

How Tuition Is Determined

The cost of higher education has continued to grow over the past several decades. As tuition costs rise, it is becoming increasingly difficult for students to keep up...But just how are these prices set?

Oregon legislation mandates a three-step process for setting tuition at each public university. The process starts with each university's Tuition Advisory Council. This group, which includes student, faculty, and administrative representatives, makes a recommendation to the university's President. This recommendation is assessed and, if needed, revised by the President before being presented to the university's Board of Trustees and a final decision. The Board of Trustees is made up of community members, faculty, administrators, and students.



On the expense side, state laws and administrative rules control many of the costs facing universities. As the below graphic illustrates, the vast majority of Southern Oregon University's expenses relate to wages and benefits for our personnel—faculty, other staff, and student workers. Many of these costs are mandated by the state, and fall outside of university control.



State investment is the critical factor in the level where tuition gets set. And, over time, the state's share of total revenue to pay for expenses has fallen dramatically. In 2016, Oregon paid roughly 70% of university expenses. In the 2023 fiscal year, only 42% of Southern Oregon University revenue came from the State of Oregon. Whenever that state funding falls short of budget needs, universities must rely on tuition increases to pay the balance of operating costs.