



# Oklahoma State Regents for Higher Education

**FY 2027 Budget Hearing Presentation**

**Submitted by: Sean Burrage, Chancellor**

# Sean Burrage

## Chancellor



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The **Oklahoma State Regents for Higher Education (OSRHE)** is the **coordinating board for the Oklahoma State System of Higher Education**, which is comprised of:

- 25 colleges and universities;
- 10 constituent agencies; and
- 1 university center (University Center at Ponca City).

Founded in **1941** by a vote of the people, the primary functions and responsibilities of the OSRHE are to:

- **Prescribe academic standards** for higher education in Oklahoma;
- **Determine functions and courses of study** at state colleges and universities;
- **Grant degrees** and other forms of academic recognition;
- **Develop an annual system-wide budget request** to Governor and Legislature;
- **Allocate funds to state system institutions and programs** appropriated by the state Legislature;
- **Set tuition and fees**, within limits prescribed by the Legislature; and
- **Administer special programs** (*e.g.*, Oklahoma's Promise, scholarships, OneNet, Oklahoma College Assistance Program, Oklahoma Teacher Connection, Concurrent Enrollment, Reach Higher, GEAR UP)

# Agency Vision, Mission and Core Values

- **VISION:** Coordinate Oklahoma's public colleges and universities in promoting and developing innovative, effective, and efficient strategies that produce college graduates with the skills needed to compete in a global, knowledge-based economy.
- **MISSION:** Build a nationally competitive system of higher education that provides educational programs and services universally recognized for excellence, expand frontiers of knowledge, and enhance the quality of life for Oklahoma citizens.
- **VALUES:** The OSRHE, Chancellor, and state higher education leaders promote **excellence** in instruction, public service, and research, as well as maximize the use of available resources in the **efficient** and **effective** delivery of higher education programs and services.





# Accomplishments

## Top accomplishments for FY 2025 – FY 2026

- **Blueprint 2030** - Progress continues to implement the bold strategies outlined in the strategic plan that is guiding our state system over the next several years. The plan emphasizes the key role of the State System of Higher Education in producing Oklahoma's workforce and reflects the State Regents' commitment to leading a responsive, forward-thinking, data-driven system.
- **Preliminary Enrollment.** For the fifth year in a row, Oklahoma's public colleges and universities reported an increase in student enrollment for the fall semester. For fall 2025, the state system of higher education has seen an increase in enrollment at all tiers – two-year colleges, regional universities and research universities. Our *Fall 2025 Preliminary Enrollment Report* shows that headcount enrollment is up 3.6% compared to last fall, with more than 175,000 students enrolled. Additionally, both preliminary full-time equivalent (FTE) and freshman enrollment also increased from fall 2024 to fall 2025 at public institutions - FTE enrollment increased 4.5% across the state system, and freshman enrollment rose 4.1%.
- **Degree and Certificate Production.** State system institutions conferred 41,250 degrees and certificates during the 2024-25 academic year, which represents an increase of 8.4% from the previous year and 11.0% over the last five years.
- **Meeting Oklahoma's Critical Workforce Needs.** At our state system institutions:
  - Of all degrees conferred in the 2024-25 academic year, 87.5% were earned in critical occupation fields.
  - STEM degree production at all levels increased 28.8% over the last 10 years.
  - The number of health professions degrees conferred increased over 18.5% during the last decade, and nursing degree and certificate production increased 36.5%.
- **Nationally Recognized College Affordability.** Data from the National Center for Education Statistics show the cost of attendance at Oklahoma is among the lowest in the nation. At our public colleges and universities, FY26 tuition and mandatory fees are over 25% less, on average, than institutions in their national and regional peer groups.
- **Employment Outcomes.** Students who learn here, earn here.
  - 91% of Oklahomans who graduate from a state system college or university remain and work in the state one year after graduation.
  - Of STEM resident graduates from our state system colleges and universities, nearly 89% remain and work in the state one year after graduation. Five years after graduating with a STEM degree from a public institution, more than 78% still live and work here.
  - Of teacher education graduates from our public institutions, over 87% earning a bachelor's degree are employed in Oklahoma one year after graduation.
  - More than 94% of nursing graduates at all degree levels are employed in the state one year after graduation, and over 86% remained five years later, meeting a critical workforce need.
  - Nearly 93% of Oklahoma's Promise graduates remain and work in the state one year after graduation, and almost 85% are still employed in the state five years later.
- **Return on Investment.** A recent comprehensive economic impact study shows the Oklahoma state system of higher education contributed \$14.61 billion to the state's economy in FY24 and generated \$461.8 million in tax revenue for state, county, and local governments. Every dollar of state appropriations invested in our state system colleges and universities yields \$17.48 in economic output, demonstrating a substantial return on investment for Oklahoma taxpayers.



# Analysis of Agency Challenges

	Challenge Description	Current Actions (Briefly describe how the agency is currently addressing the challenge.)	Planned Actions (Briefly describe how the agency plans to address the challenge going forward.)
1	Meeting Workforce Demands	Developed Reach Higher Finish Line scholarship program directed for adult learners encouraging degree completion efforts in areas of high workforce need.	Specific initiatives are included in the <i>Blueprint 2030 Strategic Plan</i> . <a href="https://okhighered.org/state-system/strategic-plan/">https://okhighered.org/state-system/strategic-plan/</a>
2	Maintaining College Affordability	Focus on increasing FAFSA completion and increasing investments in scholarships, waivers and financial aid opportunities.	Specific initiatives are included in the <i>Blueprint 2030 Strategic Plan</i> . <a href="https://okhighered.org/state-system/strategic-plan/">https://okhighered.org/state-system/strategic-plan/</a>
3	Online Education Demands	Colleges and universities are offering more high-quality online degree programs to better meet the needs of the non-traditional student.	Specific initiatives are included in the <i>Blueprint 2030 Strategic Plan</i> . <a href="https://okhighered.org/state-system/strategic-plan/">https://okhighered.org/state-system/strategic-plan/</a>
4	Maintaining State Investments in Higher Education	Strategic alignment with State's workforce goals and targeted investment initiatives in critical occupation fields of study.	Specific initiatives are included in the <i>Blueprint 2030 Strategic Plan</i> . <a href="https://okhighered.org/state-system/strategic-plan/">https://okhighered.org/state-system/strategic-plan/</a>
5	Student Preparation and Achievement Gaps	Colleges and universities offer supplemental instruction and co-requisite courses.	Specific initiatives are included in the <i>Blueprint 2030 Strategic Plan</i> . <a href="https://okhighered.org/state-system/strategic-plan/">https://okhighered.org/state-system/strategic-plan/</a>



# Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement*	FY 2025 (Actual \$ Savings)	FY 2026 (Projected \$ Savings)	FY 2027 (Projected \$ Savings)
<b>Continued Exploration of the Shared Services Concept for Systemwide Operations.</b>	Planned for FY2026 and beyond.	Administrative cost consolidation and system-wide efficiencies		Savings achieved at the institutional level	
<b>Master Lease Program</b>	Allows institutions to achieve cost savings when financing the acquisition of real property, capital upgrades and equipment.	Administrative cost consolidation and efficiencies; debt service savings	\$3,159,950	Current refunding in process to generate estimated \$1,307,152	
<b>Updated Purchasing Policy to provide for additional shared contracts and purchasing consortia</b>	OSRHE completed the APA process to updated policy to provide for system-wide contract negotiations to provide savings on economy of scale purchases.	Contracted per unit savings – ex: Zoom licenses; Coursera; Blackboard; Lightcast; Cybersecurity Coverage		Savings achieved at the institutional level	





# Agency Goals and Key Performance Metrics

Goal		Metric	FY 25 Target	FY 25 Actuals	FY 26 Target
1	STEM Exploration	Increase in number of middle and high school students receiving STEM exploration opportunities annually.	547	555	500
2	Concurrent Enrollment*	Increase in number of students participating in concurrent enrollment at state system institutions annually.	17,161	18,851	17,506
3	Oklahoma Tuition Aid Grant	Increase in the percentage of Pell-eligible students who receive the Oklahoma Tuition Aid Grant annually.	30%	16%	32%
4	Oklahoma's Promise	Increase in the percentage of eligible students who enroll in Oklahoma's Promise scholarship program.	40%	41%	42%
5	Micro-credentials	Increase in the number of micro-credentials awarded by state system institutions annually.	7,500	8,642	15,000
6	Degrees and Certificates	Increase in the number of degrees and certificates awarded by state system institutions annually.	37,561	41,250	41,250
7	STEM and Critical Occupations	Increase in number of degrees and certificates aligned with STEM and critical occupations by state system institutions annually.	34,562	36,114	36,114

\*Data actuals reported for Concurrent Enrollment metrics reflect AY24 due to data submission timelines from state system institutions to OSRHE.



# Projects for FY 2026

- 1) Incentivize institutional performance through performance funding formula updates and revision.
- 2) Review academic program productivity and eliminate or restructure low-producing programs.
- 3) Develop policy framework for 90-hour workforce-related bachelor's degrees.
- 4) Continue to promote collaboration and coordination among state system colleges and universities to ensure access for qualified students in critical programs of study.
- 5) Invest resources in college awareness marketing initiatives that target both traditional and non-traditional student populations and clearly articulate the benefits of earning a college degree.
- 6) Increase enrollment in Oklahoma's Promise.
- 7) Promote effective use of learning management system tools.
- 8) Invest in technology-enabled student experiences that support "hybrid campus" and online education offerings.
- 9) Align resource investments with strategic priorities.
- 10) Maximize economies of scale through expanded opportunities for joint purchasing and contracting among institutions and other partners.
- 11) Expand Artificial Intelligence education and workplace utilization.





# Projects for FY 2027

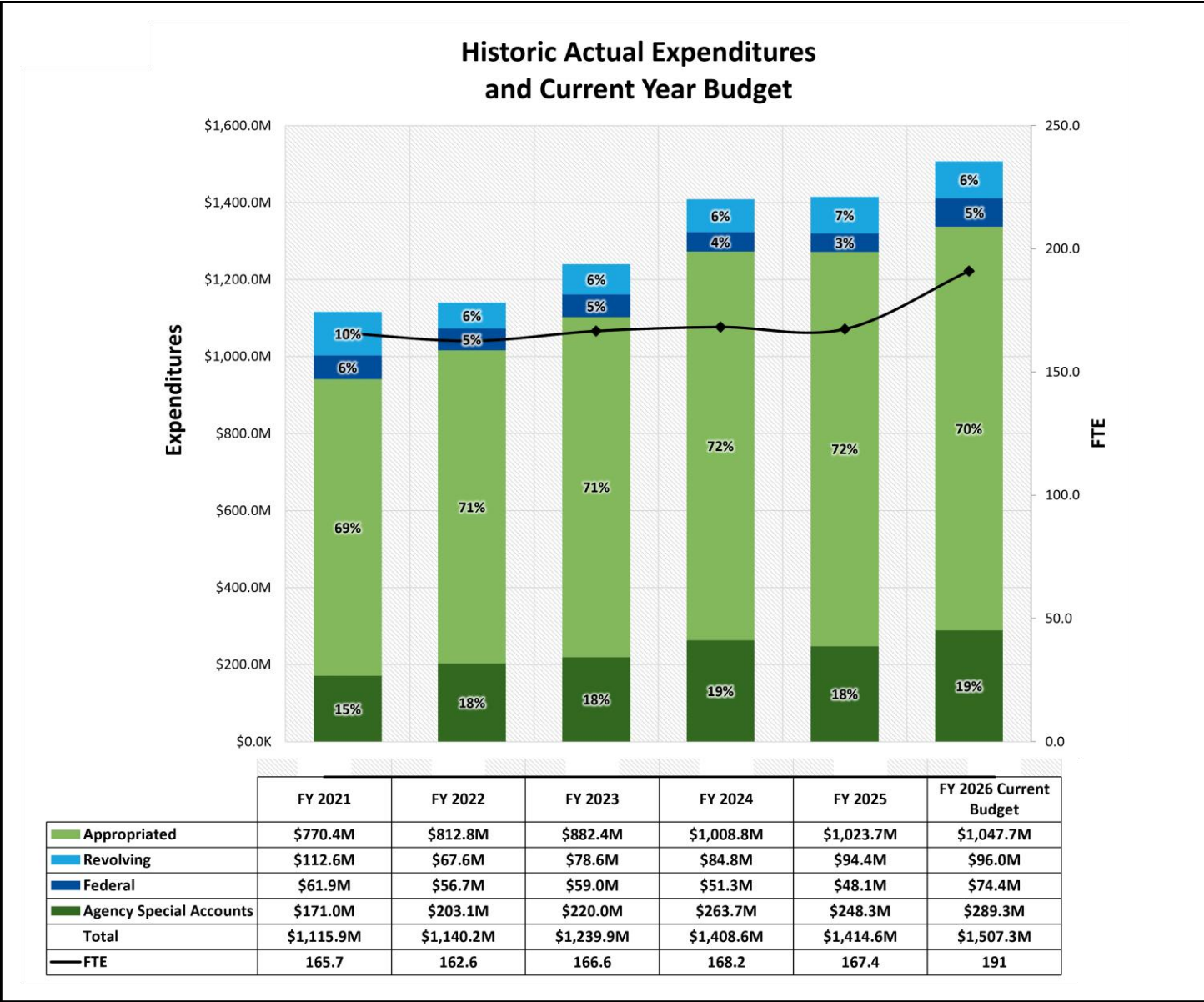
- 1) Continue to expand Artificial Intelligence education and workplace adoption through the “Innovations with AI” grant program.
- 2) Maximize economies of scale through expanded opportunities for joint purchasing and contracting among state system colleges and universities and other partners.
- 3) Support the alignment of academic programs at state system institutions to workforce needs to produce additional STEM and critical occupations degrees.
- 4) Provide financial assistance, specifically for adult learners, to help those students complete unfinished degrees, obtain certifications or micro-credentials, or pursue reskilling or upskilling opportunities.
- 5) Support efforts to increase enrollment in Oklahoma’s Promise scholarship program.



# Total Historic Actual Expenditures (FY 2021-25) and Current Year Budget (FY 2026)

## Explanation of Changes and Trends

- \*Higher Education received an increase in state appropriations for FY26 operations in the amount of \$23.9 million, or 2.34% from the previous year.
- \*Federal funding for ARPA (\$3.1 M) and GEER II (\$3.1 M) funding is included in the federal budget line for FY26.
- \*The FY26 appropriation included \$20.0 million one-time funding from the Progressing Rural Economic Prosperity Fund.
- \*FY26 Debt Service was reduced by \$1.1 million as the result of interest earning credits.



FY2026 Budget includes both unfilled and unfunded vacant positions.



# Estimated Impact of Federal Funding Changes

<i>Program Name</i>	<i>Federal Agency</i>	<i>Description of expected change (s) (i.e. change in state match, admin costs, program requirements or client eligibility, etc.)</i>	<i>Actual FY 25 Total Federal Funding Received (\$)</i>	<i>Projected FY 26 Total Federal Funding To Be Received (\$)</i>	<i>Estimated FY 27 Total Federal Funding To Be Received (\$)</i>
Scholars for Excellence in Child Care	DHS	Expected loss of \$800K of federal funding beginning in FY27 due to program no longer accepting new enrollments for associates and bachelor's degree seeking students. Program will only support certificate programs at community colleges going forward.	\$3,929,977	\$4,759,045	\$3,959,045
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$

*\* Only list programs with federal funding that are expected to change. Refer to the agency's Federal Funds Schedule in the Budget Request document.*





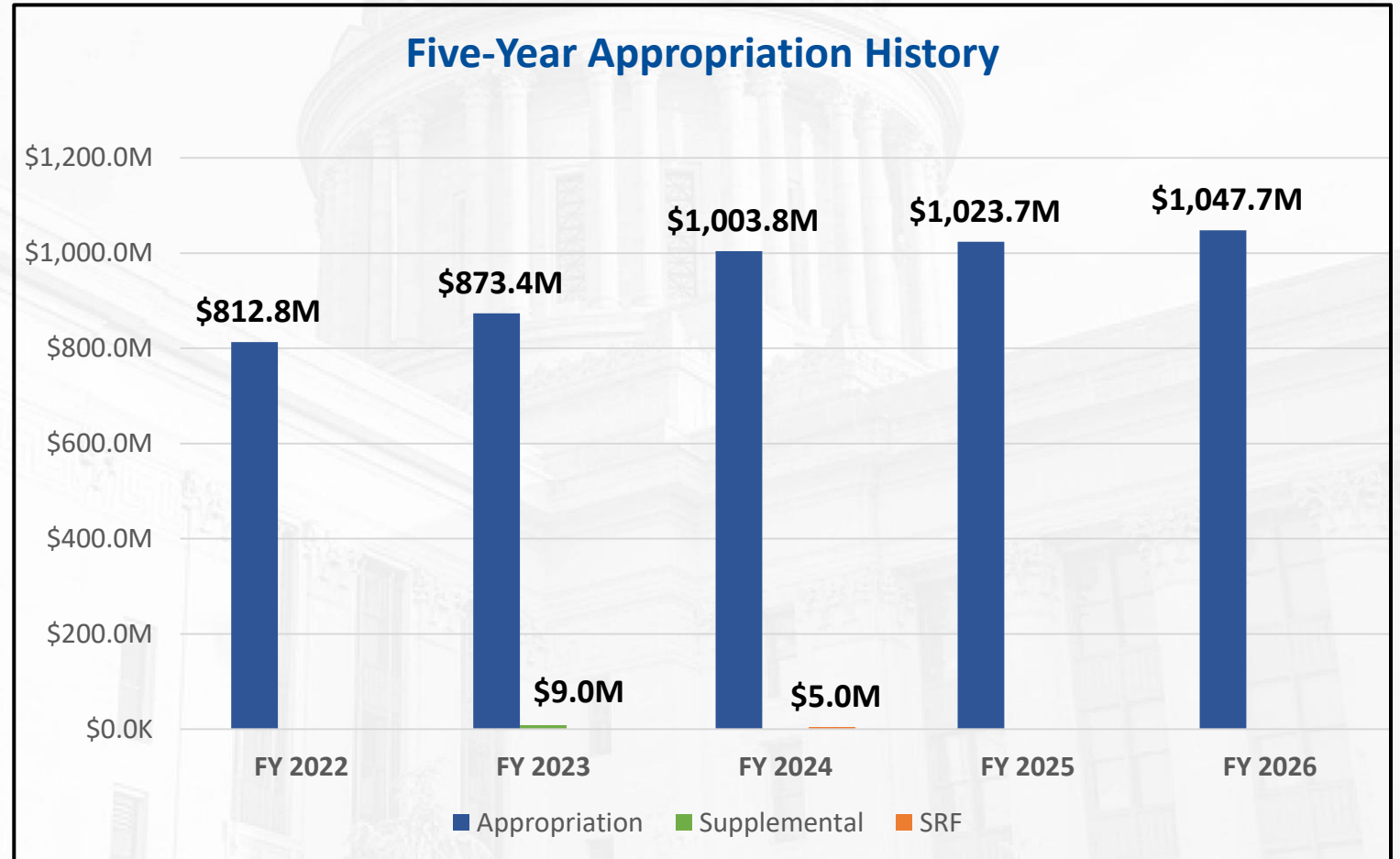
# FY 2026 Budgeted Full Time Equivalents (FTE)



	FY 2026 Budgeted FTE
Total FTE	191
Supervisor FTE	51
Supervisors to Total FTE Ratio (%)	26.7%
Current Budgeted but Unfilled FTE	22

# Appropriation History

Fiscal Year	Legislated Appropriation (\$) (Includes supplementals and SRF/ARPA.)
FY 2022	\$812,819,822
FY 2023*	\$882,405,812
FY 2024*	\$1,008,794,375
FY 2025**	\$1,023,746,221
FY 2026***	\$1,047,665,616



\*FY23 Includes Supplemental and FY24 includes Statewide Recovery Fund (ARPA) appropriations.

\*\*Does not include appropriation of \$56,250,000 in FY25 for Capital Deferred Maintenance.

\*\*\*Does not include appropriation of \$101,250,000 in FY26 for Capital Deferred Maintenance and \$70,740,310 for Oklahoma's Promise.



# Financial Resource Analysis

Carryover	FY 2022	FY 2023	FY 2024	FY 2025
Total appropriated carryover amount expended (\$)	\$690,579	\$833,532	\$704,789	\$386,954

Historical Cash Balances	FY 2022	FY 2023	FY 2024	FY 2025
Year End Revolving Fund Cash Balances <i>(All Revolving Funds)</i>	\$9,879,287	\$12,568,799	\$18,531,491	\$21,287,030

[illegible]

*Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.*



# FY 2024 – 2025 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount FY 2024</i>	<i>Amount FY 2025</i>	<i>Total amount received FY 2024 - 25</i>	<i>Total amount expended by 11/1/2025</i>	<i>Included in FY 2026 approp? (Yes/No)</i>	<i>If not expended fully, please explain.</i>
Performance Formula Operational Increased Funding	\$2,900,000	N/A	\$2,900,000	\$2,900,000	Yes	
Faculty Salary Increases	\$48,900,000	N/A	\$48,900,000	\$48,900,000	Yes	
National Guard Educational Assistance Program	\$12,000,000	N/A	\$12,000,000	\$12,000,000	Yes	
Inspired to Teach Program	\$16,158,000	\$8,500,000	\$24,658,000	\$11,605,646	Yes	We expect this program to grow over the next few years.
Systemwide Telehealth Services Grant Program	\$4,000,000	N/A	\$4,000,000	\$4,000,000	Yes	
Concurrent Enrollment Waiver Program	\$2,000,000	\$975,818	\$2,975,818	\$2,975,818	Yes	
Engineering Initiatives	\$20,000,000	N/A	\$20,000,000	\$20,000,000	Yes	
Scholarships, Debt Service and Program Adjustments	(\$2,000,000)	(\$2,023,972)	(\$4,023,972)	(\$4,023,972)	Yes	



*\*Do not include SRF / ARPA appropriation increases.*

# FY 2024 – 2025 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount FY 2024</i>	<i>Amount FY 2025</i>	<i>Total amount received FY 2024 - 25</i>	<i>Total amount expended by 11/1/2025</i>	<i>Included in FY 2026 approp? (Yes/No)</i>	<i>If not expended fully, please explain.</i>
One-time Insurance Premium Offsets	N/A	\$12,500,000	\$12,500,000	\$12,500,000	Yes	
Deferred Maintenance Capital Funding	N/A	\$56,250,000	\$56,250,000	\$56,250,000	Yes	
<b>Totals</b>	\$103,958,000	\$76,201,846	\$180,159,846	\$180,159,846		



*\*Do not include SRF / ARPA appropriation increases.*

# FY 2026 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Does this need to be included in your FY 2027 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
Oklahoma's Promise	\$740,310	Yes	Yes	
Progressing Rural Economy Prosperity Fund	\$20,000,000	No	N/A	
Mentoring	\$3,000,000	Yes	Yes	
Academic Scholars/Rising Scholars	\$2,000,000	Yes	Yes	
Debt Service/Endowed Chairs	(\$1,080,605)	No	N/A	
Deferred Maintenance Capital Funding	\$101,250,000	Yes	Yes	We are requesting this allotment be released with the next allotment being funded in FY2027.
<b>Total adjustment</b>	<b>\$24,760,955</b>			



*\*Do not include SRF / ARPA appropriation increases.*



# Incremental & Supplemental Request Summary

Request Name		FY 2027 Incremental Appropriation Request Amount (\$) <i>{or FY 2026 for Supplementals}</i>	Type of Request: Recurring, One-time, or Supplemental
1	Critical Workforce Development Initiatives	\$13,500,000	Recurring
2	Institutional Excellence and Student Success	\$43,500,000	Recurring
3	Legislative Initiative and Programming	\$21,500,000	Recurring
4	Deferred Maintenance	\$56,250,000	One-time
5	Institutional Specific Needs Requests	\$291,500,000	One-time



# (1) Incremental Budget Request

<b>Name of Request:</b> Critical Workforce Development Initiatives	
Type: Recurring	\$13,500,000
<p>\$11,500,000 – <b>Critical Occupations and Workforce Initiatives</b> – This funding request will be targeted to maximize access and tools required for increased participation in high-quality STEM education. Strategies employed by our institutions will include efforts to attract students to STEM disciplines, providing flexibility and resources necessary for innovation in the classroom and student support systems to be successful in the STEM disciplines. Further, this funding will be utilized to strategically align academic programs to produce additional graduates in high-demand fields specific to Oklahoma’s workforce gaps including teaching, childcare administration, computer analytics, and healthcare.</p> <p>\$2,000,000 – <b>Adult Degree Completion (Reach Higher) Student Initiatives</b> – More than 400,000 Oklahomans have earned some college credit, but no degree. The State Regents are committed to creating more efficient pathways to degree completion for adult learners, including the development of micro-credentials, providing financial support and expanding student support initiatives specifically for the adult learner.</p>	



## (2) Incremental Budget Request

Name of Request: Institutional Excellence and Student Success	
Type: Recurring	\$43,500,000
<p>\$25,000,000 – <b>Performance Based Allocations</b> – Discretionary funding for our colleges and universities to address operating obligations that include faculty salaries, risk management, utilities, library acquisitions, equipment and supplies.</p> <p>\$10,000,000 – <b>Student Success and Support Services</b> – Funding will be used to support student access and success through student support services and strategies to develop academic skills, college readiness, and strengthening pathways for degree completion.</p> <p>\$2,000,000 – <b>Innovation, Shared Services and Efficiency</b> – Development of shared services including people, processes and technologies to achieve efficiencies within the state system.</p> <p>\$6,500,000 – <b>Campus Safety, Security and Cybersecurity</b> – Investment in both physical and cyber security measures and deployment of security controls across networks and platforms required to maintain a safe environment for learning.</p>	



# (3) Incremental Budget Request

Name of Request: Legislative Initiative and Programming	
Type: Recurring	\$21,500,000
<p>\$5,500,000 – <b>Strong Readers Act</b> – Funding will support the staffing, development of curricular requirements, advisement, assessments and instruction required to implement the requirements of the legislation known as the Strong Readers Act.</p> <p>\$6,000,000 – <b>Concurrent Enrollment Tuition Waiver Program</b> – Funding will support increased participation in the program for qualified junior and senior high school student enrolled concurrently in colleges and universities. In Fall 2024, almost 19,000 students enrolled and generated over 176,900 credit hours. Fall 2025 preliminary enrollment indicates an increase of 8.0 percent in concurrently enrolled students.</p> <p>\$8,000,000 – <b>Oklahoma Rising Scholars (formally named the Academic Scholars Program)</b> – Funding will support the costs of expanding the scholarship award to cover the full cost of attendance for up to five years of undergraduate and/or graduate study in public or private institutions of higher education in Oklahoma, for students meeting certain exceptional academic criteria.</p> <p>\$2,000,000 – <b>National Guard Educational Assistance Program</b> – This program covers a full waiver of resident tuition, mandatory and academic service fees for eligible members of the National Guard enrolled in public colleges and universities for up to 18 credit hours each semester. Funding will support the continued growth of the program, currently serving 1,200 guard members.</p>	





# (4) Incremental Budget Request

Name of Request: Deferred Maintenance	
Type: One-Time	\$56,250,000
<p><b>Deferred maintenance</b> and capital needs are present at every system institution. Our institutions have estimated over \$1.9 billion in need to address deferred maintenance throughout the state system. The funding appropriated in 2024 was accelerated into FY26 and will be deployed to begin to address this critical funding need. Funding will support efforts to continue deferred maintenance remediation as quickly as possible to maximize the use of Oklahoma Capital Asset Maintenance and Protection funding as inflationary pressures are anticipated to only increase in the coming years.</p> <p>Anticipated uses of allocated funds include deferred maintenance, Americans with Disabilities Act (ADA) compliance requirements, critical infrastructure improvements, heating and cooling systems, roofing requirements, and elevators, as examples.</p>	





# (5) Incremental Budget Request

Name of Request: Institutional Specific Needs Requests	
Type: One-Time	\$291,500,000
<p>\$2,000,000 – <b>State Regents’ Administration Modernization and Upgrades</b> – Funding will support efforts to modernize the data-platform utilized by the State Regents for data collection that supports a funding formula revision and measured outcomes for the state system.</p> <p>\$3,500,000 – <b>State System Collaboration and Consolidation Assistance Fund</b> – Innovation and collaboration are important components of the viability of our system. As our institutions continue to promote projects that include collaboration among strategic partners, this funding will be used to provide incentives and start-up funding that in time will lead to long-term efficiencies within our state system.</p> <p>\$286,000,000 – <b>Institutional Specific Operational Allocations</b> – Institutional specific funding requests for initiatives that include staffing and compensation plans, academic programs needs, workforce and STEM priorities, research expansion, scholarships and other general operating increases.</p> <ul style="list-style-type: none"><li>**Research Tier – University of Oklahoma and Oklahoma State University – \$68,000,000 each</li><li>** Regional Tier/Four-Year Tier – \$60,000,000</li><li>**Two-Year Tier – \$20,000,000</li><li>**Constituent Agencies – \$70,000,000</li></ul>	





# Appendix

# Oklahoma Public Higher Education – Fast Facts

**\$14.61B**

total impact on  
state economy



**\$1 = \$17.48**



**91%**

**↑28.8%**

STEM degrees  
over the last 10 years



**COST OF ATTENDANCE**

among the lowest  
in the nation

## **\$ Economic Impact**

The Oklahoma state system of higher education **contributed \$14.61 billion** to the state's economy in FY24.

## **Return on Investment**

Every dollar of state appropriations invested in state system colleges and universities yields **\$17.48 in economic output**, demonstrating a substantial return on investment for Oklahoma taxpayers.

## **Oklahoma Jobs**

**Over 91%** of Oklahomans who graduate from a state system college or university remain and work in the state one year after graduation.

## **Degrees in STEM**

The number of STEM degrees conferred by state system institutions at all levels **increased 28.8%** over the last 10 years.

## **\$ Cost of Attendance**

Data from the National Center for Education Statistics show the cost of attendance at Oklahoma universities is **among the lowest in the nation**.

