state note payable of \$1,300. The refunding was undertaken to reduce total debt service payments (principal and interest) over the next 19 years by \$1,574 and resulted in an economic gain of \$1,003.

During the year ended June 30, 2024, the state did not issue bonds to defease debt applicable to the UO.

F. Financial Guarantees

The UO is a state governmental entity, engaged only in business-type activities. As of June 30, 2025, no amounts have been paid directly by the state for UO's financial obligations, both cumulatively and during the current reporting period.

G. Employee Deferred Compensation

The UO has a Section 415(m) excess benefit plan. Section 415(m) plans are unfunded plans that are used as a means of deferring taxation on regular pension plan contributions by public employees in

excess of the limitations otherwise imposed on the Oregon Public Universities Tax-Deferred Investment 403(b) plan. The 415(m) plan is offered to highly-compensated employees whose contributions would otherwise be limited by Internal Revenue Code Section 415.

H. Employee Termination Liabilities

The UO made liquidated damages payments to former employees related to early termination of their employment contracts. The payout of this liability extends through fiscal year 2026.

I. Leases Payable – Tangible Assets

The UO has capital lease agreements for personal and real property assets. The value of UO assets held under capital leases totaled \$42,600 and \$43,842 for the fiscal years ended June 30, 2025 and 2024, respectively. Accumulated depreciation of leased equipment and buildings totaled \$9,297 and \$9,179 for June 30, 2025 and 2024, respectively.

The lease purchase (capital lease) contracts run through fiscal year 2046. The capital leases are recorded at the present value of the minimum future lease payments at the inception date.

J. Leases Payable – Right-of-Use Assets

The UO has acquired right-of-use assets under lease agreements. The value of UO leased assets totaled \$54,571 and \$57,534 for the fiscal years ended June 30, 2025 and 2024, respectively. Accumulated amortization of leased equipment and buildings totaled \$11,882 and \$10,110 for June 30, 2025 and 2024, respectively.

Weighted-average remaining lease term is 16.7 years. The leases are recorded at the present value of the minimum future lease payments at the inception date. The weighted average discount rate on leases is 3.13 percent.

K. Subscription-Based Information Technology Arrangements (SBITA)

The value of SBITAs totaled \$25,436 and \$21,420 for the fiscal years ended June 30, 2025 and 2024, respectively. Accumulated amortization of SBITAs totaled \$14,551 and \$10,816 for June 30, 2025 and 2024, respectively.

Weighted-average remaining lease term is 2.7 years. The leases are recorded at the present value of the minimum future payments at the inception date. The weighted average discount rate on leases is 1.81 percent.

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

L. State and Local Government Rate Pool

Prior to the formation of the PERS State and Local Government Rate Pool (SLGRP), the state and community colleges were pooled together in the State and Community College Pool (SCCP), and local government employers participated in the Local Government Rate Pool (LGRP). These two pools combined to form the SLGRP effective January 1, 2002, at which time a transitional pre-SLGRP pooled liability was created. The pre-SLGRP pooled liability is essentially a debt owed to the SLGRP by the SCCP employers. The balance of the pre-SLGRP pooled liability attributable to the state is being amortized over the period ending December 31, 2027. The liability is allocated by the state, based on salaries and wages, to all public universities, state proprietary funds, and the government-wide reporting fund in the Oregon *Annual Comprehensive Financial Report*.

The UO paid interest expense on the liability in the amounts of \$28 and \$750 for June 30, 2025 and 2024, respectively. Principal payments of \$4,269 and \$3,026 were applied to the UO's liability for June 30, 2025 and 2024, respectively.

10. Government Appropriations

Government appropriations comprised the following:

For the Year Ending June 30, 2025	General Operations	Debt Service	Total
State General Fund	\$ 99,280	\$ 1,949	\$ 101,229
State Lottery Funding	670	-	670
Oregon Law Commission	951	-	951
Engineering and Technology Industry Council	1,784	-	1,784
Oregon Office of Community Dispute Resolution	1,045	-	1,045
Just Futures Institute	1,000	-	1,000
Labor Education and Research Center	740	-	740
Cybersecurity Center for Excellence	574	-	574
Clinical Legal Education	224	-	224
Stormwater Project	112	-	112
Total Appropriations	\$ 106,380	\$ 1,949	\$ 108,329

For the Year Ending June 30, 2024	General Operations	Debt Service	Total
State General Fund	\$ 94,290	\$ 1,949	\$ 96,239
State Lottery Funding	670	-	670
Cybersecurity Center of Excellence	2,704	-	2,704
Oregon Law Commission	365	-	365
Total Appropriations	\$ 98,029	\$ 1,949	\$ 98,978

11. Pension and OPEB Plan Assets and Liabilities

The UO participates in multiple employer pension and OPEB plans. The following table presents the university's proportion of the assets and liabilities:

As of June 30,	2025	2024
Net OPEB Asset - RHIA	\$ 5,926	\$ 6,026
Net OPEB Asset - RHIPA	3,048	2,612
Net OPEB Asset	\$ 8,974	\$ 8,638
Total OPEB Liability - PEBB	\$ 10,110	\$ 9,906
Net Pension Liability	409,786	341,707
Net Pension & OPEB Liabilities	\$ 419,896	\$ 351,613

12. Employee Retirement Plans (Plan)

The UO offers various retirement plans to qualified employees as described below.

A. Public Employees Retirement (PERS)

Organization

The UO participates with other state employers in the Oregon Public Employees Retirement System (System), which is a cost-sharing multiple-employer defined benefit plan. Plan assets may be used to pay the benefits of the employees of any employer that provides pensions through the plan. PERS is administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). The Oregon Legislature has delegated authority to the Public Employees Retirement Board (PERS Board) to administer and manage the System.

Plan Membership

PERS memberships prior to January 1, 1996 are Tier One members. The 1995 Oregon Legislature enacted Chapter 654, Section 3, Oregon Laws 1995, which has been codified into ORS 238.435. This legislation created a second tier of benefits for those who established membership on or after January 1, 1996. The second tier does not have the Tier One assumed earnings rate guarantee and has a higher normal retirement age of 60, compared to 58 for Tier One. Both Tier One and Tier Two are defined benefit plans. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

The 2003 Legislature enacted HB 2021, codified as ORS 238A, which created the Oregon Public Service Retirement Plan (OPSRP). OPSRP consists

Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

of the Pension Program Defined Benefit (DB) and the Individual Account Program (IAP). The IAP is a defined contribution plan. Membership includes public employees hired on or after August 29, 2003.

Beginning January 1, 2004, PERS active Tier One and Tier Two members became members of IAP of OPSRP. PERS members retained their existing Defined Benefit Plan accounts, but member contributions are now deposited into the member's IAP account, not into the member's Defined Benefit Plan account. Accounts are credited with earnings and losses, net of administrative expenses. OPSRP is part of PERS and is administered by the PERS Board.

Pension Plan Report

The PERS defined benefit and defined contribution retirement plans are reported as pension trust funds in the fiduciary funds combining statements and as part of the Pension and Other Employee Benefit Trust in the State of Oregon Annual Comprehensive Financial Report. PERS issues a separate, publicly available audited financial report that may be obtained by writing to the Public Employees Retirement System, Fiscal Services Division, PO Box 23700, Tigard, OR 97281-3700. The report may also be accessed online at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Summary of Significant Accounting Policies

Employers participating in the Plan are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with GASB Statement No. 68.

The requirements of this Statement incorporate provisions intended to reflect the effects of transactions and events related to pensions in the measurement of employer liabilities for pensions and recognition of pension expense and deferred outflows of resources and deferred inflows of resources related to pensions.

System Basis of Accounting

Contributions for employers are recognized on the accrual basis of accounting. Employer contributions to PERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements.

Proportionate Share Allocation Methodology

The basis for the employer's proportion of the statewide plan is actuarially determined by comparing the employer's projected long-term contribution effort to the Plan with the total projected long-

term contribution effort of all employers. The contribution rate for every employer has at least two major components: Normal Cost Rate and Unfunded Actuarial Liability (UAL) Rate.

Collective Pension Plan Liability

The components of the Plan's collective net pension liability as of the measurement dates of June 30, 2024, and 2023, are as follows (dollars in millions):

As of June 30,	2024	2023
Total Pension Liability	\$ 107,326.7	\$ 102,218.3
Plan Fiduciary Net Position	85,099.5	83,487.6
Plan Net Pension Liability	\$ 22,227.2	\$ 18,730.7

Changes Subsequent to the Measurement Date

The UO is not aware of any changes to benefit terms or actuarial methods and assumptions subsequent to the June 30, 2024 measurement date.

Oregon Public Employees Retirement System (PERS) Pension (Chapter 238) Program—Tier One/ Tier Two

1. Pension Benefits. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$0.2 per month or the member will receive a lump-sum payment of the actuarial equivalence of benefits to which he or she is entitled.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if they have had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

238 Defined Pension Plan is closed to new members hired on or after August 29, 2003.

2. Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest).

In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- Member was employed by a PERS employer at the time of death,
- Member died within 120 days after termination of PERS-covered employment,
- Member died as a result of injury sustained while employed in a PERS-covered job, or
- Member was on an official leave of absence from a PERS-covered job at the time of death.

3. Disability Benefits. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

4. Benefit Changes After Retirement. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living adjustments (COLA). The COLA is capped at 2.0 percent.

Oregon Public Service Retirement Plan (OPSRP DB) Pension Program

1. Pension Benefits. The OPSRP provides a life pension funded by employer contributions to members hired on or after August 29, 2003. Benefits are calculated with the following formula for members who attain normal retirement age:

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

A member of the OPSRP pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years; the date the member reaches normal retirement age; if the pension program is terminated, the date on which termination becomes effective.

2. Death Benefits. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

3. Disability Benefits. A member who has accrued 10 or more years of retirement credits before the member becomes disabled, or a member who becomes disabled due to job-related injury, shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

4. Benefit Changes After Retirement. Under ORS 238A.210 monthly benefits are adjusted annually through COLAs. The cap on the COLA varies based on 1.25 percent on the first \$60 of annual benefit and 0.15 percent on annual benefits above \$60.

Oregon Public Service Retirement Plan (OPSRP IAP) Pension Program

1. Pension Benefits. The IAP is an individual account-based program under the PERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years; the date the member reaches normal retirement age; the date the IAP is terminated; the date the active member becomes disabled; or, the date the active member dies. The accounts fall under Internal Revenue Code Section 401(a).

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period, or an anticipated life span option. Installment amounts vary with market returns as the account remains invested while in distribution. When chosen, the distribution option must result in a \$0.2 minimum distribution amount, or the frequency of the installments will be adjusted to reach that minimum.

2. Death Benefits. Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Pension Plan Contributions

PERS and OPSRP employee contribution requirements are established by ORS 238.200 and ORS 238A.330, respectively, and are credited to an employee's account in the IAP and may be amended by an act of the Oregon Legislature. The PERS and OPSRP funding policies provide for monthly employer contributions at actuarially determined rates. These contributions are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

During the fiscal year ended June 30, 2023, the university funded a PERS side account totaling \$60,000 which represents approximately 19.4 percent of the university's unfunded actuarial liability as of June 30, 2022. PERS contributed a \$15,000 matching contribution to the university's side account. This side account does not impact employee benefits received under PERS; instead, it represents a pre-payment of UO's ongoing contributions. The university will see the benefit of a lower employer contribution rate over the next 20 years as the account is amortized. The side account reduced the university's employer contribution rate by 1.84 percent and 2.01 percent, respectively, for the fiscal year 2025 and 2024. The net value of the side account at fiscal year ended June 30, 2025 is \$71,780.

Employer contribution rates were based on the December 31, 2022 actuarial valuation. The university's required employer contributions for PERS and OPSRP for the years ended June 30, 2025 and 2024, were \$55,114 and \$49,652 respectively, including amounts to fund employer specific liabilities.

Net Pension Liability

At June 30, 2025, the UO reported a liability of \$409,786 for its proportionate share of the PERS net pension liability. The net pension liability as of June 30, 2025 was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date. At June 30, 2024, the UO reported a liability of \$341,707 for its proportionate share of the PERS net pension liability. The net pension liability as of June 30, 2024 was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date.

UO receives an employer-specific proportionate share allocation directly from PERS as a result of the university's contributions to its independent side account. At June 30, 2025 and 2024, UO's proportion was 1.844 and 1.824, respectively, of the statewide pension plan.

For the years ended June 30, 2025 and 2024, UO recorded total pension expense of \$80,648 and \$68,886, respectively, due to the change in net pension liability, changes to deferred outflows and deferred inflows, and amortization of previously deferred amounts.

Deferred Amounts

Most deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. However, changes in employer proportion and the difference between employer contributions, proportionate share of contributions, and contributions subsequent to the measurement date are calculated at the employer level. For the fiscal years ending June 30, 2025 and 2024, deferred items include:

- Difference between expected and actual experience
- Changes in assumptions
- Net difference between projected and actual pension plan investment earnings
- Changes in employer proportion since the prior measurement date
- A difference between employer contributions and proportionate share of contributions
- Contributions subsequent to the measurement date

Differences between expected and actual experience, changes in assumption, and changes in employer proportion are amortized over the average remaining

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period “layers” attributable to each measurement period.

The average remaining service lives determined as of the beginning of each measurement period are as follows:

- Measurement period ended June 30, 2024 – 5.3 years
- Measurement period ended June 30, 2023 – 5.4 years
- Measurement period ended June 30, 2022 – 5.5 years
- Measurement period ended June 30, 2021 – 5.4 years
- Measurement period ended June 30, 2020 – 5.3 years
- Measurement period ended June 30, 2019 – 5.2 years

The difference between projected and actual pension plan investment earnings attributable to each measurement period is amortized over a closed five-year period.

One year of amortization is recognized in the UO’s total pension expense for fiscal years 2025 and 2024.

At June 30, 2025, UO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 24,276	\$ 978
Changes of assumptions	41,200	53
Net difference between projected and actual earnings on investments	26,033	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,383	18,886
Differences between employer contributions and employer’s proportionate share of system contributions	47,646	22,363
Total (prior to post-measurement date contributions)	\$ 156,538	\$ (42,280)
Net Deferred Outflow/(Inflow) of Resources before contributions subsequent to Measurement Date		114,258
Contributions made subsequent to measurement date		40,627
Net Deferred Outflow/(Inflow) of Resources		\$154,885

As of June 30, 2025, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflow/(Inflow)
2026	\$ 11,214
2027	54,710
2028	31,109
2029	14,864
2030	2,361
	\$ 114,258

At June 30, 2024, UO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,710	\$ 1,355
Changes of assumptions	30,355	226
Net difference between projected and actual earnings on investments	6,142	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	23,237	24,441
Differences between employer contributions and employer’s proportionate share of system contributions	61,660	25,883
Total (prior to post-measurement date contributions)	\$ 138,104	\$ (51,905)
Net Deferred Outflow/(Inflow) of Resources before contributions subsequent to Measurement Date		86,199
Contributions made subsequent to measurement date		49,652
Net Deferred Outflow/(Inflow) of Resources		\$ 135,851



Actuarial Methods and Assumptions

The following methods and assumptions were used in the development of the total pension liability:

Actuarial Methods and Assumptions:		
Report Date	June 30, 2025	June 30, 2024
Valuation Date	December 31, 2022	December 31, 2021
Measurement Date	June 30, 2024	June 30, 2023
Experience Study Report	2022, published July 2023	2020, published July 2021
Actuarial Cost Method	Entry Age Normal	
Actuarial Assumptions:		
Inflation Rate	2.40 percent	2.40 percent
Long-Term Expected Rate of Return	6.90 percent	6.90 percent
Discount Rate	6.90 percent	6.90 percent
Projected Salary Increases	3.40 percent	3.40 percent
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service	
Mortality	<i>Healthy retirees and beneficiaries:</i>	
	Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	
	<i>Active members:</i>	
	Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	
	<i>Disabled retirees:</i>	
	Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially-determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years.

Discount Rate

The discount rate used to measure the total pension liability at June 30, 2025, was 6.90 percent, and at June 30, 2024, was 6.90 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan

members. Therefore, the long-term expected rate of return on pension plan investments for the defined benefit pension plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The sensitivity analysis shows the sensitivity of the UO’s proportionate share of the net pension liability to changes in the discount rate. The following presents the UO’s proportionate share of the net pension liability calculated using the discount rate of 6.90 and 6.90 percent, as of June 30, 2025 and 2024, respectively, as well as what the UO’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2025	2024
1% Decrease 5.90%/5.90%	\$ 646,421	\$ 564,435
Current Discount Rate 6.90%/6.90%	409,786	341,707
1% Increase 7.90%/7.90%	211,593	155,307

Depletion Date Projection

GASB Statement No. 68 generally requires that a blended discount rate be used to measure the total pension liability (the actuarial accrued liability calculated using the individual entry age normal cost method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s fiduciary net position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB Statement No. 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB Statement No. 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB Statement No. 68 does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100 percent funded position by the end of the amortization period if future experience follows assumption.
- GASB Statement No. 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is the PERS independent actuary's opinion that the detailed depletion date projections outlined in GASB Statement No. 68 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Assumed Asset Allocation

Asset Class/Strategy	Oregon Investment Council (OIC) Range				OIC Target	
Debt Securities	20.0	-	30.0	%	25.0	%
Public Equity	22.5	-	32.5		27.5	
Real Estate	7.5	-	17.5		12.5	
Private Equity	15.0	-	27.5		20.0	
Real Assets	2.5	-	10.0		7.5	
Diversifying Strategies	2.5	-	10.0		7.5	
Opportunity Portfolio	0.0	-	5.0		0.0	
Total					100	%

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2025 the PERS Board reviewed long-term assumptions developed by both Milliman's (an independent actuarial and consulting firm) capital market assumptions team and the OIC investment advisors. Each asset assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The following table shows a summary of long-term expected rates of return by asset class. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited annual comprehensive financial reports at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Long-Term Expected Rate of Return By Asset Class

Asset Class	Target	Compound Annual (Geometric) Return
Global Equity	27.50 %	7.07 %
Private Equity	25.50	8.83
Core Fixed Income	25.00	4.50
Real Estate	12.25	5.83
Master Limited Partnerships	0.75	6.02
Infrastructure	1.50	6.51
Hedge Fund of Funds - Multistrategy	1.25	6.27
Hedge Fund Equity - Hedge	0.63	6.48
Hedge Fund - Macro	5.62	4.83
Assumed Inflation - Mean		2.35 %

Retirement Bond Debt Service Assessment

In 2003, the state legislature authorized the state to sell general obligation bonds in the amount of \$2 billion to pay a PERS unfunded actuarial liability. This action reduced the PERS contribution rate for PERS covered employers in the state actuarial pool in November, 2003.

The Oregon Department of Administrative Services coordinates the debt service assessments to PERS employers to cover the bond debt service payments. PERS employers are assessed a percentage of PERS-subject payroll to fund the payments. The assessment rate is adjusted biennially over the life of the 24-year debt repayment schedule.

The payroll assessment for the pension obligation bond began May, 2004. As of November 1, 2023, the rate has been 4.8 percent. Prior to this date, the rate was 5.60 percent. Payroll assessments paid by UO for the fiscal years ended June 30, 2025 and 2024, were \$15,864 and \$15,040 respectively. The bonds are scheduled to be paid off in 2027, ending both the debt service payroll assessment and the corresponding PERS contribution rate reduction.

B. Other Retirement Plans

Optional Retirement Plan (ORP)

The 1995 Oregon Legislature enacted legislation that authorized OUS to offer a defined contribution retirement plan as an alternative to PERS. After OUS was dissolved, the UO assumed management of the ORP on behalf of Oregon's public universities under a shared services agreement.

Beginning April 1, 1996, the ORP was made available to UO unclassified faculty and staff who are

otherwise eligible for PERS membership. Employees choosing the ORP may invest their employee and employer contributions in one of multiple investment companies.

The ORP consists of four tiers. Membership under ORP Tier One and Tier Two is determined using the same date of entry criteria as PERS. Tier Three is determined by the date of entry applicable to the OPSRP. Employees hired on or after July 1, 2014, who elect the ORP are Tier Four members. The first contributions for Tier Four were payable January 2015 after six-months of qualifying service.

Tier Four is a departure from the other three tiers. The employee is entitled to an employer contribution plus a “match” contribution based on the employee’s participation in the voluntary 403(b) investment plan. The employer contribution is fixed at 8 percent by plan rules and is unaffected by PERS rates, unlike the other tiers. The employer provides an ORP match contribution equal to 403(b) deferrals up to a 4 percent maximum. Under the ORP Tiers One, Two and Three, the employee’s contribution rate is 6 percent, and is paid by the employer. The employer contribution rates for the ORP are as follows:

	2025	2024
ORP Tier One	26.68%	26.68%
ORP Tier Two	26.68%	26.68%
OPSRP Equivalent	10.93%	10.93%
ORP Tier Four*	8.00%	8.00%

**an additional 4% may be contributed by the employer as a match of the employee’s contribution*

Teachers Insurance and Annuity Association Plan (TIAA)

Eligible ranked faculty participate in the TIAA retirement program, a defined contribution plan, on all salary in excess of \$4.8 per calendar year. Employee and employer contributions are directed to PERS on the first \$4.8 of salary. The contribution to TIAA annuities are supplemental to PERS. To participate in this retirement option, employees must have been hired on or before September 9, 1995. This plan was closed to new enrollment at the time the ORP started in 1996. The legacy plan, Oregon University System 401(a) Defined Contribution Plan, document was amended and restated July 1, 2015. The UO manages the TIAA plan on behalf of Oregon’s public universities under a shared services agreement. All participants of the TIAA plan are fully vested and there will not be any forfeitures.

Summary of Retirement Payments

The UO’s total payroll for the year ended June 30, 2025, was \$544,071 of which \$477,666 was subject to retirement contributions and is considered covered payroll. The following schedule lists payments made by the UO for the fiscal year June 30, 2025:

	Employer Contribution	As a % of Covered Payroll	Employee Contribution	As a % of Covered Payroll
PERS/OPSRP	\$ 55,116	11.54%	\$ 19,369	4.06%
ORP	13,481	2.82%	8,350	1.75%
TIAA	14	0.00%	14	0.00%
Total	\$ 68,612	14.36%	\$ 27,733	5.81%

The UO’s total payroll for the year ended June 30, 2024, was \$505,708 of which \$433,293 was subject to retirement contributions and is considered covered payroll. The following schedule lists payments made by the UO for the fiscal year June 30, 2024:

	Employer Contribution	As a % of Covered Payroll	Employee Contribution	As a % of Covered Payroll
PERS/OPSRP	\$ 49,652	11.46%	\$ 17,398	4.02%
ORP	13,509	3.12%	7,773	1.79%
TIAA	14	0.00%	14	0.00%
Total	\$ 63,175	14.58%	\$ 25,185	5.81%

13. Other Postemployment Benefits (OPEB)

A. Public Employees Retirement Plans (PERS)

Plan Description

The Public Employees Retirement System (PERS) Board contracts for health insurance coverage on behalf of eligible PERS members. Eligible retirees pay their own age-adjusted premiums. To help retirees defray the cost of these premiums, PERS also administers two separate defined benefit other post-employment benefit (OPEB) plans: the Retirement Health Insurance Account (RHIA), and the Retiree Health Insurance Premium Account (RHIPA). Only Tier One and Tier Two PERS members are eligible to participate in the RHIA and RHIPA plans. (Refer to Note 12 for details concerning Tier One and Tier Two membership in PERS).

The RHIA is a cost-sharing multiple-employer defined benefit OPEB plan in which the UO participates.

Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

Established under Oregon Revised Statute (ORS) 238.420, the plan provides a payment of up to \$0.06 toward the monthly cost of health insurance for eligible PERS members. To be eligible to receive the RHIA subsidy, the member must (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if they (1) are receiving a retirement benefit or allowance from PERS or (2) were insured at the time the member died and the member retired before May 1, 1991. The Legislature has sole authority to amend the benefit provisions and employer obligations for the RHIA plan.

Established under ORS 238.415, the RHIPA is considered a cost-sharing multiple-employer defined benefit OPEB plan for financial reporting purposes. The plan provides payment of the average difference between the health insurance premiums paid by retired state employees under contracts entered into by the PERS Board, and health insurance premiums paid by state employees who are not retired. PERS members are qualified to receive the RHIPA subsidy if they have eight or more years of qualifying service in PERS at the time of retirement or receive a disability pension calculated as if they had eight or more years of qualifying service, but are not eligible for federal Medicare coverage. A surviving spouse or dependent of a deceased retired state employee is eligible to receive the subsidy if they (1) are receiving a retirement benefit or allowance from PERS or (2) were insured at the time the member died and the member retired on or after September 29, 1991. The Legislature has sole authority to amend the benefit provisions and employer obligations of the RHIPA plan.

Both RHIA and RHIPA are closed to employees hired on or after August 29, 2003, who had not established membership prior to that date.

OPEB Plans Report

The PERS RHIA and RHIPA defined benefit OPEB plans are reported separately under Other Employee Benefit Trust Funds in the fiduciary funds combining statements and as part of the Pension and Other Employee Benefit Trust in the state's annual comprehensive financial report. PERS issues a separate, publicly available financial report that includes audited financial statements and required supplementary information. The report may be

accessed online at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Summary of Significant Accounting Policies

Employers participating in RHIA and RHIPA plans are required to report OPEB information in their financial statements for fiscal periods beginning on or after June 15, 2017, in accordance with GASB Statement No. 75.

The requirements of this Statement incorporate provisions intended to reflect the effects of transactions and events related to OPEB in the measurement of employer liabilities for OPEB and recognition of OPEB expense and deferred outflows of resources and deferred inflows of resources.

Basis of Accounting

The financial statements for the PERS OPEB plans are prepared using the accrual basis of accounting. Employer contributions to PERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements.

Proportionate Share Allocation Methodology

The basis for the employer's proportion of the statewide plan is determined by comparing the employer's actual, legally-required contributions made to the Plan during the fiscal year with the total actual contributions made by all employers in the fiscal year.

OPEB Total Plan Liability

The components of the collective Net OPEB liability (asset) for the OPEB plans as of the measurement dates June 30, 2024, and June 30, 2023 are as follows (in millions):

	June 30, 2024	June 30, 2023
Net OPEB-RHIA		
Total OPEB-RHIA Liability	\$ 334.9	\$ 360.4
Plan Fiduciary Net Position	738.8	726.6
Plan Net OPEB -RHIA (Asset)	\$ (403.9)	\$ (366.2)
Net OPEB-RHIPA		
Total OPEB-RHIPA Liability	\$ 42.6	\$ 47.3
Plan Fiduciary Net Position	94.0	91.4
Plan Net OPEB-RHIPA (Asset)	\$ (51.4)	\$ (44.1)

Changes Subsequent to the Measurement Date

The university is not aware of any changes to benefit terms or actuarial methods and assumptions subsequent to the June 30, 2024 measurement date.

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

Contributions

Both of the OPEB plans administered by PERS are funded through actuarially-determined employer contributions.

For the fiscal years ended June 30, 2025 and 2024, the university contributed 0.04 percent and 0.05 percent, respectively, of PERS-covered payroll for Tier One and Tier Two plan members to fund the normal cost portion of RHIA benefits. The university's required employer contributions for the years ended June 30, 2025 and 2024, were approximately (\$8) and \$3, respectively. The actual contribution equaled the annual required contribution for the year.

For the fiscal years ended June 30, 2025 and 2024, the university contributed 0.09 percent and 0.11 percent, respectively, of PERS-covered payroll for Tier One and Tier Two plan members to fund the normal cost portion of RHIPA benefits. In addition, the university contributed (0.09) percent and 0.17 percent, respectively, of all PERS-covered payroll to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities amortized over 20 years. The university's required employer contributions for the years ended June 30, 2025 and 2024, were approximately \$4 and \$46 respectively. The actual contributions equaled the annual required contributions for each year.

Net OPEB Asset/Liability

RHIA

At June 30, 2025, the UO reported an asset of \$5,925 for its proportionate share of the RHIA net OPEB asset. The net OPEB asset as of June 30, 2025, was measured as of June 30, 2024, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022. At June 30, 2024, the UO reported an asset of \$6,026 for its proportionate share of the RHIA net OPEB asset. The net OPEB asset as of June 30, 2024, was measured as of June 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021. The PERS system does not provide UO an audited proportionate share as a separate employer; the UO is allocated a proportionate share of PERS employer state agencies. The state Department of Administrative Services (DAS) calculated UO's proportionate share of all state agencies internally based on actual contributions by UO as compared to the total for employer state agencies. The Oregon Audits Division reviewed this internal calculation. At June 30, 2025, and June 30, 2024, UO's proportion was 1.47 percent and 1.65 percent of the statewide OPEB plan, respectively.

For the year ended June 30, 2025, UO recorded OPEB related income of \$291 and for the year ended June 30, 2024, UO recorded an OPEB related income of \$790, due to changes in the net RHIA OPEB asset, deferred outflows and deferred inflows, and amortization of previously deferred amounts.

RHIPA

For the year ended June 30, 2025, the UO reported an asset of \$3,048 for its proportionate share of the RHIPA net OPEB asset. The net OPEB asset as of June 30, 2025, was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. For the year ended June 30, 2024, the UO reported an asset of \$2,612 for its proportionate share of the RHIPA net OPEB liability. The net OPEB liability as of June 30, 2024, was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. The PERS system does not provide UO an audited proportionate share as a separate employer; the UO is allocated a proportionate share of PERS employer state agencies. DAS calculated UO's proportionate share of all state agencies internally based on actual contributions by UO as compared to the total for employer state agencies. The Oregon Audits Division reviewed this internal calculation. At June 30, 2025, and June 30, 2024, UO's proportion was 5.93 percent and 5.93 percent, respectively, of the statewide OPEB plan.

For the years ended June 30, 2025 and 2024, UO recorded OPEB related income of \$487 and \$372, respectively, due to changes in the net RHIPA OPEB liability/(asset), deferred outflows and deferred inflows, and amortization of previously deferred amounts.

Deferred Items

RHIA

Most deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. However, changes in employer proportion and the difference between employer contributions and proportionate share of contributions are calculated at the employer level. For fiscal years ending June 30, 2025 and 2024, deferred items include:

- Difference between expected and actual experience
- Difference due to changes in assumptions
- Net difference between projected and actual OPEB plan investment earnings

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

- Changes in employer proportion since the prior measurement date
- A difference between employer contributions and proportionate share of contributions
- Contributions subsequent to the measurement date

Differences between expected and actual experience, changes in assumption, and change in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize OPEB expense based on the balance of the closed period “layers” attributable to each measurement period. The average remaining service lives determined as of the beginning of the measurement period are as follows:

- Measurement period ended June 30, 2024 - 2.1 years
- Measurement period ended June 30, 2023 - 2.3 years
- Measurement period ended June 30, 2022 - 2.5 years

The difference between projected and actual OPEB plan investment earnings attributable to each measurement period is amortized over a closed five-year period.

One year of amortization is recognized in the UO’s total OPEB expense for fiscal years 2025 and 2024.

At June 30, 2025, UO reported deferred outflows of resources and deferred inflows of resources related to RHIA OPEB from the following sources:

	RHIA	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 116
Changes in assumptions	-	75
Net difference between projected and actual earnings on investments	167	-
Changes in proportion and differences between fund contributions and proportionate share of contributions	332	6
Total (prior to post-measurement date contributions)	\$ 499	\$ (197)
Net Deferred Outflow/(Inflow) of Resources before contributions subsequent to Measurement Date		302
Contributions made subsequent to measurement date		(8)
Net Deferred Outflow/(Inflow) of Resources		\$ 294

As of June 30, 2025, other amounts reported as deferred outflows of resources and deferred inflows of resources related to RHIA OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2026	\$ (40)
2027	233
2028	90
2029	19
2030	-
Thereafter	-
Total	\$ 302

At June 30, 2024, UO reported deferred outflows of resources and deferred inflows of resources related to RHIA OPEB from the following sources:

	RHIA	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 151
Changes in assumptions	-	65
Net difference between projected and actual earnings on investments	17	-
Changes in proportion and differences between fund contributions and proportionate share of contributions	132	26
Total (prior to post-measurement date contributions)	\$ 149	\$ (242)
Net Deferred Outflow/(Inflow) of Resources before contributions subsequent to Measurement Date		(93)
Contributions made subsequent to measurement date		3
Net Deferred Outflow/(Inflow) of Resources		\$ (90)

RHIPA

Most deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. However, changes in employer proportion and the difference between employer contributions and proportionate share of contributions are calculated at the employer level. For fiscal years ending June 30, 2025 and 2024, deferred items include:

- Difference between expected and actual experience
- Difference due to changes in assumptions
- Net difference between projected and actual OPEB plan investment earnings

Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

- Changes in employer proportion since the prior measurement date
- Difference between employer contributions and proportionate share of contributions
- Contributions subsequent to the measurement date

Differences between expected and actual experience, changes in assumptions, and change in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize OPEB expense based on the balance of the closed period “layers” attributable to each measurement period.

The average remaining service lives determined as of the beginning of the measurement period are as follows:

- Measurement period ended June 30, 2024 - 5.7 years
- Measurement period ended June 30, 2023 - 5.9 years
- Measurement period ended June 30, 2022 - 6.1 years
- Measurement period ended June 30, 2021 - 6.2 years
- Measurement period ended June 30, 2020 - 6.4 years
- Measurement period ended June 30, 2019 - 6.7 years
- Measurement period ended June 30, 2018 - 6.9 years

The difference between projected and actual OPEB plan investment earnings attributable to each measurement period is amortized over a closed five-year period.

One year of amortization is recognized in the UO’s total OPEB expense for fiscal years 2025 and 2024.

At June 30, 2025, UO reported deferred outflows of resources and deferred inflows of resources related to RHIPA OPEB from the following sources:

	RHIPA	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 599
Changes in assumptions	24	528
Net difference between projected and actual earnings on investments	112	-
Changes in proportion and differences between fund contributions and proportionate share of contributions	-	-
Total (prior to post-measurement date contributions)	\$ 136	\$ (1,127)
Net Deferred Outflow/(Inflow) of Resources before contributions subsequent to Measurement Date		(991)
Contributions made subsequent to measurement date		4
Net Deferred Outflow/(Inflow) of Resources		\$ (987)

As of June 30, 2025, other amounts reported as deferred outflows of resources and deferred inflows of resources related to RHIPA OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2026	\$ (420)
2027	(220)
2028	(211)
2029	(96)
2030	(44)
Thereafter	-
Total	\$ (991)



Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

At June 30, 2024, UO reported deferred outflows of resources and deferred inflows of resources related to RHIPA OPEB from the following sources:

	RHIPA	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 548
Changes in assumptions	38	630
Net difference between projected and actual earnings on investments	53	-
Changes in proportion and differences between fund contributions and proportionate share of contributions	-	-
Total (prior to post-measurement date contributions)	\$ 91	\$ (1,178)
Net Deferred Outflow/(Inflow) of Resources before contributions subsequent to Measurement Date		(1,087)
Contributions made subsequent to measurement date		46
Net Deferred Outflow/(Inflow) of Resources		\$ (1,041)

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The following key methods and assumptions were used to measure the total RHIA OPEB asset:

Actuarial Methods and Assumptions:		
	RHIA	
Report Date	June 30, 2025	June 30, 2024
Valuation Date	December 31, 2022	December 31, 2021
Measurement Date	June 30, 2024	June 30, 2023
Experience Study Report	2022, published July 2023	2020, published July 2021
Actuarial Assumptions:		
Actuarial Cost Method	Entry Age Normal	
Inflation Rate	2.40 percent	2.40 percent
Long-Term Expected Rate of Return	6.90 percent	6.90 percent
Discount Rate	6.90 percent	6.90 percent
Projected Salary Increases	3.40 percent	3.40 percent
Retiree Healthcare Participation	Healthy retirees: 25%; Disabled retirees: 15%	Healthy retirees: 27.5%; Disabled retirees: 15%
Healthcare Cost Trend Rate	Not applicable	
Mortality	<i>Healthy retirees and beneficiaries:</i>	
	Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	
	<i>Active members:</i>	
	Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	
	<i>Disabled retirees:</i>	
	Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	



Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

The following key methods and assumptions were used to measure the total RHIPA OPEB liability:

Actuarial Methods and Assumptions:		
	RHIPA	
Report Date	June 30, 2025	June 30, 2024
Valuation Date	December 31, 2022	December 31, 2021
Measurement Date	June 30, 2024	June 30, 2023
Experience Study Report	2022, published July 2023	2020, published July 2021
Actuarial Assumptions:		
Actuarial Cost Method	Entry Age Normal	
Inflation Rate	2.40 percent	2.40 percent
Long-Term Expected Rate of Return	6.90 percent	6.90 percent
Discount Rate	6.90 percent	6.90 percent
Projected Salary Increases	3.40 percent	3.40 percent
Retiree Healthcare Participation	8-14 Years of Service: 10% 15-19 Years of Service: 11% 20-24 Years of Service: 12% 25-29 Years of Service: 20% 30+ Years of Service: 25%	8-14 Years of Service: 10% 15-19 Years of Service: 11% 20-24 Years of Service: 14% 25-29 Years of Service: 22% 30+ Years of Service: 27%
Healthcare Cost Trend Rate	Applied at beginning of plan year, starting with 6.6% for 2023, increasing to 7.0% for 2024, decreasing to 4.2% for 2032, increasing to 4.3% for 2055, and decreasing to an ultimate rate of 3.8% for 2074 and beyond.	Applied at beginning of plan year, starting with 5.9% for 2021, decreasing to 4.7% for 2028, increasing to 4.8% for 2037, increasing to 4.9% for 2046, and decreasing to an ultimate rate of 3.9% for 2074 and beyond.
Mortality	Healthy retirees and beneficiaries:	
	Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	
	Active members:	
	Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	
	Disabled retirees:	
	Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation	

Discount Rate

The discount rate used to measure the total OPEB liability/(asset) at June 30, 2025 and 2024, was 6.90 percent and 6.90 percent, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the OPEB plans’ fiduciary net position was projected to be available to make all projected future benefit

payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the OPEB Plans was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity Analysis

The sensitivity analysis below shows the sensitivity of the UO’s proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.90 percent and 6.90 percent, as of June 30, 2025 and 2024, respectively, as well as what the net OPEB liability/(asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current rate (in thousands):

	RHIA		RHIPA	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Discount Rate				
1% Decrease 5.90%/5.90%	\$ (5,485)	\$ (5,478)	\$ (2,920)	\$ (2,454)
Current Discount Rate 6.90%/6.90%	(5,925)	(6,026)	(3,048)	(2,612)
1% Increase 7.90%/7.90%	(6,305)	(6,497)	(3,175)	(2,760)

The sensitivity analysis below shows the sensitivity of the UO’s proportionate share of the net OPEB liability/(asset) calculated using the current healthcare cost trend rates, as well as what the net OPEB liability/(asset) would be if it were calculated using healthcare trend rates that are one percentage point lower, or one percentage point higher than the current rates (in thousands):

	RHIA		RHIPA	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Healthcare Cost Rate				
1% Decrease	\$ (5,925)	\$ (6,026)	\$ (3,234)	\$ (2,827)
Current Discount Rate	(5,925)	(6,026)	(3,048)	(2,612)
1% Increase	(5,925)	(6,026)	(2,844)	(2,373)

Assumed Asset Allocation

Asset Class/Strategy	Oregon Investment Council (OIC) Range			OIC Target
Debt Securities	20.0	-	30.0	25.0
Public Equity	22.5	-	32.5	27.5
Real Estate	7.5	-	17.5	12.5
Private Equity	15.0	-	27.5	20.0
Real Assets	2.5	-	10.0	7.5
Diversifying Strategies	2.5	-	10.0	7.5
Opportunity Portfolio	0.0	-	5.0	0.0
Total				100 %

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman, an independent actuarial and consulting firm, and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The table below shows a summary of long-term expected rate of return by asset class. For more information on the Plan’s portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS’ audited financial statements at: <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Long-term expected rate of return by asset class is as follows:

Asset Class	Target	Compound Annual (Geometric) Return
Global Equity	27.50 %	7.07 %
Private Equity	25.50	8.83
Core Fixed Income	25.00	4.50
Real Estate	12.25	5.83
Master Limited Partnerships	0.75	6.02
Infrastructure	1.50	6.51
Hedge Fund of Funds - Multistrategy	1.25	6.27
Hedge Fund Equity - Hedge	0.63	6.48
Hedge Fund - Macro	5.62	4.83
Assumed Inflation - Mean		2.35 %

Depletion Date Projection

GASB Statement No. 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year

high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB Statement No. 75 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB Statement No. 75 (paragraph 82) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for Oregon PERS:

- Oregon PERS has a formal written policy to calculate an actuarially determined contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100 percent funded position by the end of the amortization period if future experience follows assumptions.
- GASB Statement No. 75 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience that might impact the plan’s funded position.

Based on these circumstances, it is the independent actuary’s opinion that the detailed depletion date projections outlined in GASB Statement No. 75 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses. As such, the long-term expected rate of return was used to discount the liability.

B. Public Employees’ Benefit Board (PEBB)

Plan Description

The UO participates in a defined benefit post-employment healthcare plan administered by the Public Employees Benefit Board (PEBB). This plan offers healthcare assistance to eligible retired employees and their beneficiaries. Chapter 243 of the Oregon Revised Statutes (ORS) gives PEBB the authority to establish and amend the benefit provisions of the PEBB Plan. The PEBB Plan is considered a cost-sharing multiple-employer plan for financial reporting purposes and has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

No. 75. PEBB does not issue a separate, publicly available financial report.

The PEBB Plan allows qualifying retired employees to continue their “active” health insurance coverage on a self-pay basis until they are eligible for Medicare. Participating retirees pay their own monthly premiums. However, the premium amount is based on a blended rate that is determined by pooling the qualifying retirees with active employees, thus, creating an “implicit rate subsidy.”

Summary of Significant Accounting Policies

Employers participating in PEBB are required to report OPEB information in their financial statements for fiscal periods beginning on or after June 15, 2017, in accordance with GASB Statement No. 75.

The requirements of this Statement incorporate provisions intended to reflect the effects of transactions and events related to OPEB in the measurement of employer liabilities and recognition of OPEB expense and deferred outflows of resources and deferred inflows of resources.

Proportionate Share Allocation Methodology

The basis for the employer’s proportion is determined by comparing the employer’s actual contributions made during the fiscal year with the total actual contributions made by all employers in the fiscal year.

Total PEBB OPEB Liability

At June 30, 2025, the UO reported a total liability of \$10,110 for its proportionate share of the total PEBB OPEB liability. The total PEBB OPEB liability as of June 30, 2025, was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024. At June 30, 2024, the UO reported a liability of \$9,906 for its proportionate share of the total PEBB OPEB liability. The total PEBB OPEB liability as of June 30, 2024 was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2022. PEBB does not provide the UO an audited proportionate share as a separate employer; the UO is allocated a proportionate share of PEBB participating employers. DAS calculated UO’s proportionate share of all participating employers internally based on actual contributions by the UO as compared to the total for participating employers. The Oregon Audits Division reviewed this internal calculation. At June 30, 2025 and 2024, UO’s proportion was 7.89 percent and 9.17 percent, respectively, of participating employers.

For the year ended June 30, 2025 and 2024, UO recorded total PEBB OPEB related income of \$1,621 and expense of \$2,046, respectively, due to the changes to the total OPEB liability and deferred inflows, and amortization of previously deferred amounts.

Deferred Items

Most deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. However, changes in employer proportion are calculated at the employer level. For the measurement periods ended June 30, 2025 and 2024, there were:

- Differences between expected and actual experience
- Differences due to changes in assumptions
- Changes in employer proportion since the prior measurement date
- Differences between employer contributions and proportionate share of contributions

Changes in assumption and changes in employer proportion are amortized over the closed period equal to the average expected remaining service lives of all covered active and inactive participants. Employers are required to recognize OPEB expense based on the balance of the closed period “layers” attributable to each measurement period. The weighted average expected remaining service lives, assuming zero years for all retirees, is determined as of the beginning of each measurement period.

The average remaining service lives determined as of the beginning of the measurement period are as follows:

- Measurement period ended June 30, 2024 - 7.96 years
- Measurement period ended June 30, 2023 - 8.23 years
- Measurement period ended June 30, 2022 - 8.23 years
- Measurement period ended June 30, 2021 - 7.80 years
- Measurement period ended June 30, 2020 - 8.60 years
- Measurement period ended June 30, 2019 - 8.60 years
- Measurement period ended June 30, 2018 - 8.20 years
- Measurement period ended June 30, 2017 - 8.20 years

One year of amortization is recognized in the UO’s total OPEB expense for fiscal years 2025 and 2024.

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

At June 30, 2025, UO reported deferred outflows of resources and deferred inflows of resources related to PEBB OPEB from the following sources:

OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 876	\$ 1,308
Changes in assumptions	211	1,879
Total	\$ 1,087	\$ 3,187
Net Deferred Outflow/(Inflow) of Resources		\$ (2,100)

As of June 30, 2025, other amounts reported as deferred outflows of resources and deferred inflows of resources related to PEBB OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2026	\$ (606)
2027	(638)
2028	(565)
2029	(377)
2030	(118)
Thereafter	204
Total	\$ (2,100)

At June 30, 2024, UO reported deferred outflows of resources and deferred inflows of resources related to PEBB OPEB from the following sources:

OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3	\$ 1,869
Changes in assumptions	148	2,801
Total	\$ 151	\$ 4,670
Net Deferred Outflow/(Inflow) of Resources		\$ (4,519)

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The following key methods and assumptions were used to measure the total OPEB liability:

Actuarial Methods and Assumptions:		
Measurement Date	June 30, 2025	June 30, 2024
Valuation Date	July 1, 2024	July 1, 2022
Actuarial Assumptions:		
Actuarial Cost Method	Entry Age Normal	
Inflation Rate	2.40 percent	2.40 percent
Discount Rate	5.20 percent	3.93 percent
Projected Salary Increases	3.40 percent	3.40 percent
Withdrawal, retirement, and mortality rates	December 31, 2022 Oregon PERS valuation	December 31, 2020 Oregon PERS valuation
Healthcare Cost Trend Rate	Pursuant to ORS 243.135(8), growth in per-member expenditures under self-insured plans and premium amounts is assumed to be 4.50% per year.	
Election and lapse rates	30% of eligible employees	
	60% spouse coverage for males, 35% for females	
	7% annual lapse rate	

Discount Rate

Unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The Bond Buyer 20-Year General Obligation Bond Index was used to determine the discount rate for the OPEB liability. The discount rate in effect for the June 30, 2025 and 2024, reporting date was 5.20 percent and 3.93 percent, respectively.

Sensitivity Analysis

The sensitivity analysis below shows the sensitivity of the UO’s proportionate share of the total OPEB liability calculated using the discount rate of 5.20 percent as of June 30, 2025, and 3.93 percent as of June 30, 2024, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current rate as of June 30, 2025 and 2024:

Discount Rate	June 30, 2025	June 30, 2024
1% Decrease 4.20%/2.93%	\$ 10,828	\$ 10,596
Current Discount Rate 5.20%/3.93%	10,110	9,906
1% Increase 6.20%/4.93%	9,438	9,252

The sensitivity analysis below shows the sensitivity of the UO’s proportionate share of the total OPEB liability calculated using the current healthcare cost trend rates, as well as what the net OPEB liability would be if it were calculated using healthcare trend rates that are one percentage point lower, or one percentage point

Notes to the Financial Statements
For the Year Ended June 30, 2025 (dollars in thousands)

higher than the current rates as of June 30, 2025 and 2024:

Healthcare Rate	June 30, 2025	June 30, 2024
1% Decrease	\$ 9,032	\$ 8,687
Current Discount Rate	10,110	9,906
1% Increase	11,377	11,355

14. Risk Management

Effective July 1, 2015, the UO implemented its first independent insurance portfolio as it withdrew from the Public University Risk Management Insurance Trust (PURMIT).

Effective October 15, 2016, the UO increased its property insurance coverage to \$1,000,000. The total insurable value of property is currently assessed at \$9,458,971 with a self-insured retention of \$250. The casualty program covers general tort claims as well as directors and officers, errors and omissions, and employment liability. The UO's self-insured retention is \$500 for general liability. No settled claims have exceeded the insurance coverage levels for this reporting period.

The UO paid property and casualty claims of \$1,569 during 2025. The estimate for claims incurred but not reported (IBNR) is \$2,205 for the year ended June 30, 2025.

Property and Casualty	2025	2024	2023
Beginning Liability	\$ 1,972	\$ 2,182	\$ 1,451
Claims Incurred	1,802	1,350	1,969
Claims Payments	(1,569)	(1,560)	(1,238)
Ending Liability	\$ 2,205	\$ 1,972	\$ 2,182

The UO operates a student health insurance plan which is controlled by the UO and administered by PacificSource Health Plans (PacificSource). The UO began self-funding this plan in fiscal year 2017. The UO purchases individual and aggregate stop loss coverage. The specific stop loss coverage has a \$300 deductible with an unlimited lifetime reimbursement maximum. The aggregate stop loss coverage has a reimbursement maximum of \$3,000 with an annual aggregate deductible that is 125 percent of expected claims, subject to a minimum amount. The contract coverage period is for expenses incurred since the original effective date and paid within 18 months of the effective date of the current policy. The UO paid \$3,950 in claims during 2025. The estimate for claims incurred but not reported (IBNR) is \$420 for the year ended June 30, 2025.

Student Health Insurance	2025	2024	2023
Beginning Liability	\$ 621	\$ 480	\$ 483
Claims Incurred	4,013	4,579	4,183
Claims Payments	(3,950)	(4,603)	(4,230)
Claims Reserve Adjustment	(264)	165	44
Ending Liability	\$ 420	\$ 621	\$ 480

The UO has established a risk management program to manage costs within the respective policy deductibles. The insurance renewal process focuses on procuring coverage to transfer risk, reducing portfolio costs when possible, and continuing to monitor campus activities for potential gaps in coverage and risk mitigation. The Safety and Risk Services unit works strategically with campus partners to increase risk awareness and safety and to reduce injuries and losses. Workers' Compensation claims are administered by the State Accident Insurance Fund (SAIF).

15. Commitments and Contingent Liabilities

The UO participates in certain federal grant programs. These programs are subject to financial and compliance audits by the grantor or its representative. Such audits could lead to requests for reimbursement to the grantor for expenditures disallowed under terms of the grant. Management believes that disallowances, if any, will not have a material effect on the financial statements.

Unemployment compensation claims are administered by the Oregon Employment Division pursuant to ORS 657. The UO reimburses the Oregon Employment Division on a quarterly basis for actual benefits paid. Each year, resources are budgeted to pay current charges. The amount of future benefit payments to claimants and the resulting liability to the UO cannot be reasonably determined at June 30, 2024.

The UO is contingently liable in connection with certain other claims and contracts, including those currently in litigation, arising in the normal course of its activities. Management is of the opinion that the outcome of such matters will not have a material effect on the financial statements.

Outstanding commitments on construction projects that are in the planning phase but not yet initiated, as well as partially-completed construction projects, totaled approximately \$204,040 and \$404,839, at June 30, 2025 and 2024, respectively. These commitments will be funded from gifts and grants, bond proceeds, and other UO funds. Refer to the table accompanying this note for projects relating to construction commitments as of June 30, 2025.

Notes to the Financial Statements

For the Year Ended June 30, 2025 (dollars in thousands)

Construction Commitments as of June 30, 2025

Project Description	Total Commitment	Completed to Date	Outstanding Commitment
1776 Millrace	\$2,700	\$764	\$1,936
Central Power Station Emergency Generator	3,122	74	3,049
Earl Hall	1,435	616	819
East Campus Housing Plan:			
Phase I	6,150	5,108	1,042
Phase II	1,650	1,331	319
East Campus Infrastructure	10,200	283	9,917
Friendly Hall Deferred Maintenance	79,512	3,245	76,267
Heritage Renovation Project	92,633	70,510	22,124
Klamath Hall	3,253	174	3,080
Knight Campus for Accelerating Scientific Impact Building II	250,317	230,380	19,937
Knight Library	10,214	9,653	561
Lawrence Hall	1,515	508	1,007
Onyx Bridge	2,493	340	2,153
Oregon Acoustic Research Lab	25,691	1,653	24,038
Residence Halls Transformation Project Phase III	9,500	616	8,884
UO Portland - Multiple Building	18,718	2,556	16,162
West Science Electrical Loop	2,365	348	2,017
Willamette Hall	2,622	55	2,567
Projects with < \$500 thousand remaining to be spent	18,452	16,997	1,455
Project Budgets < \$1 million	10,008	3,300	6,708
	\$ 552,550	\$ 348,509	\$ 204,040

The financial activity is reported for the year ended June 30, 2025.

During the fiscal years 2025 and 2024, gifts of \$251,383, and \$258,932, respectively, were transferred from the UO Foundation to the UO. The UO Foundation is audited annually and received an unmodified audit opinion in 2025 and 2024.

During fiscal year 2025, the Foundation identified an error in prior year financial statements related to the recognition of certain donor contributions. These contributions that had been recorded as deferred revenue should have been recognized as contribution revenue when received and similarly, investment returns on those contributions should have been recognized as investment income rather than increases to deferred revenue.

In accordance with FASB Accounting Standards Codification 250, Accounting Changes and Error Corrections, the Foundation corrected this error by adjusting the opening balance of net assets as of July 1, 2023, to remove the deferred revenue liability and recognize the related investment income of \$43,168 for the year ended June 30, 2024.

This correction increased beginning net assets as of July 1, 2023, by \$515,877, and increased total revenue as of June 30, 2024, by \$43,168 with no impact on fiscal year 2025 change in net assets or cash flows.

Please see the financial statements for the UO Foundation and wholly-owned subsidiaries on pages 19 and 21 of this report. Complete financial statements for the UO Foundation may be obtained by writing to the following:

University of Oregon Foundation

1720 E 13th Avenue, Suite 410

Eugene, Oregon 97403-2253 or at uofoundation.org

16. University Foundation

Under policies approved by the BOT, the UO Foundation has been recognized by the president to provide assistance in fundraising, public outreach, and other support for the mission of the UO. The UO Foundation is a legally separate, tax-exempt entity with an independent governing board. The majority of resources, or income thereon, which the UO Foundation holds and invests is restricted to the activities of the UO by the donors and not controlled directly by the UO. Because these restricted resources held by the UO Foundation can only be used by, or for the benefit of the UO, the UO Foundation is considered a component unit of the UO and is discretely presented in the financial statements.

Required Supplementary Information

For the Year Ended June 30, 2025 (dollars in thousands)

Schedule of UO's Proportionate Share of Net Pension Liability / (Asset)

Schedule of UO Contributions Public Employees Retirement System

Data reported is measured as of June 30, (measurement date)	2025	2024	2023*	2022	2021	2020	2019	2018	2017	2016
UO's portion of net pension liability	1.844%	1.824%	2.024%	1.918%	2.011%	2.064%	2.017%	2.215%	1.907%	1.654%
UO's proportionate share of the net pension liability (asset)	\$409,786	\$341,707	\$309,915	\$229,499	\$438,807	\$357,066	\$305,554	\$298,606	\$286,241	\$94,966
UO's covered payroll	\$304,090	\$276,214	\$253,054	\$245,666	\$246,702	\$233,008	\$220,698	\$213,982	\$208,995	\$201,223
UO's proportional share of the net pension liability (asset) as a percentage of its covered payroll	134.76%	123.71%	122.47%	93.42%	177.87%	153.24%	138.45%	139.55%	136.96%	47.19%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	79.29%	81.68%	84.55%	87.57%	75.79%	80.23%	82.07%	83.12%	80.53%	91.88%

* PERS side account established in fiscal year 2023

Schedule of UO Contributions Public Employees Retirement System

Data reported as of June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily-required contribution	\$55,116	\$49,652	\$44,020	\$44,615	\$38,628	\$39,383	\$29,073	\$28,240	\$19,887	\$19,848
Contributions made	\$55,116	\$49,652	\$44,020	\$44,615	\$38,628	\$39,383	\$29,073	\$28,240	\$19,887	\$19,848
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-	-
UO's covered payroll	\$339,114	\$304,090	\$276,214	\$253,054	\$245,666	\$246,702	\$233,008	\$220,698	\$213,982	\$208,995
Contributions as a percentage of covered payroll	16.25%	16.33%	15.94%	17.63%	15.72%	15.96%	12.48%	12.80%	9.29%	9.50%

Schedule of UO's Proportionate Share of the Net OPEB Liability / (Asset)

Retirement Health Insurance Account (RHIA)

Data reported is measured as of June 30, (measurement date)	2025	2024	2023	2022	2021	2020	2019	2018	2017
UO's proportion of the net OPEB-RHIA liability	1.467%	1.646%	1.708%	1.995%	1.714%	2.287%	2.196%	2.501%	2.096%
UO's proportionate share of the net OPEB-RHIA liability / (asset)	\$(5,925)	\$(6,026)	\$(6,068)	\$(6,851)	\$(3,492)	\$(4,419)	\$(2,452)	\$(1,044)	\$569
UO's covered payroll	\$433,310	\$397,378	\$366,573	\$360,327	\$362,050	\$345,614	\$329,731	\$317,777	\$308,031
UO's proportionate share of the net OPEB-RHIA liability / (asset) as a percentage of its covered payroll	(1.37%)	(1.52%)	(1.66%)	(1.90%)	(0.96%)	(1.28%)	(0.74%)	(0.33%)	0.18%
Plan fiduciary net position as a percentage of the total OPEB-RHIA liability	220.6%	201.6%	194.6%	183.9%	150.1%	144.4%	124.0%	108.9%	94.1%

Schedule of UO's Contributions Retirement Health Insurance Account (RHIA)

Data reported as of June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily-required contribution	\$(8)	\$3	\$25	\$29	\$35	\$120	\$1,026	\$980	\$1,017
Contributions made	\$(8)	\$3	\$25	\$29	\$35	\$120	\$1,026	\$980	\$1,017
Contribution (deficiency) excess	-	-	-	-	-	-	-	-	-
UO's covered payroll	\$477,666	\$433,310	\$397,378	\$366,573	\$360,327	\$362,050	\$345,614	\$329,731	\$317,777
Contributions as a percentage of covered payroll	0.00%	0.00%	0.01%	0.01%	0.01%	0.03%	0.30%	0.30%	0.32%

*The required supplementary schedules are required to show information for 10 years. However, until a full 10-year trend is compiled, the information presented is for those years for which information is available.

Required Supplementary Information

For the Year Ended June 30, 2025 (dollars in thousands)

Schedule of UO's Proportionate Share of the Net OPEB Liability / (Asset)

Retiree Health Insurance Premium Account (RHIPA)

Data reported is measured as of June 30, (measurement date)	2025	2024	2023	2022	2021	2020	2019	2018	2017
UO's proportion of the net OPEB-RHIPA liability	5.927%	5.927%	6.328%	6.203%	6.436%	6.120%	6.254%	8.097%	7.019%
UO's proportionate share of the net OPEB-RHIPA (asset)	\$(3,048)	\$(2,612)	\$(2,166)	\$(961)	\$642	\$1,550	\$2,210	\$3,778	\$3,815
UO's covered payroll	\$433,310	\$397,378	\$366,573	\$360,327	\$362,050	\$345,614	\$329,731	\$317,777	\$308,031
UO's proportionate share of the net OPEB-RHIPA liability as a percentage of its covered payroll	(0.70%)	(0.66%)	(0.59%)	(0.27%)	0.18%	0.45%	0.67%	1.19%	1.24%
Plan fiduciary net position as a percentage of the total OPEB-RHIPA liability	220.7%	193.2%	169.7%	124.6%	84.4%	64.9%	49.8%	34.3%	21.9%

Schedule of UO's Contributions

Retiree Health Insurance Premium Account (RHIPA)

Data reported as of June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily-required contribution	\$4	\$46	\$514	\$527	\$716	\$732	\$934	\$888	\$815
Contributions made	\$4	\$46	\$514	\$527	\$716	\$732	\$934	\$888	\$815
Contribution (deficiency) excess			-	-	-	-	-	-	-
UO's covered payroll	\$477,666	\$433,310	\$397,378	\$366,573	\$360,327	\$362,050	\$345,614	\$329,731	\$317,777
Contributions as a percentage of covered payroll	0.00%	0.01%	0.13%	0.14%	0.20%	0.20%	0.27%	0.27%	026%

Schedule of UO's Proportionate Share of the Total OPEB Liability

Public Employees' Benefit Board (PEBB)

Data reported is measured as of June 30, (measurement date)	2025	2024	2023	2022	2021	2020	2019	2018	2017
UO's proportion of the total OPEB-PEBB liability	7.891%	9.165%	7.957%	7.778%	7.843%	8.249%	8.150%	8.226%	8.836%
UO's proportionate share of the total OPEB-PEBB liability	\$10,110	\$9,906	\$8,403	\$9,593	\$11,850	\$12,101	\$13,135	\$12,221	\$12,795
UO's covered payroll	\$477,666	\$433,310	\$397,378	\$366,573	\$360,327	\$362,050	\$345,614	\$329,731	\$317,777
UO's proportionate share of the total OPEB-PEBB liability as a percentage of its covered payroll	2.12%	2.29%	2.11%	2.62%	3.29%	3.34%	3.80%	3.71%	4.03%

Schedule of UO's Contributions

Public Employees' Benefit Board (PEBB)

Data reported as of June 30,	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily-required contribution	\$594	\$572	\$598	\$725	\$794	\$646	\$613	\$638
Contributions made	\$594	\$572	\$598	\$725	\$794	\$646	\$613	\$638
Contribution (deficiency) excess			-	-	-	-	-	-
UO's covered payroll	\$477,666	\$433,310	\$397,378	\$366,573	\$360,327	\$362,050	\$345,614	\$329,731
Contributions as a percentage of covered payroll	0.12%	0.13%	0.15%	0.20%	0.22%	0.18%	0.18%	0.19%

*The required supplementary schedules are required to show information for 10 years. However, until a full 10-year trend is compiled, the information presented is for those years for which information is available.

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Members of the Board of Trustees
University of Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the business-type activities, fiduciary activities, and discretely presented component unit of the University of Oregon ("UO"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise UO's basic financial statements, and have issued our report thereon dated December 2, 2025. The financial statements of the University of Oregon Foundation ("Foundation"), a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Foundation or that are reported on separately by those auditors who audited the consolidated financial statements of the Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered UO's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UO's internal control. Accordingly, we do not express an opinion on the effectiveness of UO's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether UO's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Portland, Oregon
December 2, 2025

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